



Documentation Regional development instruments

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Federal Ministry for the
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and Nuclear Safety



Bavarian State
Ministry of the
Environment,
Public Health
and Consumer
Protection

Interreg III B

General Data

Name of instrument:	Local tax of equipment (Taxe locale d'équipement- TLH)
Country / region:	FR
Spatial level:	local
Type:	Economic instruments
Subtype:	Steering taxes
Description:	The local tax of equipment is established on construction, the rebuilding and the enlarging of the buildings of any nature. It is paid by the builders. It applies  full right in the communes of more than 10.000 inhabitants. Town councils can however give up by deliberation levying the tax. It is optional in the other communes. The intermunicipal cooperation structures having competence for the realization of public equipment of infrastructures can also decide to levy the local tax of equipment. The town council can give up perceiving in all or partly the tax on the buildings of dwelling built by organizations of housing public sector or can exempt tax of the agricultural buildings. The base of the tax is the value of the unit real estate including the grounds necessary to construction and the buildings whose construction must be the subject of the authorization to build. The rate of the tax is fixed by the law at 1% of the value of the unit real estate and can be carried up to 5% per deliberation of the town council. The product of this tax is registered with the section of investment of the budget of the profit community and constitutes a total revenue from taxes usable freely.
General objectives:	Partly compensate for the cost of the equipment necessary to the realization of construction programs which are the responsibility of the communes
General Objectives keywords:	municipal infrastructure costs ; municipal budget ;
Responsible:	Local authority/Municipal council
Stakeholder Involved:	Entrepreneurs/businessmen
Stakeholder Involved:	Private individuals
Reference:	Urban planning et General tax codes
General assessment of strength and weakness:	Although this tax represents only one modest share of the resources of the communes, it is interesting to note that they envisages a certain number of exemptions, which ensure a certain coherence with other urban planning instruments placed at the disposal of the communes. They concern for example constructions which are intended to be assigned to a public utility, the constructions built in the concerted development zones (ZAC) when the cost of the equipment was put at the load of the developer; the constructions built in the sectors of the commune where a program of overall installation was approved by the town council

	when this last decided to put at charge of the developers whole or part of the cost of the equipment public realized.
Metadata:	Date of entry: 2007/03/15 Contact: Ifuplan, Schleißheimer Str. 156, 80797 München
Implementation	
Legal status:	not-mandatory for responsible body, BUT mandatory for end-user
Extension:	very frequent (> 50 % municipalities)
Type of monitoring:	Qualitative / descriptive reporting
Assessment	
Relevance	
Status:	strong indirect relevance
Ranking:	2
Remark:	-
Acceptance	
Status:	municipal administration. Local economy, environmental NGOs, municipal residents, superordinate administrations
Ranking:	5
Remark:	as the instrument is not mandatory but used very frequent it is estimated as highly accepted
Implementation	
Status:	-
Ranking:	4
Remark:	-
Feasibility	
Status:	Legislation, Political will, Staff
Ranking:	3
Remark:	Staff requirement for tax collection
Effectiveness	
Status:	Acceptability
Ranking:	1
Remark:	-