



REGISTER NOW ON IMMOVABLE PROPERTY TAX

This is provided by the law N°75/2018 of 07/09/2018 determining the source of revenue and property of decentralized entities.

Immovable property tax: tax levied on property that has a fixed location and cannot be moved elsewhere and improvements thereto.

Improvements: immovable structures or amenities that are not buildings but increase the actual value of a plot of land or a building;

Change of ownership of property:

- In case of transfer of ownership of an immovable property for any reason within the tax period, the acquirer of immovable property is liable for tax from the date of the transfer.
- If the former owner of the immovable property fails to meet his/her tax obligations, he/she is liable for payment of the fines and late payment interests in accordance with the provisions of the law N°75/2018.

Immovable property tax base:

- The immovable property tax is levied on the market value of a building and surface of a plot of land.
- If the immovable property consists of a plot of land that is not built, the tax on immovable property is calculated on each square meter of the whole surface of the plot of land.
- Where the immovable property consists of a plot of land, a building and its improvements, the tax on immovable property for a plot of land is calculated separately in accordance with the provisions of Paragraph 2 of Article 11 of law N°75/2018, while the tax on the building and its improvements is based on the market value.

Immovable property exempted from immovable property tax:

- One building whose owner intends for occupancy for dwelling purposes and its annex buildings located in a residential plot for one family. That building remains considered as his/her dwelling even when he/she does not occupy it for various reasons; but land tax is not exempted;
- Immovable property determined by the District Council and donated to vulnerable groups;



- Immovable property belonging to the State, Province, decentralized entities as well as public institutions except if they are used for profit-making activities or for leasing;
- Immovable property belonging to foreign diplomatic missions in Rwanda if their countries do not levy tax on immovable property of Rwanda’s diplomatic missions;
- Land used for agricultural and livestock activities which area is equal to or less than two hectares (2ha);
- Land reserved for construction of houses in rural areas but where no basic infrastructure has been erected;

Tax rate of immovable property tax

1. Land tax rates

The tax rate on plot of land varies between zero (0) and three hundred Rwandan francs (FRW 300) per square meter.

The District Council determines the tax rate on square meter of plot of land based on criteria and standard rates set by an Order of the Minister in charge of taxes.

2. Building Tax rates

The following table indicates the building tax rates:

Usage	Year 1	(Year 2)	(Year 3)	(Year 4)
Residential buildings	0.25%	0.50%	0.75%	1%
Commercial buildings	0.20%	0.30%	0.40%	0.50%
Industrial buildings and SMEs	0.10%	0.10%	0.10%	0.10%
Others	0.10%	0.10%	0.10%	0.10%

Requirements during property registration:

- All UPI numbers of land in possession.
- Active cell phone number.
- If land is developed (Yes/No).
- One building whose owner intends for occupancy for dwelling purposes and its annex buildings located in a residential plot for one family. That building remains considered as his/her dwelling even when he/she does not occupy it for various reasons.

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