Shelter Sector Reform Project
Newly Independent States of the Former Soviet Union

An ICMA Report

Prepared for the Office of Housing and Urban Programs
Agency for International Development

Recommendations for Creating Property Titling and Real Estate Information Systems To Support Property Tax Systems and the Privatization Process in Kazakhstan

KAZAKHSTAN

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By

Joseph K. Eckert, PhD., United States
Natasha Kalinina, PhD., Russian Federation

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Abstract

This report discusses the institutions in Kazakhstan that are responsible for legal titling and administration of the property tax. It outlines the major functions of these institutions and recommends a strategy to create an efficient and automated real estate information system that is capable of recording and creating property titles and valuing property for tax and privatization purposes.

Executive Summary

The purpose of the visit of Dr. Joseph K. Eckert and Dr. Natasha Kalinina to the Republic of Kazakhstan was to investigate the status of the existing legal framework relative to property registration, including land taxes and taxes on immovable property, visit existing institutions that currently function or might in the future function as a legal and fiscal cadastre, and work with federal and local officials to articulate a strategy for connecting, changing or augmenting existing institutions, so that the implementation of the land tax and tax on immovable property could be done efficiently. The investigation was carried out at the federal level as well as with local officials in Almaty (Alma-Ata) and Karaganda.

The basic research was done using both site visits and formal and informal educational forums. The investigation and recommendations were based on the premise that meaningful and implementable strategies for building operational legal and fiscal cadastres could be accomplished if local policy makers were asked to play a significant role in the design of their own systems. The consequence of this premise was that in both the interview sessions and the formal and informal education programs we attempted to lay out general principles relative to the design of legal and fiscal cadastres, give demonstrations of working systems from other countries, and then ask for input as to how relevant to the situation in Kazakhstan our generic information and demonstration had been.

Relative to our institutional search we tried to identify and visit institutions that:

1. Recorded and maintained the physical characteristics of both land and improvements.
2. Developed or applied valuations of land and improvements.
3. Managed and enforced tax collections.

With each visit we attempted to verify that our initial impressions were correct relative to current functions, document other functions that we had not anticipated, and understand the information flows to and from the particular agency.

As part of our formal educational efforts, we organized one seminar for government officials in which we provided an overview of the elements of an efficient tax system, presented basic information on the structures needed to administer the property tax, and introduced basic concepts of valuation and the development of land titling and land information systems. An important part of the seminar was the presentation and completion of an interactive case study that provided the forum for the audience to share with each other different prototype designs for a legal and fiscal cadastre for Kazakhstan.

The initial conclusions based on the interviews and the assigned case study done in the context of the course are:

1. The institutions and data needed to create workable fiscal and legal cadastres are in principle already in place. The major exception is the formal recording with the government of actual market-based transaction prices. (A fiscal cadastre is a permanent institution that records the physical features and valuation of property. A legal cadastre is a permanent institution that records for a property the owner and legal rights and creates legal titles.)

2. The titling process (i.e., legal cadastre) for residences and apartments is already in place. Similar systems for commercial and industrial property, land-leases, and ownership of businesses should also be put in place. Title documents should be designed, with the property identified first, then owners and their rights listed, starting with current owners and all historical owners.

3. The tax on land and property of physical persons is underutilized as a source of local revenues. It could be a major source of local revenue that would not be competitive with republic-level sources and could provide the resources needed to decentralize services from the republic level to the local government level.

4. The structure of existing institutions needs to accommodate training of individuals in the valuation and assessment functions as they are implemented within a market system.

5. Resources should be devoted to development of the comprehensive information system that would automate existing records and retrieval processes in those existing institutions, with responsibility for privatization and land records, that could function as principal components in a legal titling and property tax system. A coordinating council made up of representatives of affected republic-level ministries and municipal departments should be created to coordinate this effort.

6. A formal marketing monitoring unit needs to be created that would collect data on transactions from both informal and formal sources and be a source of market information for the valuation process.

7. Both the law on the land tax and the law on the tax on property owned by physical persons should be changed to allow a true ad valorem base.

8. A law on the taxing of property of judicial persons should be enacted.

A possible future role that could be provided by USAID/ICMA would address some of the issues raised in 2, 3, 4, 5 and 6 above:

1. Technical assistance should be given that would help provide the legal framework and systems design for a true registration of deeds legal cadastre system. Design will include the concepts that this institution will record legal rights on all types of property, and the record system will center on the property rather than the owner. The succession of owners and their rights would appear on the property record. This would ensure fewer disputes in the future. It is proposed that this system be placed in the local BTI offices.

2. Technical assistance should be given that would aid in the design of a comprehensive computerized information system to tie together the information basis of the institutions responsible for legal titling, land and building property inventory, valuation, mapping, billing and collections. This system and the data it contains could become the bases of a geographic information system (GIS) that could be developed over time and would integrate data from all municipal reports. Base maps and information in the legal and fiscal cadastre are typically considered two layers in a comprehensive GIS system. Based on this study, USAID should consider providing the actual hardware and software to automate the system.

3. To address the deficit noted above relative to reported market transactions, a project should be funded whose purpose is to determine if informal sources of information such as brokers and buyers and sellers could be used as reliable proxies for true market information. This project should be placed in the BTI offices responsible for valuation with the current system. Successful projects of this type are already in place in Moscow Russia and Kracao Poland. The Poland project is USAID funded.

4. Training needs to be provided in both mass and individual valuation techniques. This training would support the valuation and assessment units in determining mass valuation for property tax purposes and individual valuation for privatization activities.

5. A pilot project should be funded that would make operational the product-type legal and fiscal cadastre and computerized information system in a representative municipality.

The remainder of this report has the following organization:

Section 1. This section describes the institutions that are relevant to legal titling

and property tax administration and indicates the functions that these institutions currently perform.

Section 2. This section describes the rational for a strong property tax in Kazakhstan.

Section 3. This section describes recommendations for an efficient administration of legal titling and property tax administration. In addition, it suggests areas of opportunity for further USAID/ICMA technical assistance.

Annex 1. This annex describes the organization of the seminar and supplies all teaching materials.

Annex 2. This annex describes the software demonstration that we gave and lists institutions that received a copy of the demonstrated software.

Annex 3. List of appointments, ministries and committees visited.

Annex 4. List of institutions to receive report.

Section 1

Brief Overview of the Institutional and Legal Context of the Legal Titling and the Property Tax System

Currently, real estate as a subject of taxation is categorized as follows in the Republic of Kazakhstan: land, property of physical persons (mainly housing and buildings), and property of juridical persons (non-residential buildings, capital assets). Property rights (as to possession) and the scenario of privatization will differ depending on which category is involved.

Land is owned by the state and given as a lease for a certain term or for life-long use, which can be inherited. Currently, registration of users is being carried out as well as formal documentation of rights of lessees/users. The method of allocation and use terms on agricultural land differs from that of urban land. Oversight is provided by different governmental agencies.

Privatization of housing and record-keeping for housing ownership also differ from privatization of enterprises and are governed by separate institutions.

Chart A provides a systematic diagram of the major institutions that govern real estate activity and establish the general "rules of the game," each of which is described below.

The State Committee on Land and Land Property of the Republic of Kazakhstan was set up to implement the land reforms and improve the land recording system and control of land use. It consists of vertically structured land committees and land planning institutions (GIPROZEMs). The main functions are:

Land allocation: preparation of decisions made by the authority, documents -- state "Act" on land-use -- for physical and juridical persons. This Act is a

document given to the lessee by the government. It lists the characteristics of the plot. When the lease rights are transferred, a new Act (document) is issued. Copies are kept at the land committees and registered in special books. A financial analysis is also done prior to the final decision on allocation, to ensure the viability of the project.

Inventory and control over land use, and preparation of administrative decisions on dispossession when land is misused

Development of land cadastre

Mapping: soil, vegetation and others

Soil productivity studies: evaluation of quality according to classification of lands

Land rights are given as a life-long inherited lease. One cannot sell the plot, but if the building is sold the lease rights are transferred to a new owner after formal approval of the land committee. A decision on automatic (without approval) transfer is under consideration.

When land is first allocated, the following allocation procedure is applied:

> The application forms are turned over to the authorities, indicating the size and the most preferred location. Then one receives permission for further coordination with different institutions. After the land committee's approval, the municipality allocates the land and confirms the state Act. Then the allocation is registered at the land committee.

The draft law on property permits transfers of lease rights (sales, pledges, and other

transactions).

The allocation of land on the basis of auctions and bidding process is not in place.

Lump-sum payments for allocation have been defined by Provision N58 and may not exceed 150 thousand rubles per hectare. By provision of government, multipliers are used for suburban areas. The boundary lines for suburban plots are defined by the ooblast-level authorities.

According to the Land Code, land can be taken away from users without their consent for the state's needs. These decisions are subject to court appeals by users (practically, there haven't been cases of this kind, according to the Kazgiprozem's experts). Compensation is provided for dispossession of land.

In practice, decisions on land transfers from one owner to another are achieved on the basis of mutual agreement. Most often agricultural enterprises demand development of infrastructures (gas pipelines, sewerage, social infrastructure, etc.) as a complementary compensation. The terms of transaction are not officially registered, as a rule.

In urban communities land recording and mapping are carried out by the architect-planning departments (GlavAPU) as a part of local executive authorities. Currently they transfer part of their functions to the newly created land committees.

Parcel allocation is done in conjunction with the Master Plan of a city (developed by the Master-plan institutes at the request of the chief architect's department and confirmed by the Cabinet of Ministers). GlavAPU provides control over the quality of projects (buildings are designed by the GIPROGOR Institute), construction process, and best use of lands. It keeps a record of boundary lines between parcels and registers land allocation based on administrative decisions (what parcel, when, to whom, on which decision).

Valuation of the quality of urban land, aimed at applying a differential approach to land rents and the land tax, was designed by the MasterPlan (GenPlan) Institute. It is not, however, based on an analysis of the market prices of improvements. These prices could be analyzed using proven techniques to yield a location value of land based on total property prices, therefore grounded in the market rather than based on subjective judgment.

The State Committee on Property of The Republic of Kazakhstan -- a vertically organized structure -- was set up to upgrade the efficiency of administration of state property and to implement the privatization program.

It defines the scenario and tactics of destatization of property (in three ways: privatization of bigger or unique enterprises, mass coupons privatization, privatization of small businesses). It distributes the state Acts certifying property rights and registering subjects of ownership.

The Bureau of Technical Inventory: This agency is responsible for record-keeping of physical characteristics and value of all residential and public buildings and apartments, inventory and valuation of any other estates (including enterprises), record keeping of owners, and history of ownership (dwelling units). It is the information supply source for all the enumerated institutions. This organization was a vertically organized federal structure but is now municipal and independent from federal agencies. The physical descriptions of property are not computerized. The ownership records supplied by the department of housing are computerized and are maintained in a data base. Owners can request titles from the BTI as proof of ownership of their apartments.

The Department of Housing: The local department handles privatization of housing, distribution of ownership certificates, migration control by means of residential permits, and approvals for purchasing apartments in the city. The housing

privatization law of the Republic stipulates that the local Soviets would create the administrative structure to administer the Act, and this local institution was assigned the responsibility in Almaty (Alma Ata). The records of this department are not computerized. They send information to the BTI that is entered into the BTI computer system.

The State Tax Inspectorate of Kazakhstan is a vertically organized federal structure, part of the Ministry of Finance, that carries out collection of land and property taxes. It writes out bills, verifies information provided by the owners at different institutions (buildings, BTI land, land committees), clarifies the order of payments and controls, and applies sanctions. Its records and system are not completely computerized. A contract with the German firm Siemens will provide the agency with hardware and some generic software. This work is financed by a loan from the German Government.

Current Property Taxes: Two types of property taxes are in place at present. The Land Tax was established by the Law on The Land Tax in December 1991 as a fixed annual payment per square meter. The rates vary for lands in urban areas: for juridical persons, 0.1 ruble per square meter in rural areas, in Almaty (Alma-Ata) city up to 7.5 rubles; for physical persons from 0.01 rubles to 0.05 rubles per. The rates for agricultural lands vary depending on productivity of lands (measured by special rates)--from 100 rubles per hectare to 1100 rubles. (See Appendix 2 for the text of the law.)

Land tax funds are distributed among the republic's budget (10%), oblasts' budgets (20%) and local budgets. Local authorities can change rates of the land tax but are limited by law to no more than twice the published rates.

A property tax on physical persons was enacted in December 1991. The property tax levied on physical persons is 0.1% of the inventory value of the building. Inventory value is considerably lower than a market price.

For example, a three-room apartment in a house built in 1988 was valued at 16.5 thousand rubles or 255 rubles per sq m of total area. Meanwhile, the black market price for prestigious apartments reached 250 thousand rubles per square meter.

According to estimations by the Ministry of Finance, more than half the population does not pay the tax as non-taxed minimal value of the apartment (20 thousand rubles) exceeds the balance-value. Pensioners, invalids, and other categories are also exempt.

Property tax revenues were about one ten thousandth (0.0001) of the consolidated budget in 1992. Property tax on physical persons is transferred to the local budgets. The tax on property of juridical persons/legal entities is absent.

Thus, homeowners pay both the land tax and the property tax (and obligatory insurance), but legal entities pay only the land tax.

The tax policy administration of the Ministry of Finance makes recommendations in the area of taxation for the government and parliament of Kazakhstan. In the near future, they do not plan to recommend increasing the property tax burden, which they believe is already too high because of income taxes and the value-added tax. We believe that this is a mistake and that the property tax facilitates many economic development goals and should be strengthened. (See Section 3 for more discussion on this topic.)

<u>Critique of current management and information flows and prospective developments (view from inside and outside)</u>:

1. The current taxes on land and property are not ad valorem. Ad valorem (based on market value) taxes are more favorable when inflation is increasing. (Even low tax rates might be able to provide considerable revenues due to fast appreciation of real

estate under inflation, so property tax revenues could compensate losses in other tax bases.)

2. The balance-values of estates (which are the basis of the tax on physical persons) are not adjusted for change in construction costs or market values. The exemption programs are broad. Taxation is a civilized procedure for redistributing public wealth and subsidizing the most vulnerable groups. This aid should be carefully targeted rather than broadly distributed without regard to need. Productivity indexes that are the bases for the land tax could easily be converted to ad valorem values by an income capitalization procedure. Also, the model that adjusts the tax on urban land for location and other factors is not calibrated based on market information at present.

3. The Act on land-lease, which serves as a legal title document (and, presumably, titles on immovable) is poorly organized. It first identifies owner/lessees, rather than the property. Thus, it often cannot be used to transfer rights from one owner to another. The form of the Act should be changed to list first a characteristic of the property, then the registered owners in sequence. That would simplify registration and transfer of property rights and the addition of encumbrances (for example, a mortgage) as well as computerization of records.

4. Finally, the administrative structure of property registration and valuation should be adjusted. To decrease costs and rationalize administration, it is necessary to concentrate all functions within one institution. Automated recording and registration of rights can be combined with titling and other documents of clients, homeowners, mortgage banks, tax inspectorates, developers, etc. All privatization articles of all committees responsible for privatization should provide complete information to those who will be maintaining the permanent files and creating title documents.

A logical place for this would be the BTI. Currently only the department of housing is providing the BTI with all information on privatization in Almaty (Alma-Ata). The BTI enters this information into a micro system and creates title documents for apartment owners.

In the long run both the federal and local privatization committees will no longer be needed. Exchanges of property will occur between private individuals. An organization to handle the records of these transactions should therefore be established to ensure minimum transaction costs and guarantee the validity of existing titles and land rights.

Section 2

Rationale For An Efficient Property Tax System

This section provides a general rationale for a tax on immovable property. It identifies the relative strengths and weaknesses of property taxes in comparison to other major types of taxes, and argues for a greater role for the tax in Kazakhstan.

2.1 Taxes and Tax Systems

The International Monetary Fund (IMF) defines taxes as "unrequited compulsory payments to government." In addition to property taxes, major types of taxes include

- Income taxes (including taxes on profits, capital gains, social security contributions, and payrolls of the work force)
- Domestic taxes on goods and services (including general sales, turnover, and value-added taxes)
- Excise taxes
- Taxes on profits of fiscal monopolies
- Taxes on specific services
- Taxes on use of goods, permission to use goods, or to perform activities
- Taxes on international trade and transactions (including import and export duties)

Taxes may be classified according to the levels of government that impose them and the bodies that administer them. Taxes also may be classified in other ways for other purposes.

Payment of a tax is an economic transaction in which the taxpayer gives up something of value (usually cash) and the government receives it. (Taxpayers may, in return, expect services, which governments are obliged to deliver if they wish to enjoy popular support.) Thus there are two fundamental perspectives on taxation: that of the taxpayer, who also bears compliance costs, and that of the tax recipients. Taxation also involves administrative costs, which may or may not be borne by the governments that receive revenue from a particular tax.

The term "system" is used in several contexts. A "tax system" is analyzed as part of a more general social or economic system. In this context, a system may be thought of as consisting of policies (as reflected in laws and customs), procedures, data, technology, and people. There is a time dimension as well; economic and social forces cause tax systems to change.

From another perspective, a tax system may be thought of as having three components: (1) administrative or internal control, (2) assessment, and (3) collection. The administrative component controls the other two. The assessment component determines who is to pay a tax and how much they are to pay. The collection component receives tax payments, accounts for them, and places tax receipts in the appropriate treasury. There are two fundamental variants in tax systems: self-assessed taxes, in which taxpayers make the initial determination of the amount of taxes due, and taxes assessed by the administration. Successful systems for taxing immovable property fall in the latter category. Income, value added, and sales taxes generally fall into the former category.

Figure 2-1. Components of a Tax System

Administration

Assessment Collection

The setting of a tax system and its components provide a framework for evaluation. That framework consists of government organization and roles, the fiscal system (and the relative importance of taxes on immovable property), alternative types of property taxes, the tax base, responsibility for payment, and administration and coordination. First, a framework for evaluating taxes is presented, with emphasis on taxes on immovable property.

2.2 Standards for Evaluation

The decision to impose a particular tax and the reliance placed upon it will depend on cultural and economic factors, governmental structure, and the functions of government. Cultures and economies change. As recent events in central and eastern Europe make clear, attitudes about the proper functions of government change. These changes put pressure on the governmental structures and tax systems.

Economists, political observers, and others have proposed criteria for evaluating taxes in a changing environment. We discuss these and other criteria below, under the general headings of administrative, social justice, economic, and political automony and accountability. Some criteria overlap or are complementary. Other criteria conflict and are mutually contradictory. Certain of the criteria relate to the functions of government discussed in the next section. In the final analysis, they are based on common sense and human nature.

2.2.1 Administrative

Fundamentally, the cost of paying a tax (the amount of the tax plus compliance costs) should be less than the cost of avoidance. When this condition is met, a tax will generate revenue. The next question that might be asked is: Does or will the tax produce sufficient revenue? The purpose of most taxes is, after all, to raise revenue. (Taxes may have other purposes, to be discussed later.)

Revenue sufficiency depends on needs and other circumstances. Revenue also must be sufficient over time, leading to a concern about tax base buoyancy. Revenue sufficiency often is measured in terms of a multiple of administrative cost. For taxes on immovable property, the multiple usually ranges from 50 to 100. Looked at another way, the cost of administering a tax should be as low as possible. In other words routine costs of administering a tax on immovable property, after the start-up period is complete, should amount to no more than 1 to 2 percent of revenue.

Regarding the concepts of **certainty** and **neutrality** (discussed below), the characteristics of a tax and its administration affect both avoidance, which is legal, and evasion, which is not. The United States

Advisory Commission on Intergovernmental Relations (ACIR) has identified a related criterion, **legitimacy**, which is obtained when there is legal authority (or legal support) for the tax and its administration. Legal standards should be enforceable, and tax administrators should enforce the standards. Enforceability depends on the economy, cultural traditions, how political power is arrayed, available technology, and other factors. It does no good to have idealistic but unrealistic standards.

There are several related recurring themes. The idea of **simplicity** in taxation is one. **Openness** and well-informed taxpayers are others (see the discussion of accountability below). A simple tax is more readily understood and accepted by the public. Costs of administration and compliance are lower.

The ACIR describes **technical proficiency** as an important characteristic. In Property Appraisal and Assessment Administration, the IAAO has identified the skills, tools, and procedures necessary for effective administration of taxes on immovable property. Generally, compared to other taxes on income flows, the property tax is simple to administer, hard to avoid, and provides certainty.

2.2.2 Social Justice

Notions of social justice underlie several common evaluative criteria. Fairness, equity, and uniformity predominate. In reality, however, taxes often overburden the politically weak and favor the politically powerful.

Equity has two dimensions: vertical and horizontal. **Horizontal equity** is achieved when equally situated taxpayers are taxed equally. **Vertical equity** is achieved when dissimilar taxpayers are taxed proportionally. In the case of an ad valorem tax on immovable property, horizontal equity is achieved when two properties that have the same market value have the same assessment. Vertical equity is achieved when assessments are the same percentage of value, regardless of the value of the properties.

Horizontal Equity

Taxpayer	Property Type	Market Value	Assessed Value
A	Residence	100,000	93,000
B	Residence	100,000	93,000
C	Residence	250,000	232,500
D	Store	250,000	232,500
E	Farm	500,000	465,000
F	Factory	500,000	465,000

Vertical Equity

Taxpayer	Property Type	Market Value	Assd. Value	Ratio
A	Residence	50,000	37,500	0.75
B	Residence	65,000	48,750	0.75
C	Store	90,000	67,500	0.75
D	Residence	200,000	150,000	0.75
E	Store	500,000	375,000	0.75

In practice, vertical equity is difficult to achieve. Assessments are often regressive. That is, the assessments do not represent current market value, with the result that lower-value properties pay proportionately more taxes than higher-value properties. Taxes also may be regressive when measured against the wealth of taxpayers or their ability to pay (see below). (The term "degressive" is a synonym for "regressive.")

Sometimes property taxes are designed to be progressive, the opposite of regressive. In practice, steeply progressive tax rates encourage concealment of property holdings and the division of properties into smaller components.

In evaluating the effects of a tax it is important to consider the **incidence** of the tax.

Tax incidence has to do with who ultimately bears a tax as opposed to the person who initially pays it. For example, the owner of an apartment block may initially pay an immovable property tax, but if that owner can pass along the tax payments to tenants in the form of higher rents, the tenants ultimately bear the tax. The analysis of property tax incidence is very complicated. At first glance, property taxes appear inherently regressive, and out-of-date valuations tend to aggravate any regressivity. However, more careful analyses from a national perspective that also consider property types suggest that property taxes are proportional, if not progressive.

Two common standards that often conflict are **ability to pay** and **benefits received** (discussed below). Ability to pay is measured by available income or savings. A tax will not raise sufficient revenue if taxpayers do not have money to pay it. The wealthier the taxpayer, the easier it is to pay. The property tax is a tax on wealth, and wealth represents an ability to produce income. Of course, property assets cannot always be readily converted to cash.

A general property tax--a tax on the value of all real (immovable) and personal (movable) property--arguably meets the ability to pay criterion, because such a tax subjects all wealth to taxation. A tax on immovable property alone, the most common form of property taxation, does not compare as favorably, because a considerable percentage of all wealth is untaxed. However, a tax on immovable property is easier to administer fairly because much movable property is difficult to discover and value accurately.

Recognizing that a uniform tax on immovable property can produce financial hardships, the ACIR has articulated a "compassion" standard. Tax systems should be designed to reduce extraordinary tax burdens.

Ability to pay relates to the distribution role of government discussed in the next chapter. Income redistribution is not usually an objective of property taxation.

However, property taxes can be designed to discourage accumulations of property (wealth) or break up large land holdings through progressive rate structures and gains taxes. Such objectives have important economic ramifications, as noted below.

Taxpayers object less to taxes if they perceive benefits from the taxes, hence the "benefits received" standard (also known as the "benefit principle"). The real or perceived links between taxes paid and benefits received relate to tax competition issues discussed later. In any event, local taxes on immovable property often score well against the benefits received standard.

2.2.3 Economic

Taxes can influence economic behavior. How they do so is of interest. Perhaps the chief economic concern is "neutrality." A closely related concern is "efficiency," which is discussed in the next paragraph. A "neutral" tax is one that does not distort economic decisions. A good example of such a tax is a uniform tax on the rental value of land. Because the supply of land is relatively fixed, imposition of a land tax offers no incentive to use less land or to use land less intensively. Broad-based, proportional taxes tend to be neutral taxes. Taxes that inspire widespread avoidance (legal activities designed to reduce taxes) and evasion (illegal activities designed to reduce taxes) are not neutral.

Economic theory holds that the general welfare of society is maximized when the factors of production (labor, capital, management, and land) are used efficiently. Welfare gains can be realized if consumers are in a position to choose the level and mix of goods and services that best suit them. Demands for goods and services vary among individuals and communities. Local governments usually have major responsibilities in providing services (the allocation role discussed in the next section). If consumers' choices regarding governmental services are to be efficient, they must reflect the economic costs of alternative levels of consumption (the benefit principle).

For taxes to be used effectively as a pricing or rationing mechanism, they must be benefit taxes: taxes whose incidence corresponds to the distribution of the benefits the taxes provide. No tax performs this role perfectly, but at the local level a property tax is more effective than the alternatives.

Taxes also are enlisted to achieve such economic development objectives as increased employment, savings, and investment. It should be pointed out that both tax incentives for preservation, conservation, and similar purposes, and tax "loopholes" distort economic activity--the former deliberately and the latter accidentally.

Advocates of site value taxation argue that taxing the value of buildings discourages investment in buildings, in violation of the efficiency principle. There is little convincing empirical evidence to support this contention, and the theoretical case ignores the benefit principle.

2.2.4 Political Autonomy and Accountability

Linking taxes with the provision of services promotes accountability. Accountability is achieved when the level and mix of government spending and the distribution of its costs are decided in a climate of full disclosure by the elected representatives of a jurisdiction. Adequate disclosure also requires adherence to professional accounting and auditing standards.

It is human nature to want to have some control over one's environment. This need is at the root of the desire for local autonomy and "no taxation without representation." A local property tax is an excellent way to meet this need.

The ACIR considers openness an essential characteristic of a politically acceptable property tax. To satisfy the criterion of openness, the tax administration must provide taxpayers the information they need to judge the fairness of their assessments.

Taxpayers must receive notice of assessments and be offered simple, informal appeal procedures. Taxpayers should be helped to understand the property tax system, how their property was appraised, and how the valuation of their property compares to valuations of similar properties.

Conclusion for Kazakhstan Relative to Utilization of the Property Tax

The discussion above highlights many of the advantages of a strong property tax. For a country in transition, like Kazakhstan, many of these arguments are strengthened. One of the primary objectives of countries in transition is that the overall tax structure supports rapid accumulation of capital, so that private and public investment funds are available to develop key infrastructures such as housing, convert existing industry, use modern technology, and invest in human capital.

Having a good source of local revenue can support these objections. It allows for decentralization of services to the lowest possible level of government. This takes the burden off the central government and allows for more reasonable tax rates to be imposed via the various taxes based on income and general economic activities. This in itself has another advantage: it makes the taxes based on economic activities and income easier to collect. This is important in transition economies where much economic activity can easily be hidden. A revenue source based on a property tax is very reliable. The tax is almost impossible to avoid as the tax base is visible. It is also a source of revenue that is not competitive with taxes that support higher levels of government. It is also a good way to capture the gains from local development, which may initially need subsidies by local government, (such as favorable long term leases on land given to developers). The burden of the tax can also be targeted via exemptions so that it imposes no hardship on groups needing protection. Finally, if the tax is value based, it provides a source of increasing revenues as the economy grows even when the rate is fixed by law.

For the above reasons, we would argue for a greater utilization of the property tax in Kazakhstan as well as suggest that the base of the tax be ad valorem and based on the market transactions extrapolated to all properties using mass appraisal techniques. Marketing monitoring programs could be set up such as are now operating in Moscow and Karcow Poland (USAID Funded) that could provide the market data to drive the system. The agricultural tax could also be converted to an ad valorem base by an income capitalization approach and the value of urban land (even though it is not sold) can be extracted from prices of improvement to the land using proven econometric techniques, just as it is done in many cities in the United States where there are no urban land sales.

Section 3

Recommendation for the Creation and Efficient Administration of a Legal Titling and Property Tax Administration System

Authorities at the municipal and republic level recognize the need to coordinate the information systems of the various organizations described above in Section 1 that participate in the administration of property. In this section we will put together a conceptual framework for the information system for Almaty (Alma-Ata).

Institutional Issues

In the development of a master cadastre for countries emerging from socialism there can be no one solution or model that will work everywhere. In Poland, for instance, the land records and maps are in good shape and the legal cadastre is well maintained. Selling prices, because they are monitored by the treasury department, are fairly accurate, and data from brokers and appraisers are available as a cross check. The collection and enforcement activities are also well worked out because Poland has had a property tax for a long time. The deficit for Poland comes in the building registry. While some characteristics are available, on size and construction type, more data will be needed to construct accurate valuation models as the market develops. In addition, in Poland not all buildings are recorded on the land register and it will be necessary to undertake a discovery program to ensure that all the property that can be taxed is discovered.

In contrast, in Kazakhstan the building registry is complete and very accurate. It is the land records that are incomplete. In addition, the process of titling is fragmented and there is no central depository for the legal cadastre. In the long run this will cause major problems if some uniform method of recording titles is not put in place. Likewise, in Kazakhstan land is not sold as yet so indirect methods must be developed to estimate the value of land. Getting building values is also a problem for two

reasons. First, they are part of the total price of the parcel, and second, the total parcel price is not reported accurately. The first problem can be addressed because there are econometric techniques that can decompose prices that include both the value of land and building into separate parts. The second problem must be addressed by using informal sources of data. In Moscow and Kracow Poland we were very successful in getting reliable data from brokers, and it is possible to institutionalize this process in Kazakhstan as well. A unified database that could serve brokers as a multiple listing service system and the public sector as a source of data for addressing many types of valuation problems would benefit both sides equally well.

Valuation Issues

One of the interesting findings associated with valuation was that market comparison approaches that use mass valuation techniques will probably be preferred at least in the short run. This is because resource markets are not efficient as yet and land markets don't exist, so that cost approaches are not feasible, but market prices for various types of improved land are becoming available. We found that the cost approach estimate used for the balance value of real estate is 100 times less on a per square meter basis than actual market prices.

As the sources of market data are developed, mass valuation approaches can efficiently generalize this limited market information across a whole population of properties. At the most fundamental level of analysis, three-dimensional graphics and contour mapping techniques can provide a visual representation of the markets operating across a geographic area. For instance, Graph 9 and Map 4, Annex 2 show the price per square meter for Moscow apartments. As the data get richer, models of value using econometric model techniques can be used to produce point estimates of value for properties where only the characteristics are known.

Mass appraisal techniques are also useful in the determination of land values even where there are no land sales. In the United States econometric techniques have been developed to model prices that include the improvement and the land such that the contributory value of each can be allocated and in many states separately taxed. Kazakhstan, for instance, does not sell land, yet the price of a piece of land that contains an improvement still contains the capitalized value of the land. The situation is no different than in many western cities where there is little or no vacant land and consequently most parcel prices must be decomposed into land and building components using econometric techniques. Using the Moscow data, for instance, we were able to create a land price index that can be used to adjust the base rate for the Russian land tax, for location differential from the center of the city. Prior to our analysis their adjustments were just guessed at (see Graph 10, Annex 2 for index). This technique can be used in Kazakhstan as well.

Design Criteria for a Real Estate Information System

Because of the need for property tax information systems to exchange information among the institutions involved in property tax administration, assure the consistency of basic information across organizations, and conserve scarce equipment and resources, the flows of property information should be designed to conform to the following criteria:

- define a property identification number for the City of Almaty (Alma-Ata), to be used throughout by all institutions in the system to identify each piece of property uniquely;

- use standard definitions and data formats for the entities about which institutions must share information;

- use mapping and physical information from GLAV APU, GenPlan and BTI as input to all other organizations in the system;

- archive all property information: physical, mapping, ownership, and value (including sale prices); residential, non-residential and land, in one automated depository located at the BTI offices.

In order to establish the property tax information system the following activities will need to be accomplished:

1 establishing responsibility for the management of the unified depository of property information, (UDPI) within the BTI, and the normative and legal bases for its functioning; establishing a common definition ("data dictionary") of the elements of information to be used throughout the system, including the definition and assignment of a unique identification number to each piece of property;

2 completing the digitization and numeration of the master maps of the city by GLAV APU, establishing flows for its distribution and periodic update to all users in a standard format that is portable across major hardware/software platforms;

3 completing the automation and numeration of BTI records, including physical, ownership and price information, implementing mass valuation models, creating the property data-bank and making it accessible to other institutions;

4 automating the records of:

the State Committee on Land, (land registration agency),
the State Property Committee (non-residential registration agency),
Almaty (Alma-Ata) Department of Housing (residential registration agency),
Genplan (planning and zoning agency) and

basing them on standard mapping and physical information received in magnetic form, implementing mass valuation models, and forwarding changes in ownership and value information to the UDPI;

5 Automating the systems and records of the state tax authority that are related to property tax administration;

6 establishing the flows of information required for the property tax administration and enforcement between the UDPI and the STA.

Chart 2 shows the system parts and how the information flows should be directed. The narrow lines represent existing information flows, the heavy lines represent the proposed new information flow that if implemented would support an efficient fiscal and legal cadastre and an effective billing and collection system. The technology recommended to support the system development includes the installation of local area networks at the BTI and the various registration and titling agencies and the use of high end micros or specialty work stations at the mapping agencies. Software could be generic but care must be given to selecting programs that have communication capabilities that meet international specifications.

Chart 2B describes the system and outlines in detail the inputs and outputs to the various organizational units. In this representation it can be seen that the center of the system is the BTI and the state tax authority.

The BTI will function as both the legal and fiscal cadastre. While the state tax authority will handle billing and collection, valuation services may be contained within the BTI as a separate department or these services could be contracted out to the private sector. (Valuation is done both ways in the west. In Western Europe,

except England, it is typically a government function. In the United States it is split. About 70% of the taxing jurisdictions contract to the private sector for valuation services. In Canada it is a government function.)

The importance of the state tax authority is also highlighted in this chart. No matter how good the rest of the system is, if the taxes are not collected the revenue potential will be limited. Consequently, a great deal of attention should be devoted to ensuring that this organization works well before large investments are made in the creation of the legal and fiscal cadastre alone.

Management

Responsibility for overall management of the project will reside with the project leader, who should be a staff member of the ministry of finance.

Major decisions relating to the information infrastructure of the property tax administration system should be arrived at by a Committee or task group that includes members from all the participating institutions, which are listed and described in Section I, and are found in Chart 1.

This committee will also be responsible for producing the standards for information usage/transfer and communication links between the institutions involved in property management, and for overseeing the operation of the unified depository of property information (UDPI), which will reside at the BTI offices, after it becomes operational.

Areas of Additional Technical Assistance from USAID

In order to facilitate the development of the above described system, a team of technical experts should be formed that would return to Kazakhstan and work with the

coordinating committee and agencies outlined in Table A, to determine the systems requirements and technical assistance necessary to implement the project in Almaty (Alma-Ata). The ultimate objective of this project would be to write the terms of reference that would determine for the BTI and the unified property information system database the following:

1 the amount of technical assistance for designing unified property identification numbers for all types of property

2 the amount of technical assistance for definition of standards and data exchange software

3 amount of technical assistance for valuation model development and training of staff in valuation

4 the amount of technical assistance for automation of BTI office

5 hardware/software requirements for the unified information system

6 hardware/software requirements for automation of all other BTI operations

For GLAV APU and GenPlan:

1 technical assistance for the design of an automated mapping and planning system

2 hardware/software requirement for an automated mapping and planning system

For the State Committee on Property, the State Committee for Land and the Almaty

(Alma-Ata) Department of Housing:

The amount of:

1 technical assistance for automation of these registration agencies

2 the hardware/software needs of these agencies

For the state tax authority:

1 the amount of technical assistance needed to automate the system of property tax collection and enforcement

2 the amount of dedicated hardware and software, over and above what the Siemens Corporation is suppling to the agency, to support the property tax billing and collection process

For the market monitoring unit:

1 the amount of technical assistance needed to establish the market monitoring unit

2 the amount of dedicated hardware and software needed to support this function

ANNEX 1

During our visit we organized one seminar for government officials in which we provided an overview of the elements of an efficient tax system, presented basic information on the structures needed to administer the property tax, and introduced basic concepts of valuation and the development of land titling and land information systems. The short course was based on material from the IAAO, "Designing, Implementing and Evaluating Property Tax Systems." Annex 1A provides the outline of the short course. Section A of the short course was based on the appendix for sections 2 and 3 of the IAAO course. Section B was based on sections 2 and 3 of the IAAO course. Section C of the short course was based on section 1 and 4 of the IAAO course. Section D was based on section 5 of the IAAO course. Because of the lack of copying facilities, only minimal materials were made available to the students. We are providing the text for the entire course and suggest that all or part of it be translated into Russian and distributed to the participants, or at the very least we suggest this be done for Sections 2 and 3 that covers titling systems and the legal framework.

A very effective interaction case study included in the course had students identify existing jurisdictions that could function as part of a property tax system, identify sources of data needed to run the system, and then design their own system, using existing institutions and creating new ones as they thought necessary.

This exercise provided us with valuable information that was used to formulate our recommendations in the preceding section. The forms for that case study are included along with the completed form for Moscow that served as a illustration of the process.

A questionnaire was prepared and distributed to the 67 seminar participants to demonstrate how property registration, valuation, and taxation procedures in Almaty (Alma-Ata) city might be structured to organize the flow of information more rationally.

The questionnaire was an input-output table that showed the circulation of property data and provided a framework for thinking about it. The table showed which functions were missing and where in the existing administrative structure those functions might be placed. A similar table showing real estate information flows in Moscow was also distributed (see chart 3).

The participants were given fifteen to twenty minutes to fill in the empty cells. However, only ten questionnaires were returned. Possible reasons for the low response rate are:

Not enough time was given.

Participants needed more examples and a list of the institutions involved.

This class was not familiar with student participation as an educational procedure because most seminars are exclusively in lecture form.

Few participants understood or were part of the existing system of information flow. The tax service, BTI, and property committees were not presented in the questionnaire.

Chart 4 is a summary of the responses. Suggested revisions of questionnaire content are in **bold** and participant responses are in *italics*. The number of responses is given in brackets.

The second day was devoted to answering specific student concerns. We devoted most of the time to discussing split property rights within the context of where land is not sold, as well as how to value land in urban areas proposed as sites for development projects.

ANNEX 1

COURSE OUTLINE

Seminar on Creating Property Tax Systems and Case Study Materials (English and Russian)

Day 1

A. Trends in funding local government
   1. Fiscal realities of countries converting to market-based systems
   2. Fiscal options for local government
      a. Land-based user charges
      b. Property tax (taxes on immovable property)
         1. advantages
         2. key design features
         3. implementation strategies

B. Property tax systems
   1. System components
      a. Fiscal cadastre
      b. Legal cadastre
      c. Collection and enforcement
      d. Appeals
   2. System information form
   3. Case study
   4. Design example--Poland, Russia
   5. Case study report

C. Property valuation
   1. Value within a market economy
   2. Estimating market value - the three approaches
      a. Cost
      b. Income capitalization
      c. Sales comparison

(continued)

ANNEX 1
COURSE OUTLINE
Seminar on Creating Property Tax Systems and Case Study Materials
(English and Russian)
(cont.)

3. Models of value
    a. Land
    b. Buildings
4. Technology in valuation
5. Case studies in valuation--Poland, Russia

D. Automated land record systems
    1. What is a land information system?
    2. Components of a land information system
    3. Uses of a land information system
        a. Planning
        b. Supports legal, fiscal cadastre
        c. Valuation support
    4. Demonstration

Day 2

E. Case study in split property rights

D. Case study in land valuation for office space development

ANNEX 1A

PROPERTY ASSESSMENT, TAXATION AND REGISTRATION SYSTEMS

Seminar, organized on February 26, 1993

List of institutions represented

1. Administration of the city of Karaganda
2. Administration of the city of Bishkek
3. Administration of the Moskovskii rayon, Alma-Ata
4. Adminstration of the Oktyabrskii rayon, Alma-Ata
5. Adminstration of the Frunzenskii rayon, Alma-Ata
6. Adminstration of the Auezovskii rayon, Alma-Ata
7. Adminstration of the Oktyabrskii rayon, Alma-Ata
8. The State Committee for Land
9. The Academy of Architecture
10. KazGIPROGRAD Institute
11. Alma-AtaGENPLAN Institute
12. GLAVUAG
13. Chief architect of the Moskovskii rayon, Alma-Ata
14. Chief Architect of the Oktyabrskii rayon, Alma-Ata
15. Chief Architect of the Frunzenskii rayon, Alma-Ata
16. Chief Architect of the Auezovskii rayon, Alma-Ata
17. Chief Architect of the Alatauskii rayon, Alma-Ata
18. Chief Architect of the Leninskii rayon, Alma-Ata
19. Chief Architect of the Kalininskii rayon, Alma-Ata
20. Chief Land Planner of Alma-Ata' oblast
21. Chief Architect of Alma-Ata' oblast
22. The State Committee for Architecture and Construction
    - Urban Planning division
    - Rural areas Planning division
    - Building industry and construction materials division
    - Building machinery division
    - Division for planning, design and coordination of local planning and design
      organization
    - Division for economics of construction
23. Ministry of transport' construction
24. "Kazavtotrans" concern
25. "Stroimaterialy" concern
26. "Kazakhstanstroi" concern
27. "Kazcement" concern
28. "Kazagropromstroi" concern
29. "Kazenergostroimontazh" - corporation

(continued)

ANNEX 1A

PROPERTY ASSESSMENT, TAXATION AND REGISTRATION SYSTEMS

Seminar, organized on February 26 , 1993

(cont.)

30. "Sredaskurortproekt" Institute
31. Kazgipropishcheprom
32. Kazglavgosexpertisa
33. KazTsNTIS
34. "Ata" - association
35. Kazniptipishcheprom
36. Ministry of the Ecology
37. Montazhspecstroi
38. Yugsantekhmontazh
39. The city' Committee for land
40. Mangistaustroi - trust
41. Kazmekhanomontazh
42. Podvodmelioratsiya

Besides, there were invited representatives of

- The State Tax Inspectorate
- The State Committee for Property
- BTI
- Department of Housing, Administration of Alma-Ata
- "Kazzhilkomkhoz" concern (housing maintenance)

Total number of participants - 67

ANNEX 2

We gave seven software demonstrations to various ministries and government departments. Such presentations included a demonstration of the various parts of a computer-assisted valuation system, as well a practical applications such as how to produce value contour maps and land price indexes, using Moscow data. Attached graph 7 and 10 show examples of these reports. We also demonstrated the GIS system in operation in Kracow Poland. Its unique feature is a fully integrated master cadastre which includes both the legal and physical descriptions of property on one data base. Map three is an example of the output of the system. The demonstrations were designed to demonstrate the advantages of a fully automated real estate property information system that could be useful both to the public sector officials interested in creating an automated titling system and valuation system and to the private sector business committee involved in the development and sale of real estate.

ANNEX 2
DEMONSTRATIONS OF SOFTWARES

1. Minister of Finance and staff
   (4 persons)

2. Ministry of Finance - Administration for Information
   (Director and staff)

3. State Committee on Land and Land Developments
   (Vice-Chairmen)

4. Chief Architect of Alma-Ata

5. Alma-AtaGenplan Institute - Director and staff and A-Ata Committee on Land - Director
   (5 persons)

6. Kazgiprozem Institute, Complex Prospecting Branch - Director and staff
   (4 persons)

7. BTI, Director and staff
   (10 persons)

DISTRIBUTION OF SOFTWARE

1. State Committee on Land and Land Developments, and Administration of President

2. Ministry of Finance - Administration for Information

3. Alma-AtaGenplan Institute

4. Kazgiprozem Institute - software and NCSS manual

ANNEX 2B
APPLICATIONS OF BASIC PRINCIPLES

1. Capitalization of income
   Valuation of plot of land in the city to define the contribution/share in the joint venture

2. Property rights -
   Relationships between land owner, lease-holder and other land user/Karaganda - extracting industries/ of

ANNEX 3
LIST OF OFFICIALS MET

	PHONE
Zayats Yakov Ignatievich Deputy Head of Administration on Construction	62 39 60
Begimbekov Aruskhan Sultankulovich BTI, Director,	67 43 43 67 73 12
Usmanov Eugene Olegovich City Administration, Department of Housing	47 30 04
Sergazin Mazan Shaydakhetovich City Administration, Department of Construction, Utilities and Emergency Situations	
Abugaliev Tokhtar Alma-AtaGenplan Institute, Director	53 36 30
Sizov Alexandr Pavlovich State Committee on Land and Land Developments, Vice-Chairman	53 87 04
Danyshpanov Beksyrga Danyshpanovich City Committee on Land Chairman	43 64 47
Zalogina Tamara Borisovna A-Ata Genplan, Urban Planning Economic Department, Chief	51 11 67
Kalykov Gabit Kalykovich A-Ata Master Plan Institute, Economics of Urban Planning	
Kuika Vyacheslav Pavlovich A-Ata Genplan Institute, Deputy Director	53 54 15 53 43 49
Baranov Anatoly Petrovich Deputy Minister of Finance	62 50 23 69 23 12
Zhikin Amangeldy Akhmadyanovich Ministry of Finance, Tax Inspectorate, Deputy Director	69 18 90
Batmagambetov Sultan Gabievich Chief Architect - City of Alma-Ata	33 02 45

(continued)

ANNEX 3
LIST OF OFFICIALS MET
(cont.)

	PHONE
Timkin Michael Ivanovich State Property Committee, First Deputy Chairman	62 01 97
Ozoling Erik Ivanovich State Committee of Architecture and Construction	
Mukhametzhanov Marat Sailaulovich State Construction Comittee, Economic Administration, Deputy Director	62 95 66
Lubavin Victor Semenovich Almaty (Alma-Ata) Branch of KazGIPROZEM (Land Planning Institute) - Director	42 22 24
Podolskii Lev Isaevich Complex Prospecting Branch of "Kazgiprozem" Institute, Director	41 14 22 42 47 49
Komykhov Yuri Sergeevich Computer Centre of the Kazgiprozem Institute	42 47 57 42 29 27
Derbisov Erkeshbai Sailaulovich Minister of Finance	62 87 36
Bekimov Bakbirgen Ministry of Finance, Computer Centre, Director	47 80 29
Shumai Victor Ivanovich Ministry of Finance, Administration for Information, Chief	62 26 52 62 25 97

ANNEX 4
DISTRIBUTION OF THE REPORT (in Russian)

Ministry of Finance	Baranov, Tax Policy Administration - Chief State Tax Service - Zhikin, Ospanov
Supreme Soviet	Committees which deal with: a) selfgovernments b) land reforms, landuse/Arkhipov Ivan Grigorievich // c) construction d) tax policies and budget e) legal issues /property rights?
Administration of the President	(finance department + land reform ? department, +
Ministry of the Economy	Financial planning department
Ministry of Construction	
State Property Committee	Timkin
State Committee on Land	
Kazgiprozem	Podolsky, Kolmykhov

A-Ata branch of Kazgiprozem (Lubavin)

City administrations Karaganda, A-Ata, Bishkek:
major, deputy major on housing and construction,
finance departments, architects

A-Ata Property Committee

BTI

Local tax inspectorates, land and property committees

A-Ata Institute of Master plan (Genplana)

INSTITUTIONAL SETTING
FORM A

Please describe the legal basis for the following functions, the level of government where they are administered as well as basic features of the administrative structure. (What data is maintained, who does it, how much does it cost, is it automated?)

1. The land and building register

2. Mapping and Planning

3. Legal titling of property

4. Collection and enforcement (if a property tax is already in place)

5. Assessment/valuation function (if a property tax is already in place)

- If you need more space for your answers, please add the material on another sheet of paper.

DATA SOURCES
FORM B

Please complete the following form indicating where the data on the left hand side of the form may be found within your institutions. Please fill in across the top the name of the institution where the property information can be found and the level of government within which that institution functions. We have included an example from Poland as a reference.

Institution Name, Function and Government Level

Address					
Parcel Identification					
Map Identification					
Geographic					
Coordinators					
Owners Name					
Users Name					
Taxpayer Identification					
Date of Sale					
Sale Price					
Notary Declaration					
Land Area					
Land Use					

Land Zoning					
Permitted Use					
Soil Type					
Sewage Provided					
Water Provided					
Street Frontage					
Building Area					
Building Type					
No. of Floors in Building					
Year of Construction					
Phone					
No. of Rooms					
No. of Baths					
No. of Bedrooms					
Kitchen Square Meters					
Property Tax Bill					
Other Data (please list)					

Property, Ownership & Price Information

Info. Needed (N) Desired (D)	Info.	Land Registry	Court Legal Registry	Treas. Dept.	Gmena Tax Dept.	Gmena Planning	Prts. Services
D	Address	x	x	x	x		
D	Parcel ID	x			x		
N	Map ID	x					
D	XY Coordinates	x					
	Owner's Name/user	x			x		
	Taxpayer ID	x			x		
N	Taxpayer Name	x			x		
D	Date of Sale	x	x	x			
N	Sales Price (Owner)		x				
	Notary Declaration	x	x	x			
D	Treasury Conclusion			x			
N	Land Area	x			x		
D	Land Use	x				x	
D	Land Zoning Permitted						
D	Soil Type	x					
D	Sewage						
D	Water				x		
D	Street Frontage	x			x		
N	Bldg. Area	x					
N	Bldg. Type	x					
D	# Floors	x					
D	Location on Floor						
N	Yr. Of Construction	x					
D	Phone						
D	# of Rooms				x		
	Prop. Tax Billing						

INSTITUTIONAL SETTING
FORM A

ИНСТИТУЦИОННЫЕ СТРУКТУРЫ
ФОРМА А

Пожалуйста опишите правовую основу для следующих функций, уровень руководства на котором они администрируются, а также основные характеристики административной структуры. (Какие данные вносятся на хранение, кто занимается этим, сколько это стоит, автоматизирована ли система?)

1. Кадастр

2. Картография и Планирование

3. Юридическое название недвижимости

4. Инкассация и принудительные меры (если налог с недвижимости уже вошел в силу)

5. Функция оценки (если налог с недвижимости уже вошел в силу)

• При нехватки места, пожалуйста пишите на обратной стороне.

ИСТОЧНИКИ ДАННЫХ
ФОРМА В

Пожалуйста заполните следующую таблицу, с указанием учреждения, где находятся данные, фигурирующие с левой стороны. Пожалуйста, надпишите сверху название учреждения, где находится информация о недвижимом имуществе и укажите уровень руководства в рамках которого функционирует это учреждение. В качестве основы мы привели пример с Польшей.

Название учреждения, функция и уровень руководства

адрес					
идентификация участка					
идентификация на карте					
географические данные					
координаторы					
фамилия владельца					
фамилия пользователя					
идентификация налогоплательщика					
дата продажи					
продажная цена					
нотариальная декларация					
местонахождение участка					
использование участка					
зона участка					
разрешенное пользование					
тип почвы					
наличие канализации					
наличие водоснабжения					

граничность с улицей					
место застройки					
тип застройки					
к-во этажей					
год строительства					
телефон					
к-во комнат					
к-во ванн					
к-во спален					
кухня в кв. м					
законопроект налога с недвижимости					
другие данные (пожалуйста укажите)					

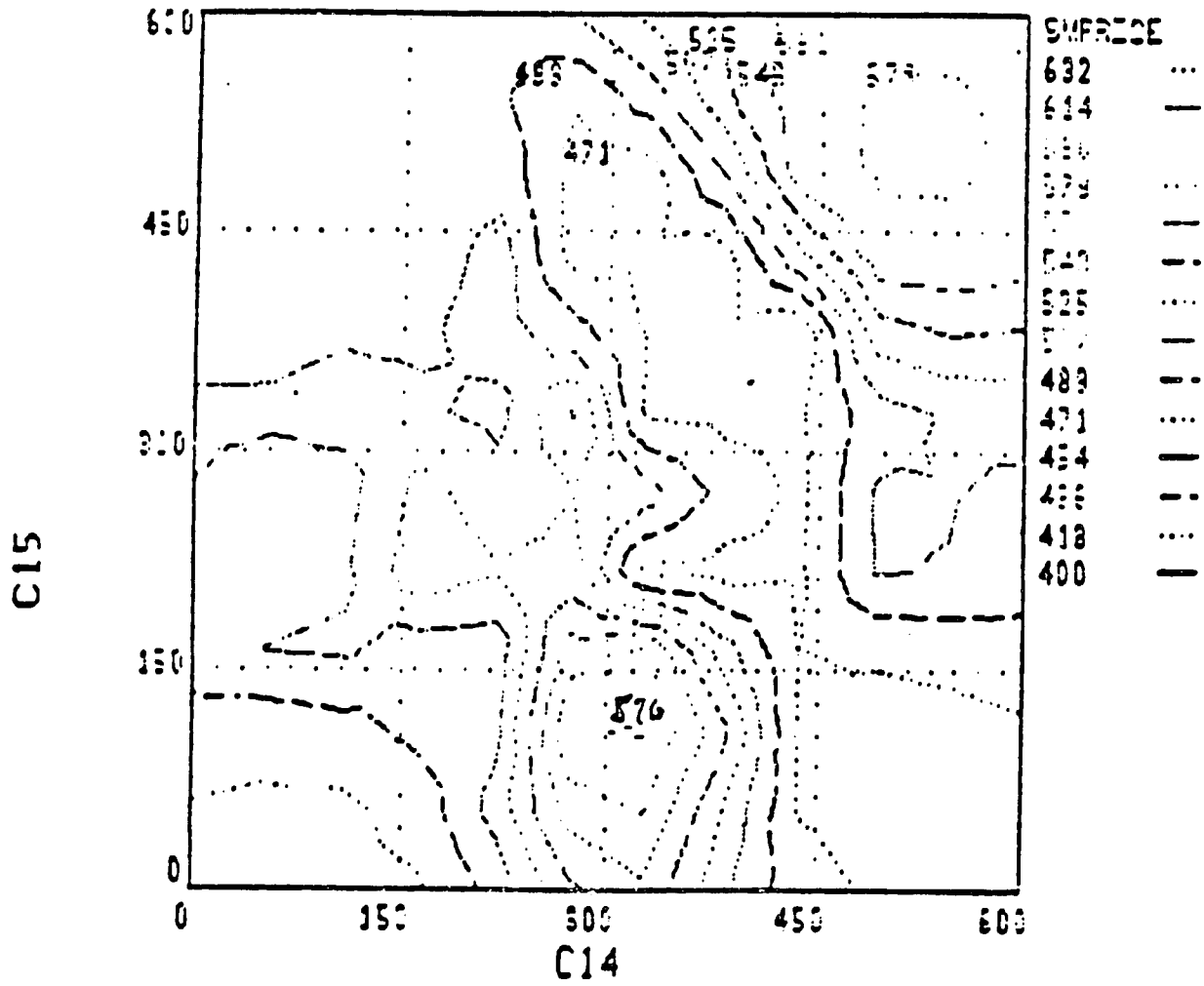
ТАБЛИЦА J

НЕДВИЖИМОСТЬ, ПРАВО СОБСТВЕННОСТИ И ИНФОРМАЦИЯ О ЦЕНАХ

инфо.необходим (Н) желаемая (Ж)	информация	земельный регистр	судебно-правовой регистр	департ. казначейства	гос. налоговый департ.	гос.планирование	службы недвижимости
Ж	адрес	x	x	x	x		
Ж	идент.участка	x			x		
Н	идент. по карте	x					
Ж	ХУ координаты	x					
	фамилия владельца/пользователя	x			x		
	идент.налогоплательщика	x			x		
Н	фамилия налогоплательщика	x					
Ж	дата продажи	x	x	x			
Н	продажная цена (владелец)		x				
	нотариальная декларация	x	x	x			
Ж	заключение казначейства			x			
Н	земельный участок	x			x		
Ж	земельное пользование	x			x		
Ж	разбивка на зоны разрешена					x	

GRAPH 7

P/M^2 Isocurves



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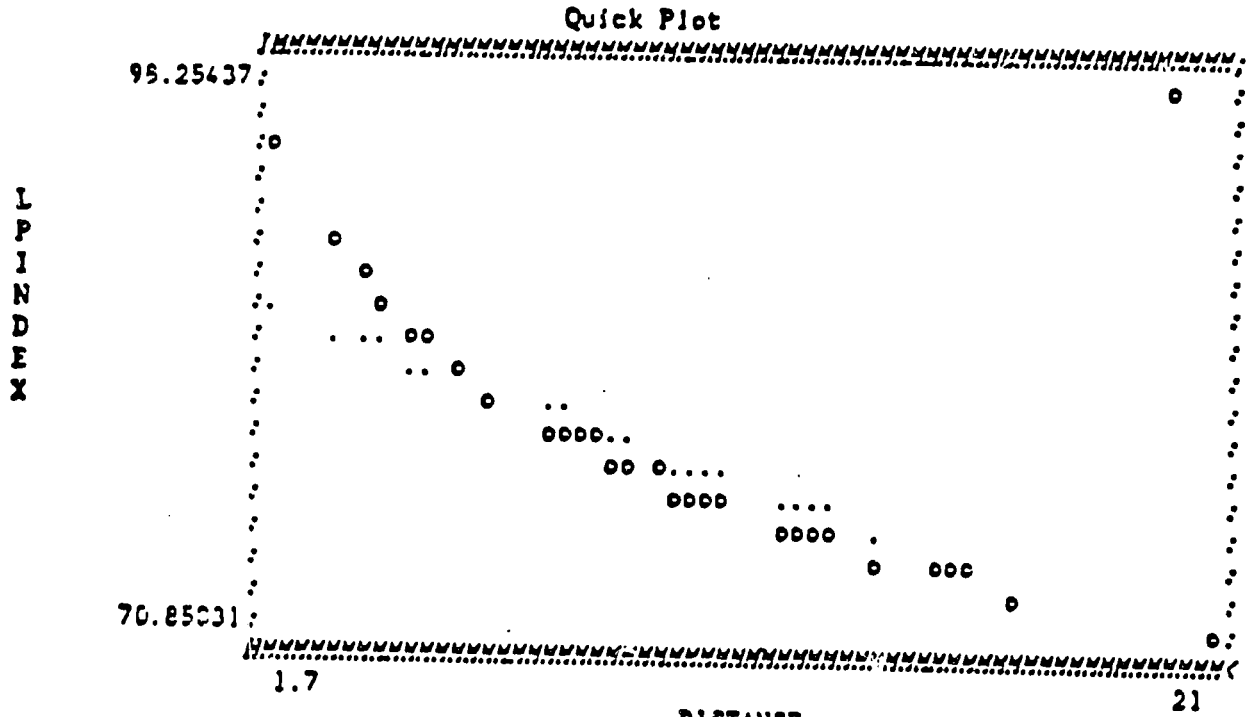
GRAPH 10

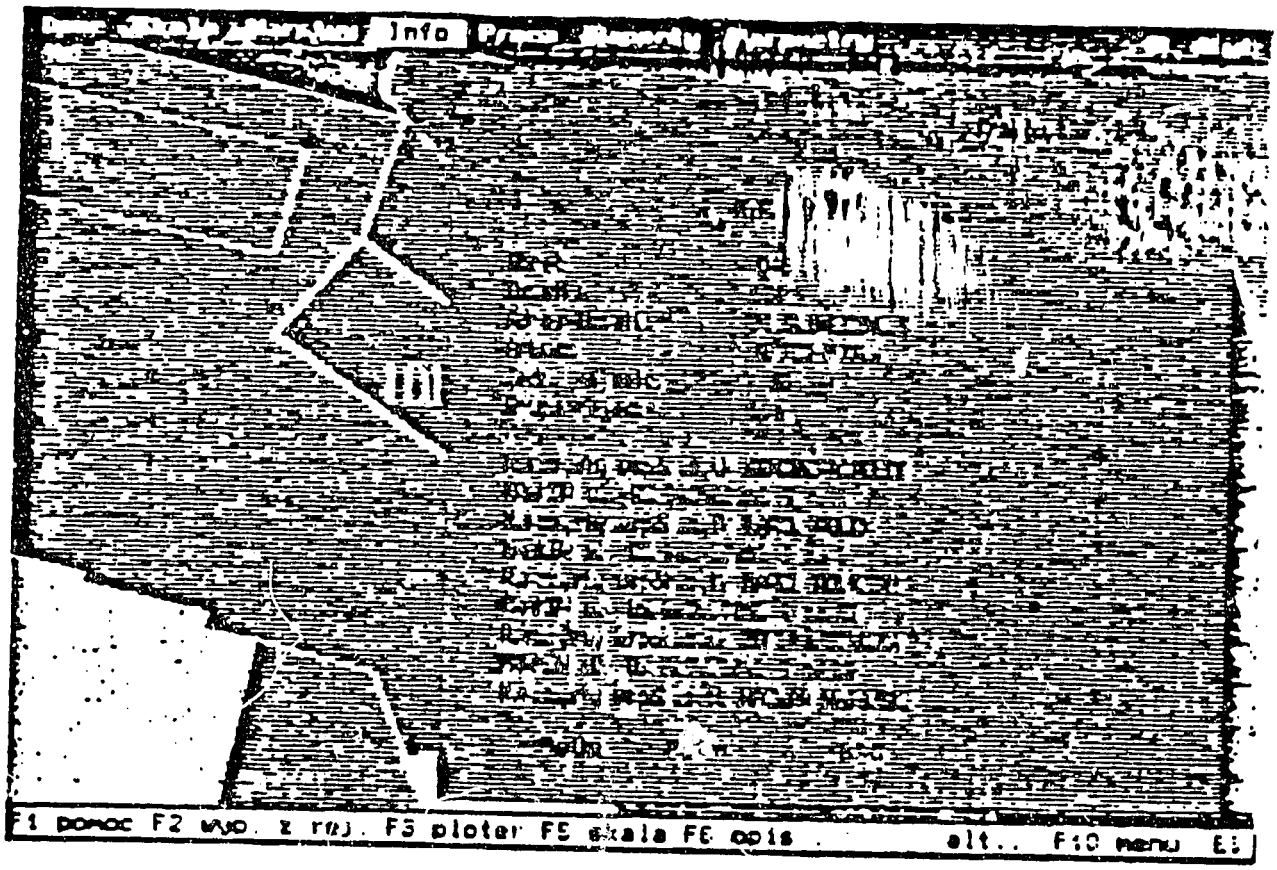
Land Area Index



Equation: Y= 85.10818-.8863672* X; Correlation:-.7658311
Enter *DY* to continue, or ESC to quit —

65

MAP 3


Info
F1 pomoc F2 wyb. z rej. F3 ploter F5 skala F6 opis
alt.. F10 menu

56

TABLE A

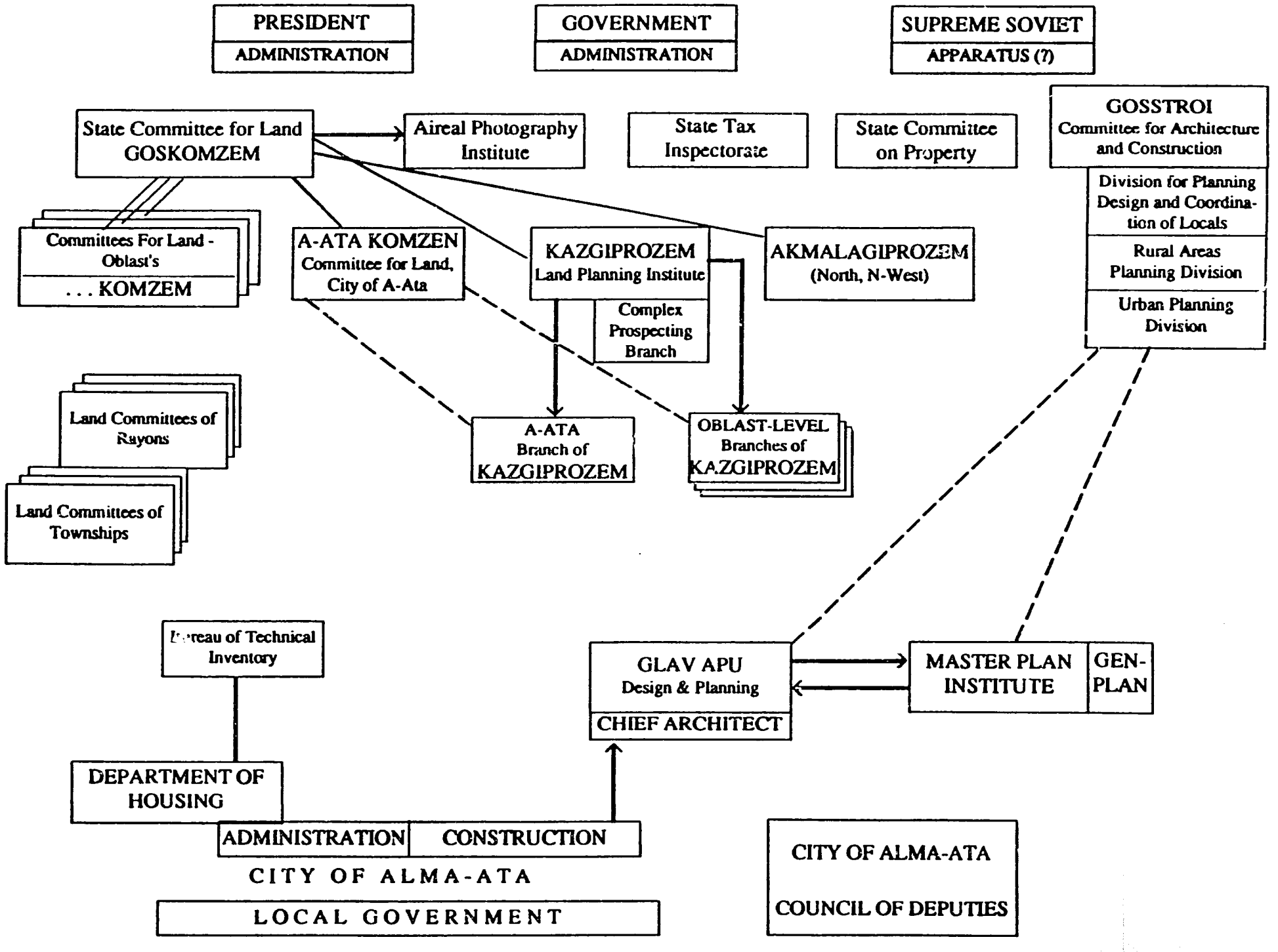
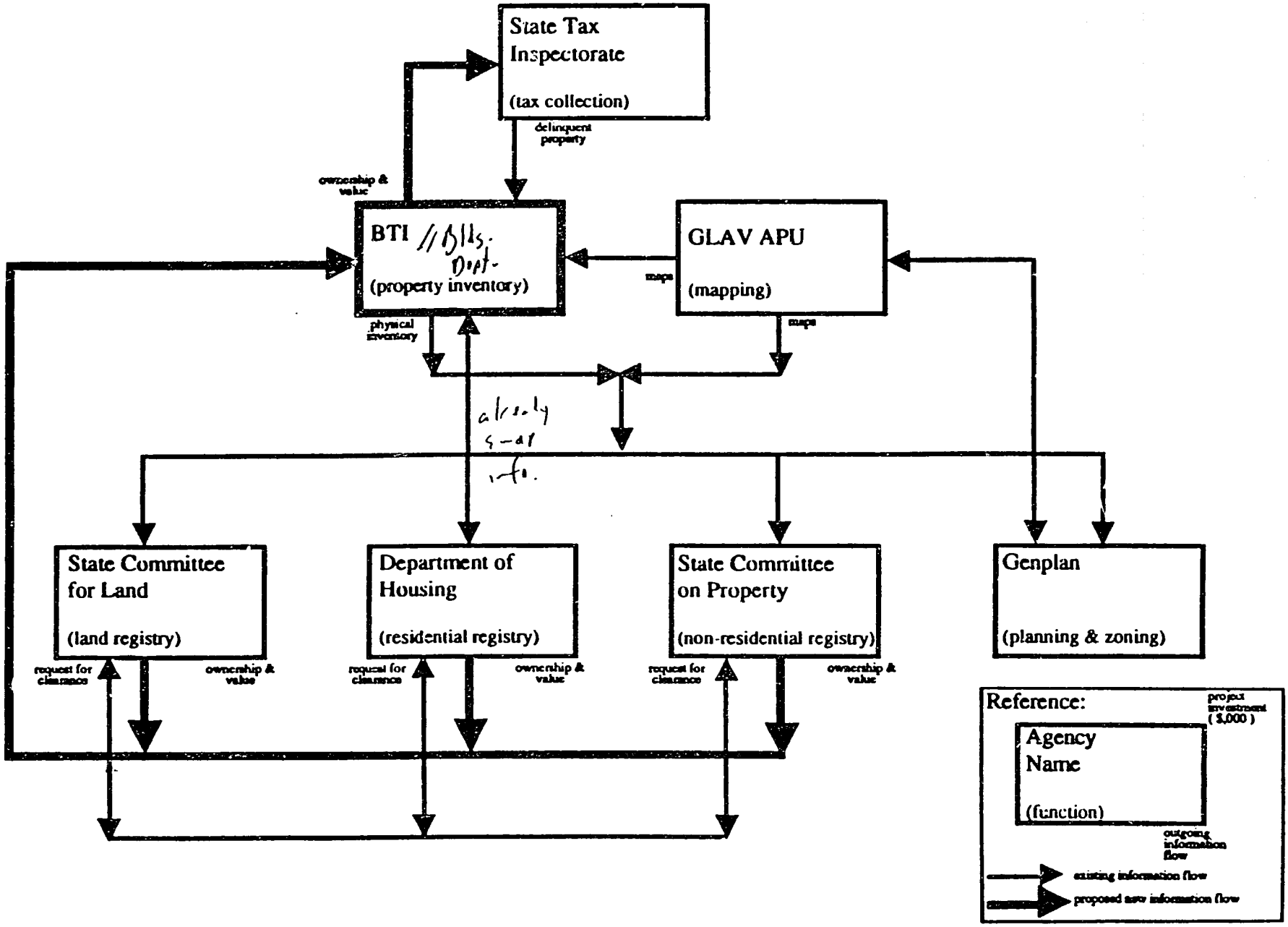

PRESIDENT
ADMINISTRATION
GOVERNMENT
ADMINISTRATION
SUPREME SOVIET
APPARATUS (?)
State Committee for Land
GOSKOMZEM
Aireal Photography Institute
State Tax Inspectorate
State Committee on Property
GOSSTROI
Committee for Architecture and Construction
Division for Planning Design and Coordination of Locals
Rural Areas Planning Division
Urban Planning Division
Committees For Land - Oblast's
. . . KOMZEM
A-ATA KOMZEN
Committee for Land, City of A-Ata
KAZGIPROZEM
Land Planning Institute
Complex Prospecting Branch
AKMALAGIPROZEM
(North, N-West)
Land Committees of Rayons
Land Committees of Townships
A-ATA
Branch of
KAZGIPROZEM
OBLAST-LEVEL
Branches of
KAZGIPROZEM
Bureau of Technical Inventory
GLAV APU
Design & Planning
CHIEF ARCHITECT
MASTER PLAN INSTITUTE
GEN-PLAN
DEPARTMENT OF HOUSING
ADMINISTRATION
CONSTRUCTION
CITY OF ALMA-ATA
LOCAL GOVERNMENT
CITY OF ALMA-ATA
COUNCIL OF DEPUTIES

TABLE B

Alma-Ata Information Management System

Agencies and Proposed Major Information Flows



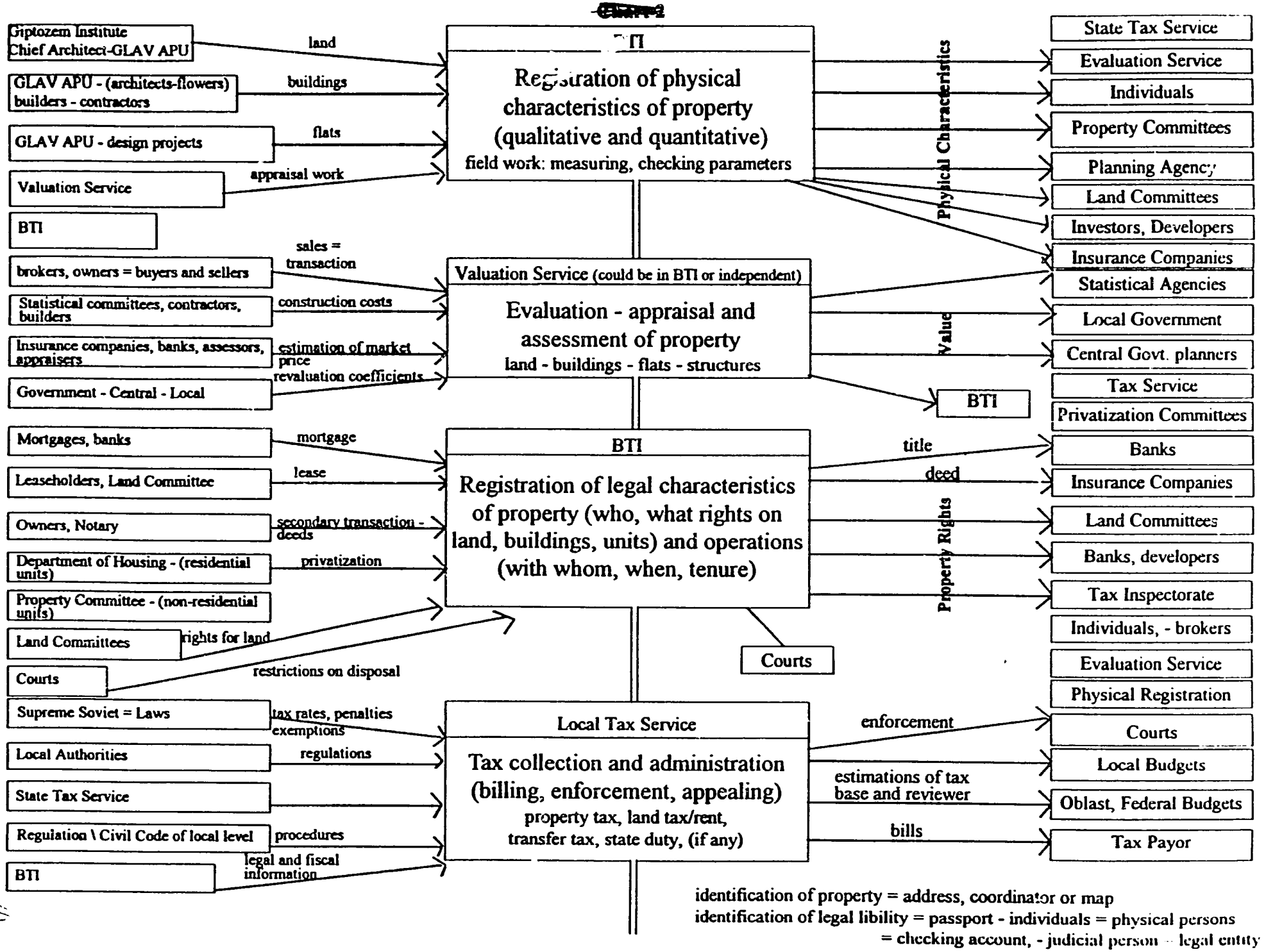
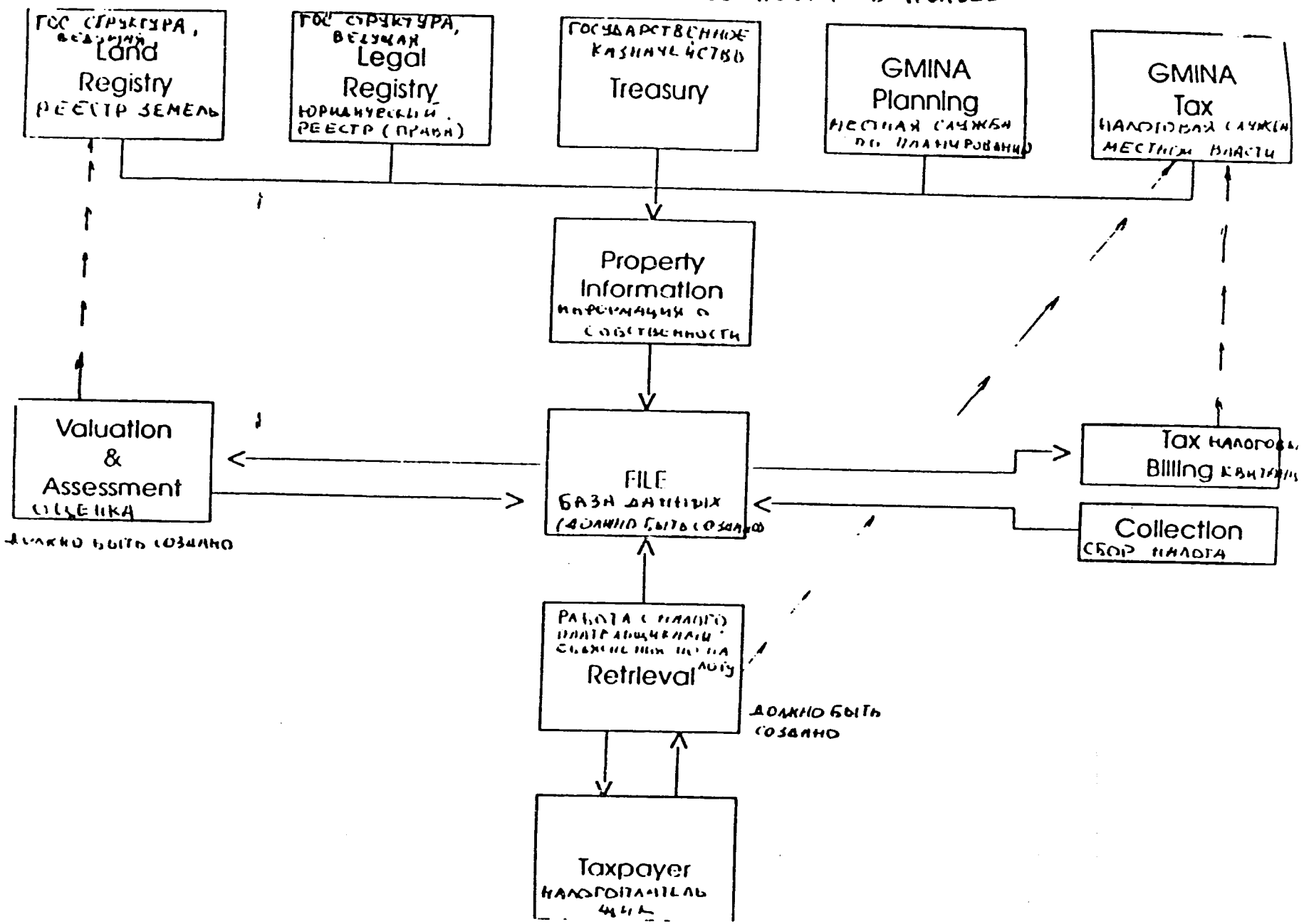

Giptozem Institute
Chief Architect-GLAV APU
GLAV APU - (architects-flowers) builders - contractors
GLAV APU - design projects
Valuation Service
BTI
land
buildings
flats
appraisal work
BTI
Registration of physical characteristics of property (qualitative and quantitative)
field work: measuring, checking parameters
Physical Characteristics
State Tax Service
Evaluation Service
Individuals
Property Committees
Planning Agency
Land Committees
Investors, Developers
Insurance Companies
Statistical Agencies
Local Government
Central Govt. planners
Tax Service
Privatization Committees
brokers, owners = buyers and sellers
Statistical committees, contractors, builders
Insurance companies, banks, assessors, appraisers
Government - Central - Local
sales = transaction
construction costs
estimation of market price
revaluation coefficients
Valuation Service (could be in BTI or independent)
Evaluation - appraisal and assessment of property
land - buildings - flats - structures
Value
BTI
Mortgages, banks
Leaseholders, Land Committee
Owners, Notary
Department of Housing - (residential units)
Property Committee - (non-residential units)
Land Committees
Courts
mortgage
lease
secondary transaction - deeds
privatization
rights for land
restrictions on disposal
BTI
Registration of legal characteristics of property (who, what rights on land, buildings, units) and operations (with whom, when, tenure)
Courts
title
deed
Property Rights
Banks
Insurance Companies
Land Committees
Banks, developers
Tax Inspectorate
Individuals, - brokers
Evaluation Service
Physical Registration
Supreme Soviet = Laws
Local Authorities
State Tax Service
Regulation \ Civil Code of local level
BTI
tax rates, penalties exemptions
regulations
procedures
legal and fiscal information
Local Tax Service
Tax collection and administration (billing, enforcement, appealing)
property tax, land tax/rent, transfer tax, state duty, (if any)
enforcement
estimations of tax base and reviewer
bills
Courts
Local Budgets
Oblast, Federal Budgets
Tax Payor
identification of property = address, coordinator or map
identification of legal lability = passport - individuals = physical persons
= checking account, - judicial person = legal entity

CHART A

МОДЕЛЬ НАЛОГООБЛОЖЕНИЯ СОБСТВЕННОСТИ В ПОЛЬШЕ