



Additional IMI: *Frequently Asked Questions*

“IMI”, the local assessment on real estate, is a municipal tax levied on the rateable value (“VPT”) of a property situated within each municipality. Immovable properties are classified as rural, urban or mixed. “IMI” is assessed one year in arrears. The taxable person is the owner, the beneficiary or the party having the use or the benefit of the property on 31 December of the tax year.

<i>Description</i>	<i>Rates</i>
Rural Properties	0.8%
Urban (<i>residential</i>) Properties	0.3% - 0.45%
Offshore Companies	7.5%
<i>Properties abandoned for more than 1 year pay double</i>	

Supplementary IMI (“AIMI”) is a tax introduced in 2017 that is levied on the sum of rateable values (“VPT”) of residential real estate owned by individuals and companies on the total value that exceeds €600,000. The following questions and answers clarify how the tax is calculated, how it is applied and who has to pay.

1 of 5 What is “AIMI” and when does it have to be paid?

Supplementary IMI applies for the first time in 2017. It will be paid in September, taking into account the rateable value (“VPT”) of the properties held on January 1 of that year.

2 of 5 How is it calculated and applied?

Individuals and undivided estates pay a rate of 0.7% when their properties exceed total “VPT” (rateable value) of €600,000 and 1% on the part that exceeds €1,000,000.



Couples who opt to file a joint return are exempt up to 1.2 million euros (€600,000 + €600,000). Companies are exempt on buildings associated with their activity but pay a tax of 0.4% on all residential buildings. Real estate held by offshore registered companies pay 7.5% of the total “*VPT*”.

3 of 5 In inheritances, is the value divided between the heirs?

In inheritances that have not yet been executed (because the heirs did not want to or cannot agree), the tax will take into account the sum of the buildings and land for the construction that make up the inheritance and will apply the rate of 0.7% if the value exceeds €600,000. Heirs can try to overcome this assessment by delivering a declaration attributing to each their "share".

4 of 5 When does this declaration have to be made?

This statement has to be delivered by the executor between 15 March and 15 April via the “*Finanças*” website, identifying all of the heirs and their respective shares. In the following month, this information must be confirmed.

5 of 5 What if everyone does not agree?

The tax authorities will consider the estate as “undivided” and assess “*AIMI*” on the undivided inheritance with the applicable exemptions. Since the declaration is annual, the heirs may reach an agreement in the following year.