

Application of Mass Valuation in the Local Governments of the Republic of Serbia

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SUMMARY

With the entry into force of the Law on Property Tax whose provisions are applicable from January 2014, local governments in their jurisdiction have included a process of determining the rate of the original revenue of municipality. This jurisdiction, in addition to collecting the funds in favor of the budget of local governments, and seeks to expand the coverage of real property is taxed and better and fair collection of property taxes. Property tax base for real estate taxpayer's real property value, determined by each local government act of the competent authority. Taking into account the fact that the territorial organization of the Republic of Serbia makes 174 units of local government, it is assumed the existence of 174 ways of determining the value of real estate. On the other hand, the Republic Geodetic Authority is 2011 in its jurisdiction included the assessment and management of real estate value procedures and methods of mass appraisal (assessment is carried out over all the data that exist in the market of real estate for the whole territory of the State). Since then, the Republic Geodetic Authority developed a system of mass appraisal, with multiple roles. In most developed countries, one of the main roles of the system is the levying of property taxes, which is based on the estimated value of the property obtained by the methods of mass appraisal. The system of mass appraisal is based on the principles that ensure fairness, equality and uniformity. Results arising from mass appraisal system are: transparency and openness of the market, economy system - a common economic objective of all institutions that use information from the real estate market, neutrality - not the existence of preferences of certain areas of different needs, compliance with social and economic policy, administrative convenience and more. The aim of this paper is to show the advantages of the system mass appraisal, and they will be displayed in the case of a municipality looking at real estate assessment from the perspective of mass appraisal and from the perspective of determining the value of real estate by the local government.