



INCENTIVOS AOS EDIFÍCIOS SUSTENTÁVEIS: O CASO DO BENEFÍCIO FISCAL À REABILITAÇÃO URBANA EM PORTUGAL

INCENTIVES FOR SUSTAINABLE BUILDINGS: THE CASE OF TAX BENEFIT TO URBAN REHABILITATION IN PORTUGAL

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RESEARCH OBJECTIVES

- Discuss the importance of tax policies and their impact on environmental sustainability
[meeting the **11th Sustainable Development Goal - Sustainable cities and communities**]
- Discuss tax incentives for buildings regeneration intervention as local policies to protect the environment and natural resources
- To research the extent to which Portuguese companies make use of property tax incentives oriented to green buildings and recovery
- To understand some features of the local policy and economic context that can influence the companies' behaviour in the use of these incentives



LITERATURE REVIEW

- Buildings are responsible for nearly 40% of carbon emissions, mainly related to energy consumed for heating and cooling (IEA, 2019).
- Green taxation is seen as one of the supports for a more sustainable future (Chan et al., 2020; Chan et al., 2017; Olubunmi et al., 2016; Shazmin et al., 2016).
- Local policies concerning buildings regeneration can help to understand the municipalities orientation to a more sustainable future (Liberalesso et al., 2020).
- As far as buildings rehabilitation is concerned, Portuguese tax law states that properties that have been completed more than thirty years or that are in urban rehabilitation areas benefit from tax incentives, namely local tax exemptions (Portuguese Property Tax Code) .



**DATA ANALYSIS
AND RESULTS
(INFORMATION
PROVIDED BY THE
PORTUGUESE TAX
AUTHORITY)**

Table 1. Tax benefits related to companies' buildings recovery (2015-2020)

Tax Incentives per year	2015	2020
Total of grants (euros)	78,776.33	659,822.17
Variation (%)	-	+738%

High increase in 6 years
(in the total grant)



Table 2. Correlation coefficients

DATA ANALYSIS AND RESULTS (INFORMATION PROVIDED BY THE PORTUGUESE TAX AUTHORITY)

Municipalities' features	taxincent_index	
	Correlation coefficient (R)	p
ura_ha	0.196**	0.002
ura_year	0.133*	0.029
ura_temp	0.106	0.069
munic_dimens	0.503**	<0.001
newsoc2015_2020	0.511**	<0.001

taxincent_index= tax incentive index; **ura_ha**= urban rehabilitation area (hectares); **ura_year**= urban rehabilitation area' approval year; **ura_temp**= urban rehabilitation area' temporal period; **munic_dimens**= municipality' size; **newsoc2015_2020**= new companies founded in the period 2015 to 2020



CONCLUSIONS

- The tax benefits for building's regeneration are not yet a practice generally adopted by companies, although the high increase in 6 years;
- We find different local policies concerning the disclosure and attribution of tax benefits granted which reinforce prior studies that different local policies and decisions are associated with the features of municipalities and their vision and strategies toward SDG.



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