

REAL ESTATE AND TOURISM AND TAX

Average value of construction
per square metre in force in 2022

On 20 of December, Ministerial Order 310/2021 was published in the Portuguese official gazette, Diário da República. Under it, the average value of construction per square metre for the year 2022 was set at €512, for the purposes of article 39 of the Municipal Property Tax Code (*Código do Imposto Municipal sobre Imóveis - CIMI*).

Article 39 of the CIMI refers to the base value of properties, which is considered in the calculation formula to determine the official taxable value of a property, which, in turn, is used to calculate the Municipal Property Tax (IMI).

The determination of the official taxable value of urban properties for housing, commerce, industry and services results, as established in Article 38 of the CMI, from the following expression:

- Official taxable value = $Vc \times A \times Ca \times Cl \times Cq \times Cv$

where:

Vc = (*valor base dos prédios edificados*) base value of the buildings;

A = (*área bruta de construção mais a área excedente à área de implantação*) gross construction area plus the area exceeding the implantation area;

Ca = (*coeficiente de afetação*) use coefficient;

Cl = (*coeficiente de localização*) location

Cq = (*coeficiente de qualidade e conforto*) quality and comfort coefficient;

Cv = (*coeficiente de vetustez*) age coefficient.

Under Article 39(1) of the CIMI:

"The base value of the buildings (Vc) corresponds to the average construction value per square metre, plus the value of the square metre of the building land set at 25% of that value."

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"This Ministerial Order is applicable to all urban properties whose IMI Model 1 declarations are filed after 1 January 2022."

The average construction value is established annually upon a proposal of the National Commission for the Valuation of Urban Properties. This takes into account direct and indirect costs borne in the construction of buildings, such as those relating to materials, labour, equipment, administration, energy, communications and other consumables.

In the current context of price increases in the construction sector, Ministerial Order no. 310/2021 increases the average construction value per square metre from €492 to €512. In fact, this value had not been increased since 2019:

YEAR	AVERAGE VALUE	LEGISLATION
2021	492.00€	Ministerial Order no. 289/2020 of 17 December
2020	492.00€	Ministerial Order no. 3/2020 of 13 January
2019	492.00€	Ministerial Order no. 330-A/2018 of 20 December
2018	482.40€	Ministerial Order no. 379/2017 of 19 December

This Ministerial Order is applicable to all urban properties whose IMI Model 1 declarations, referred to in articles 13 and 37 of the Municipal Property Tax Code (properties subject to revaluation or rehabilitation or newly constructed buildings), are filed after 1 January 2022. ■