

Not taxing imputed rents: a gift to Scrooge?

Evidence from France

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- Imputed rent taxation (owner-occupied rental values) **taxed in France until 1965** and removed from fiscal base to promote homeownership.
- However, who benefits from this **tax exemption**? According to our results using Taxipp Model (Landais, et al), this "subsidy" mainly benefits high income households and older groups (full-right owners).

Main Results

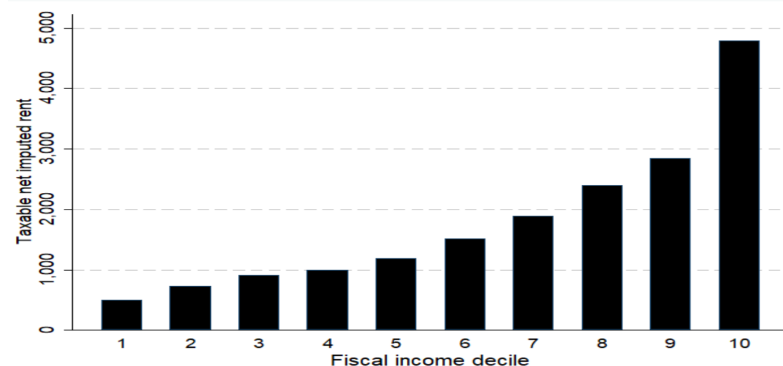


Figure: Subsidy by income decile

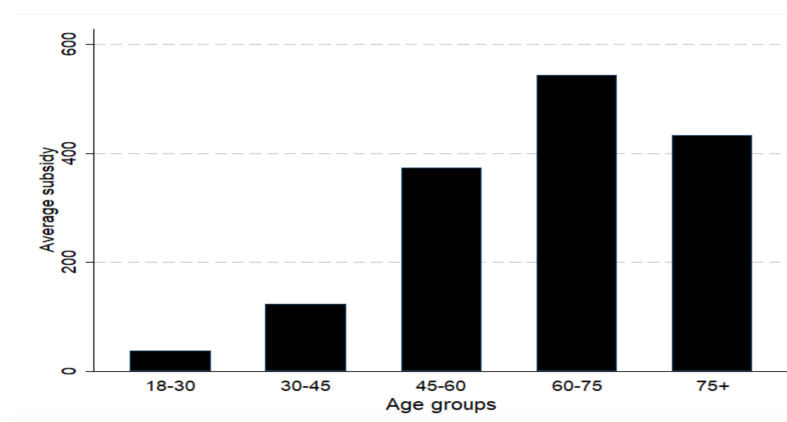


Figure: Subsidy by age groups

Pertinent topic in a context of **unprecedented rise of housing prices since the 2000's**:

→ High unemployment and difficult access to housing among the young after the 2008-2009 crisis affecting **inter-generational inequalities**.

→ Inter-vivos and heritages have also contributed to **intra-generational inequalities**.