

Name and address

2020

# Appendix to the tax return for 2020

## Property value tax: Foreign property

CPR no. (Civil reg. no.)

### Guidance

#### This appendix must be used if you own property abroad in the Faroe Islands or in Greenland

You are legally obliged to provide information about your owner-occupied home. The deadline for submitting the appendix is the same as for your tax return.

You must also use this appendix for income and expenses, if any, concerning your foreign property. This could be rental income and interest expenses, including interest on both foreign and Danish loans if the loans were obtained for the purpose of acquiring the property. It does not matter whether the loans were obtained in Denmark or abroad. If the loans were obtained in Denmark, the interest entered in boxes 41 and 42 of your tax assessment notice (*årsopgørelsen*) must be reduced by the amounts entered in this appendix.

If you have foreign interest income, for example, that is not associated with your property, you must use the tax return form for foreign income, form no. 04.012.

#### Guidance on boxes

**Boxes 212, 213 and 214, Foreign property:** State the total value of the property as at 1 January/1 October 2019, as at 1 January 2002, and as at 1 January 2001 plus 5%.

The value should be calculated according to the guidelines in the tax notice 2014.353 (in Danish *SKM 2014.353*) concerning the statement of values of foreign property. You can find the Tax notice at [www.skat.dk](http://www.skat.dk).

**Box 218, share of property owned:** The percentage of the property that you own. If you own 20% of the value of the property, for example, you should write 20.00 in the box. In E-tax, you should write 2000, without a full stop.

*Changes in the share owned of the property that took place during the income year*

If during the income year there have been any changes in the share of the property that you own, if for example you have sold or bought an additional share of a property of which you already owned a part, you must enter all the information about your property, including the change in the share, as a "new" property.

**Box 220, acquired before 2 July 1998:** If you acquired the property before 2 July 1998, you can get a relief on the property value tax. In order to get this relief, both you (as the buyer) and the seller must have signed the sales contract before 2 July 1998. The relief is also granted on your share of the property if you purchased an additional share after 2 July 1998 of a property of which you already owned a part prior to 2 July 1998.

#### Box 222, type of residence:

- 1 All-year residence or holiday home with permission for all-year residence
- 3 Holiday home
- 4 Two-family house with two owner-occupied home values
- 5 Two-family house with one owner-occupied home value
- 7 Owner-occupied apartment, all-year residence
- 8 Owner-occupied apartment, second home
- 9 Other properties (farmhouse, mixed property)

**Boxes 226-230, acquisition:** Enter the date you took over the property in box 226. If you moved in after the takeover date, you must give the moving-in date in box 228. If you moved into the property after the income year 2013, you must fill in box 230. You should not use the boxes 228 and 230 if the property acquired is a holiday home or is used as a second home.

**Boxes 232-234, sale:** Enter the date the buyer took over the property in box 232. If you sold the property during the income year, and if you moved out of the

property during the income year 2020, you must state the date you moved, if the moving date was before the buyer's takeover date. You should not use this field if the property sold is a holiday home or is used as a second home.

**Boxes 236, 237 and 238, two-family houses:** Here you must state the total value of the property as at 1 January/1 October 2019 (box 236), as at 1 January 2002 (box 237), and as at 1 January 2001 with the addition of 5% (box 238). The value should be calculated according to the guidelines in the tax notice 2014.353 (in Danish *SKM 2014.353*) concerning the statement of values of foreign property.

**Box 240, uninhabitable:** If your property was uninhabitable for some or all of the income year 2020, you may state the number of days during which the property was not habitable. A property is regarded as not habitable if you are temporarily prevented from using the property, for instance because of repairs after water damage, because of vandalism where all the windows were broken, or because the electricity, gas and water supplies were interrupted.

*The property was uninhabitable on takeover during the income year*

If you took over the property during the income year, and the property was uninhabitable at the date of takeover, and you moved in after the property became habitable, you should not state the number of days the property was uninhabitable. You should only state the moving-in date in box 228 and the takeover date in box 226.

**Boxes 242-246, renting out part of your property:** The boxes concerning renting out part of the property should only be completed if you use an accounting method (*regnskabsmæssig opgørelse*) to calculate tax deductions for certain expenses associated with the renting out of your property. If you rented out part of the property (rented out a room), you must fill in both box 242 and box 244.

**Boxes 248-250, partial business use:** In box 248 you must state the percentage of the total value of the part of the property which was used for business purposes. In box 250 you must state the number of days in the income year during which part of the property was used for business purposes.

#### Box 252, renting out of residential property on a commercial basis\*:

Properties which are rented out on a commercial basis are not covered by the Danish Property Value Tax Act. If you began or ended the renting out on a commercial basis during the income year, you must state the number of days for which the property was rented out. If the property was rented out for the whole income year, you must enter 360 days.

**Number of days in boxes 240, 242, 246, 250 and 252:** The income year is 360 days with 30 days in every calendar month.

**Box 254, foreign tax:** If you have paid foreign property tax on a property abroad, in Greenland or in the Faroe Islands which is equivalent in nature to Danish property value tax, you can deduct the amount of property value tax paid on the property. If you have paid foreign property tax on a foreign property which is equivalent in nature to Danish property value tax, and if your share of the property owned amounts to, for example 20%, you must calculate the foreign tax paid as a proportion of the total tax paid for the whole property (100%).

*Example:*

Share of property owned 20%  
Foreign tax paid DKK 1,000  
Total property tax paid (equivalent to Danish property value tax) = 1,000/20 x 100 = DKK 5,000 (the amount to be entered in box 254).

You must be able to document the foreign property tax/property value tax paid.

\*) If you rent out your residential property, you are, as a general rule, regarded as being self-employed for tax purposes and to be renting out on a commercial basis. You are not renting out on a commercial basis if you rent out your all-year residential property for part of a year, if you only rent out rooms or if you rent out your holiday home. If you rent out on a commercial basis, you are not liable to pay property value tax, but you must pay tax on your rental income after deduction of any costs.

Income from capital related to foreign owner-occupied home		Box	Amounts in DKK	Field no.
Income from capital	Net amount of rental income from renting out of the foreign property, and interest income and expenses related to the foreign property. Losses must be entered with a minus sign	425		.....
	Foreign tax paid on rental income	495		.....

**Phone number**

*You are responsible for ensuring that the tax return is accurate and complete.*