



Policy ▶ General Council Debate

Discrepancies with the tax on foreign real estate investment

The opposition believes that, far from stopping foreign investment, they will end up attracting it

The text was approved with the votes in favor of the majority, AE and the non-affiliated councilor, Víctor Pintos

EL PERIÒDIC
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The debate on the tax law on foreign real estate investment in the Principality of Andorra provoked a confrontation between the majority, on the one hand, and between Concòrdia and the social democratic parliamentary group on the other. The text was approved with the votes in favor of the majority, the three councilors of Andorra Endavant and the non-attached councilor, Víctor Pintos. Concòrdia and the PS voted against, denouncing that this measure, far from stopping foreign investment speculating in the Principality, will end up attracting it, which will further damage the housing market.

The rate will range from 3 to 10% depending on the number of properties purchased. Those destined for rental apartments for a period of 10 years will have bonuses of 90%. With this measure, the Government expects to raise around five million euros during 2024. In this way, the moratorium on foreign real estate investment approved last September is lifted.

Prior to the debate, the opposition groups presented the amendments presented on this issue. The one of the PS revolved around the tax bonus in case the investment is to build rental flats, while Concòrdia asked that the moratorium on operations by foreigners not be lifted with the entry into force of the new figure tax.

During the debate, the opposition was very critical of the text, to the point that Concòrdia's general counsel, Pol Bartolomé, warned that this new tax «will not only discourage investment, but will end up generating a price increase», emphasizing that, for the time being, «large luxury projects that



► Un moment de la sessió extraordinària del Consell General d'aquest dijous.

The Government expects to raise five million euros during 2024 with this new tax

are intended for non-residents have not been stopped». Referring to one of the previous day's points, Bartolomé explained that «it is of little use to allocate 30 million euros to apartments and freeze rents if we let foreign investors continue to make the country their private garden», denouncing that not it is logical to allow the acquisition of more than one property to people who neither live nor work in the Principality.

The leader of the PS, Pere Baró, spoke in the same vein, calling the new law «political marketing» and assuring that this will not stop speculation or be the solution. In addition, he criticized that the current legislature is doing the same as the previous one, not unders-

tanding that it is not set as a requirement to access the 90% bonus to invest in affordable rental apartments. On this point he was ironic, asking himself «who will make affordable flats if they can put them at 2,000 euros and still have it?». Baró sees «real» speculation with rents and claims that legislation must be enacted for all citizens.

In response to the opposition's criticism, Meritxell López defended that he has tried to do it in the fairest way possible, emphasizing that it is «an important step to regulate foreign investment».

From Andorra Endavant, Montaner has a good impression of this law, since «it is the first step to curb speculation and foreign investment in real estate». In addition,



Meritxell López

GENERAL COUNSELOR DA

«This tax is the first step to curb speculation and foreign investment in real estate»

Pol Bartolomé

GENERAL COUNCILOR CONCÒRDIA

«Not only will it discourage investment but it will end up generating a price increase»

Pere Baró

GENERAL ADVISOR PS

«Who will make apartments at an affordable price if they can put them at 2,000 euros and still have the bonus?»

on, they consider that this collection of money will allow the development of important projects for the country. ≡

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Green light for the law that requires updating wages with the CPI

14 companies have collective agreements and 12 union representatives

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Almost all of the plenary of the General Council validated the law that obliges companies to update wages with the CPI. The text received 26 votes in favor and only one against, that of the non-attached councilor, Víctor Pintos, who was left alone. The Minister of the Presidency, Economy, Work and Housing, Conxita Marsol, emphasized that «I would have liked for us not to have this debate and I would have preferred that an agreement or collective agreement on salary revaluation had been reached», without the Government intervention. In fact, Marsol regretted that of the 16,000 companies registered in the country, the Department of Labor only has 14 agreements or collective agreements and only 12 companies have elected their union representatives. The text contemplates that with effect from January 1st, all salaries between the minimum and the average must be updated with the CPI. This measure affects 28,000 of the 43,000 country employees.

The new law obliges employers to increase by a percentage of at least 4.6% with respect to the salary of



► La ministra de Presidència, Economia, Treball i Habitatge, Conxita Marsol, durant la sessió al Consell General, ahir.

people who receive a gross fixed salary that, calculated annually and for the ordinary legal working day, is higher to the interprofessional minimum wage for the year 2024 and less than or equal to 28,730 euros. The increase provided for in the previous section must also be applied to the salary of people who, before January 1, 2024, received a fixed gross salary calculated annually and for the ordinary legal working day, greater than 15,788.95 euros, and less than

or equal to the minimum interprofessional salary for the year 2024. As established by law, in this case, the increase must be applied to the amount of the gross fixed salary, in annual calculation and for the ordinary legal working day, which the person received before the application of the update of the interprofessional minimum wage for the year 2024. Likewise, with effect from January 1st, 2024, a gross fixed salary is established in annual calculation and ordinary le-

gal working day of 30,051.58 euros for salaries between 28,730.01 euros and 30,051.58 euros.

The head of Economy recalled that January closed with a CPI of 4.4% and, in fact, the bill approved this Thursday aims to «restore the equity of wages that are below of the medium and which have been affected by this inflationary context» while maintaining «the guarantees for the business fabric».

In the turn of the opposition, the



Conxita Marsol
MINISTER OF THE PRESIDENCY,
ECONOMY, WORK AND HOUSING

«I would have preferred that an agreement or collective agreement on salary revaluation had been reached»

leader of Andorra Endavant, Carine Montaner, was in favor of the measure, although she warned that it will be necessary to ensure that it does not have the opposite effect and that it could lead to layoffs within the private sector. The social democratic councilor Judith Salazar assured that the precarious situation is due to the housing crisis, which has meant that «we have low wages in relation to the cost of living». From Concòrdia, Núria Segué highlighted the data from the AR+I Observatory's latest survey, which shows that 80% of the population is concerned about the price of housing and advocated for «reducing the pressure that depends on us to guarantee fundamental rights and quality of life». For his part, Pintos justified his vote against by stating that this salary increase «does not preserve the general interest», since it does not affect all workers. In addition, he explained that «this does not respect the remuneration policy that each society may have». ≡

Concòrdia doubts the new Reasoner of the Citizen

The parliamentary group criticizes the form of the appointment of Xavier Cañada Bonachea

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ANDORRA LA VELLA

Xavier Cañada was appointed by consensus as the new Reasoner of the Citizen to replace Marc Vila, who held the position until yesterday. This year, the election, which has been very different from the one experienced in previous years with an open process of public appeal, took place between 13 different candidates, of which the legislative committee of Justice, Interior and Institutional Affairs was finally left with the figure of Cañada.

Despite the apparent consensus that seemed to be reac-

hed by all the parties, General Counsel Jordi Casadevall sowed doubt by showing that the election of the latter favored, in some way, the Executive headed by Xavier Espot: «We are happy with the substance, but not with the form, and we believe that the appointment process should be improved», emphasizing the fact that «it has been noticed too much that Democrats had the majority». Words that were not entirely well received by the head of government, who made it clear that «the appointment of Xavier Cañada is timely and appropriate, as he meets the requirements of training, expe-

rience, professionalism and independence to occupy the position». adding that, although it seems that the Concòrdia councilor suspected that the appointment had been decided in another building, «if they had asked us for the Government's opinion we would not have react exaggeratedly».

Even so, the rest of the councilors who took the floor made it clear their satisfaction with the appointment of the new Reasoner of the Citizen: «The appointment meets the criteria set by the Council of Europe», said social democratic councilor Judith Salazar. ≡



► The new Reasonator of the Citizen, Xavier Cañada Bonachea.

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