

NEWSLETTER

Reminder regarding Mortgage Interest on Real Estate Properties

TAX DECLARATION FOR INDIVIDUAL INCOME IN 2023

1. Distinction based on the property's condition at the time of acquisition:

- For new properties in the construction phase, mortgage interest remains fully deductible until the actual move-in date.
- For pre-existing real estate properties, the deduction of interest will depend on the property's condition at the time of acquisition.

2. Deductible interest without limit:

- If the property was in a state of dilapidation or disrepair to the extent that it was impossible to occupy directly (lack of heating, sanitary facilities, kitchen, etc.), the interest will be deductible without limit during the renovation period.
- The taxpayer must retain all evidence (photos, expert or architect reports, invoices, etc.) to prove to the tax authority this state of disrepair and benefit from the unlimited deduction of interest during the renovation phase.



3. Deductible interest with a ceiling limit:

- If the property was normally "habitable" but the renovations aim to provide more comfort or modernity, the deduction of interest will be subject to ceiling limits applicable in the years of acquisition.