



TRIBUNAL CONSTITUCIONAL
Gabinete del Presidente
Oficina de Prensa

NOTA INFORMATIVA Nº 88/2013

THE CONSTITUTIONAL COURT HAS RULED THAT AN ENACTMENT FROM THE REGION OF NAVARRA LIMITING THE TAX EXEMPTION FOR REAL ESTATE PROPERTY TO PLACES OF WORSHIP IS UNCONSTITUTIONAL.

The Plenary Meeting of the Constitutional Court has upheld the unconstitutionality appeal filed by the Government against Regional Law 10/2013, March 12, and therefore has also declared that paragraph d) of section 136 is unconstitutional, such provision would have obliged the Catholic Church and the Evangelistic, Jewish and Islamic denominations to pay the local building tax for all real estate property held by them with the sole exception of the buildings used as places of worship.

The appealed statute (Regional Law 10/2013, March 12) amended Regional Law 2/1995, March 10, which enacted the Local Councils Revenues Statute of Navarra. According to the existing framework before the legal amendment, exemption in payment of building tax referred to properties (held by the Catholic Church and other Religious Groups with which the State had entered into cooperation agreements) either intended for worship or for other purposes related to the specific goals of the Catholic Church and the other denominations.

The ruling issued by the Constitutional Court highlights that the Framework Statute for the Region of Navarra and the Financial Charter signed between the State and the Autonomous Community of Navarra contemplates a specific taxation system which must comply with the general taxation provisions of the Spanish State and may not be in breach of international treaties compacted by the Kingdom of Spain.

The Plenary Session also stresses that *"the Constitution obliges the Government in view of the beliefs of the Spanish citizens to maintain the appropriate cooperation and relations with the Catholic Church and other religious groups"*. It also notes that Spanish Public General Act 7/1980, July 5, the Religious Freedom Act, foresees that the *"State may enter into Charters and Agreements with certain Churches, Confessions and Religious Groups"* and foresees the possibility of extending to such Churches, Confessions and Religious Groups the *"tax benefits foreseen in the general legal system for non-for-profit and charitable institutions"*.

Therefore, on January 3, 1979, the State signed with the Holy See a Charter on Economic Provisions in compliance with the mandate foreseen in article 16 of the Spanish Constitution; and in 1992, it signed a Charter with the Federation of Evangelical Churches of Spain and with the Federation of Jewish Communities in Spain and with the Islamic Commission of Spain (Laws 24, 25 and 26 of 1992). Both the agreement with the Holy See and the laws which contemplate agreements with other religious denominations foresee that the exemption regarding building tax refers

not only to places of worship but also to buildings used for the aforementioned purposes.

In view of the above, and with regard to the Catholic Church, the Constitutional Court has ruled that the foregoing Regional Law is in breach of the Constitution because it runs counter to the provisions of the Framework Statute for the Region of Navarra (LO 13/1982) and the Economic Charter signed between the Catholic Church and the State.

For the same reasons and with regard to other religious denominations, the ruling considers that article 149 of the Spanish Constitution has also been breached because the State has an exclusive competence to guarantee equal access of all citizens to the exercise of constitutional rights, among which the fundamental right of religious freedom is included, and therefore the abovementioned regional enactment breaches the agreements signed in 1992 between the State and the evangelical, jewish and islamic denominations.

Madrid. December 5, 2013.