Deputy Prime Minister requests to apply unified land price list nationwide

If there is no new policy decision, the Deputy Prime Minister requested to apply a unified land price list, adjusted according to market data while the land price coefficient remains unchanged.

At the meeting on the draft Land Law (amended) on August 13, Deputy Prime Minister Tran Hong Ha said that land valuation needs to adhere to the principle of "one price" decided by the State and applied consistently in all transactions.

"Localities need to apply a unified land price list, adjusted according to market data while the price coefficient remains unchanged if there is no new policy decision," he said. Regarding policy subjects, according to the Deputy Prime Minister, the adjustment should be assigned to localities to ensure fairness and achieve socio-economic efficiency.



Deputy Prime Minister Tran Hong Ha speaks at a meeting on the draft Land Law (amended), August 13. Photo: VGP

The regulation on land price list is one of the contents proposed by the Ministry of Agriculture and Environment to be amended in the draft Land Law (replacement).

In the draft Law on amending the Land Law 2024, the Ministry of Agriculture and Environment proposed two amendment options. Option one is that the provincial People's Committee issues a land price list every 5 years, instead of annually as currently. The land price list is built according to area and location. For areas with digital cadastral maps and land price databases, the land price list will be built for each plot. The provincial People's Committee has the right to decide if it is necessary to supplement the land price list during the year.

Method two is to remove specific land prices and reapply the land price adjustment coefficient (coefficient K). Coefficient K is the increase and decrease rate of the areas and locations prescribed to adjust the price in the land price list each year. The provincial People's Committee will issue the land price adjustment coefficient starting from the following year of the 5-year period of applying the land price list.

In fact, the 2024 Land Law stipulates the determination of land prices according to market principles, but does not require the land price list to closely follow the market price - which is always fluctuating. However, when implemented in practice, many shortcomings appear, especially the large gap between residential and agricultural land prices.

According to the representative of the Ministry of Agriculture and Environment, the State needs to control and decide on land prices in the primary market. However, land valuation depends on secondary market land prices and consulting results from specialized units. This leads to land prices not reflecting the true nature of reality.

Meanwhile, the surplus valuation method also faces many difficulties due to its dependence on unstable market information. This not only affects the progress of land access but also increases investment costs and reduces local competitiveness.

Many opinions at the meeting agreed to simplify the determination of financial obligations based on land price lists and land use coefficients, and at the same time proposed clearer regulations to facilitate application to each type of project.

In addition to land prices, the Deputy Prime Minister also asked the Ministry of Agriculture and Environment to absorb and carefully study regulations to "selectively open" the real estate market. Accordingly, the policy allows scientists, businessmen, and patriotic foreigners to access real estate outside restricted areas, while still ensuring national defense and security requirements.

Regarding land access policy, the Deputy Prime Minister pointed out the major problem is that there is no clear distinction between auction (selling land use rights to the highest bidder) and bidding (selecting investors with optimal efficiency, low prices but meeting requirements).

"Auction is for specific benefits, bidding is for overall benefits," he said, requesting that the draft should clearly stipulate criteria for each form of auction and bidding, with the view that economic growth is based on the efficiency of investment on land.

The Government leader requested the Ministry of Finance to firmly adhere to the principle of determining real estate tax on abandoned land, slow-progressing projects, and empty houses, instead of applying it to projects that use a lot of land for development.

Regarding the remaining problems with land and real estate projects, the Deputy Prime Minister requested that the draft Law must have legal tools to resolve them completely, avoiding waste. In addition, he noted that the mechanism for expanding the State's right to decide on land must go hand in hand with ensuring the rights of the people.

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