A Brief Analysis of Owner And Trader of Residential Housing Market in Taiwan

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Abstract

The purpose of this paper is to provide a more comprehensive view of the whole residential housing market in Taiwan. In order to obtain features of owner and trader of residential housing market for analysis, this paper integrated the data from nationwide personal property of house in 2006-2014 and deed tax of housing transaction in 2008-2014 with house tax registration file, individual income tax return file, profit-seeking enterprise income tax return file and household registration file. The analysis shows the follows results: (1) Inequity of housing market, even though the rate of house-owning per household is almost 70%, there're still more than 1.9 million lower middle class households who belong to the "Generation Rent". Meanwhile, there're 127 thousands house owners who own more than 4 houses. (2) Aging in both house and owner, in 2014, there're 280 thousands houses over 40 years old and one-fourth of the house owners over 60 years old in Taiwan, the importance of safety issue in both old house and elderly living cannot be neglected. (3) Age of house buyers don't grow with the rising price of house, during 2008 to 2014, price of house nearly doubled, while the average age of house buyers grew only 2%, indicating the financial capability and family needs are more relevant to the age of house buyer. (4) People who exempt from paying income tax can afford to buy house, there're 20% of house buyers who don't have to pay individual income tax, due to under the threshold of taxing, indicating they might have other source of money or incomes which are not included in the current tax system.