

or when the regression method is statistically unreliable. The self-assessed value used as a direct estimate of the market price of the dwelling is not acceptable. The method used for fiscal purposes is usually not used. The use of the regression method should be developed to ensure a minimum comparability with the EU-SILC recommended method, in particular determining the capital to be taken into account when the owner has a mortgage.

The regression/stratification method is based on the estimation of market rent using appropriate econometric models/stratification criteria, which makes use of the available data on the private rental market. The source can be the EU-SILC subsample of full rent tenants or any other reliable external source.

Variables to be taken into account are likely to be country-specific, although some variables like localisation and urbanisation, size of the dwelling (in square metres and number of rooms), amenities (bathroom, balcony, garden, etc.) are likely to be common to all models.

Accommodation provided for free or at a reduced rent by an employer to employees as the main residence of the household should be included in non-cash employee income (PY020), and should therefore not be included under variable imputed rent (HY030).

Cash subsidies received from the employer for the costs of accommodation (dwelling) should be counted as employment income (PY010).

The housing subsidies received from the government or from a non-profit organisation should not be deducted from the imputed rent. These subsidies should be accounted for in housing allowances (HY070).

Housing subsidies and reduced rent based on an employment contract should not interfere with the computation of imputed rent.