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Press release

The new Home-Creation Program is popular among Hungarians

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Hungarian families are aware of and find useful the new opportunities offered in the government's largest home-creation program to date, as per the latest research of the Mária Kopp Institute for Demography and Families (KINCS). According to a representative survey of 1,000 people carried out November 3-5, 2020, four-fifths of respondents are familiar with and welcome new home-creation opportunities, of which the home renovation support is the most popular. Most of them believe that home-creation measures help to increase the desire to have children and improve the living standards of families.

Three-quarters of Hungarians have heard about the five points of the new Home-Creation Program starting on January 1, 2021 (home renovation support for families with children, reduction of 27 percent VAT to 5 percent for newly built properties, VAT refund for properties purchased with the Housing Subsidy for Families, tax exemption for apartments purchased with the Housing Subsidy for Families, support of multi-generational housing via attic conversion), and 85-90 percent agree with them. Respondents were also of the same opinion regarding the usefulness of the measures.

The most popular new measure is support for home renovation, which 87 percent of those surveyed have already heard of, 90 percent agree with, and 81 percent say is particularly helpful. The awareness and perception of the other measures does not lag far behind that of home renovation either, as the respondents are very positive about the other four options: at least seven out of ten know and find them useful, and more than 80 percent agree with them.

When asked which option they would take advantage of, one-fifth of those surveyed said they were planning a home renovation in their family. A quarter of 18-49 year olds and more than a third of those raising children under the age of 18 would like to renovate by making use of the support of a maximum of HUF 3 million, most of them (85%) within two years. Home renovation is most popular among cohabiting people, with 29% planning it, while 24% of married people have the same intention.

Measures related to the Housing Subsidy for Families are most popular among those under the age of 30, while home renovations and loft conversion among those between the ages of 30 and 50. The tax exemption for properties purchased with the Housing Subsidy for Families may affect every seventh respondent or its family member in the future, similar to VAT reductions and reclaims. More than 10 percent of those surveyed are thinking of using the VAT refund option provided by CSOK for property purchases in the coming years. 8 percent of those surveyed have attic conversion plans. Overall, home-creation measures are the most popular among large families. According to the type of settlement, their reception is somewhat more favorable in the villages, except for the tax exemption, which is valued higher in the cities. Judgment varies based on educational attainment, renovation support is more popular among those with secondary and tertiary education, while attic conversion is more popular among those with lower education.



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A very high proportion of respondents, 87 percent, agreed with the statement that home-creation measures contribute to improving the living standards of families with children, and 76 percent agreed with the statement that home-creation measures contribute to increasing the desire to have children and thus improving Hungary's population.

KINCS also examined the needs and plans of Hungarians aged 18-49 related to home renovation. This revealed that despite the fact that 60 per cent of them have had a home renovation in the last 5 years, 62 per cent still believe that they will need to spend on modernisation in the near future. More than half of them are already planning home renovation work in the next 3 years, with every second of them via making use of the support for those with children

The research found that 87 percent of young respondents plan to live in their own property by the age of 50, 64 percent envision their future in their own house, and 23 percent envision their future in their own apartment.

Methodology: The national representative survey was conducted by telephone survey of 1,000 people among the adult population between November 3-5, 2020.

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