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Land Reform Act

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RT 1991, 34, 426
Entry into force 01.11.1991

Amended by the following acts

Passed	Published	Entry into force
12.03.1992	RT 1992, 10, 145	12.03.1992
15.04.1993	RT I 1993, 20, 354	28.04.1993
27.10.1993	RT I 1993, 72, 1021	01.12.1993
07.12.1993	RT I 1993, 79, 1182	29.12.1993
09.02.1994	RT I 1994, 13, 231	05.03.1994
28.06.1994	RT I 1994, 51, 859	25.07.1994
09.11.1994	RT I 1994, 86, 1488	01.01.1995
14.12.1994	RT I 1994, 94, 1609	29.12.1994
consolidated text on paper RT	RT I 1995, 10, 113	
30.04.1996	RT I 1996, 36, 738	07.06.1996
consolidated text on paper RT	RT I 1996, 41, 796	
29.01.1997	RT I 1997, 13, 210	02.03.1997
24.04.1997	RT I 1997, 37, 570	26.05.1997
23.10.1997	RT I 1997, 81, 1363	30.11.1997, in part 01.01.1998
01.12.1997	RT I 1997, 93, 1556	03.01.1998
14.01.1998	RT I 1998, 12, 153	16.02.1998
16.11.1998	RT I 1998, 103, 1698	10.12.1998
17.02.1999	RT I 1999, 25, 366	22.03.1999
18.02.1999	RT I 1999, 27, 390	27.03.1999
28.10.1999	RT I 1999, 84, 765	16.11.1999
08.12.1999	RT I 1999, 95, 840	01.01.2000
13.06.2000	RT I 2000, 54, 347	16.07.2000
consolidated text on paper RT	RT I 2000, 70, 441	
15.11.2000	RT I 2000, 88, 576	29.11.2000
06.03.2001	RT I 2001, 31, 171	29.03.2001
02.05.2001	RT I 2001, 48, 265	01.11.2001, osaliselt 01.06.2001
consolidated text on paper RT	RT I 2001, 52, 304	
14.11.2001	RT I 2001, 93, 565	01.02.2002
24.01.2002	RT I 2002, 11, 59	02.02.2002
15.05.2002	RT I 2002, 47, 297	01.01.2003
21.05.2002	RT I 2002, 47, 298	16.06.2002
13.11.2002	RT I 2002, 99, 579	01.01.2003
13.11.2002	RT I 2002, 100, 586	01.01.2003
12.02.2003	RT I 2003, 26, 155	15.03.2003, in part according to § 41
14.04.2004	RT I 2004, 30, 208	01.05.2004
21.04.2004	RT I 2004, 38, 258	10.05.2004
26.10.2005	RT I 2005, 61, 476	27.11.2005
26.01.2006	RT I 2006, 7, 40	04.02.2006
07.06.2006	RT I 2006, 30, 232	01.01.2007
19.06.2008	RT I 2008, 34, 211	01.08.2008

25.02.2009	RT I 2009, 18, 107	28.03.2009
14.05.2009	RT I 2009, 26, 162	06.06.2009
11.11.2009	RT I 2009, 57, 381	01.01.2010
09.12.2009	RT I 2009, 61, 404	17.12.2009
22.04.2010	RT I 2010, 22, 108	01.01.2011 enters into force on the date which has been determined in the Decision of the Council of the European Union regarding the abrogation of the derogation established in respect of the Republic of Estonia on the basis provided for in Article 140(2) of the Treaty on the Functioning of the European Union, Council Decision 2010/416/EU of 13 July 2010 (OJ L 196, 28.07.2010, p. 24–26).
17.06.2010	RT I 2010, 38, 231	01.07.2010
10.06.2010	RT I 2010, 41, 242	01.09.2010
27.02.2013	RT I, 15.03.2013, 26	20.03.2013
19.12.2013	RT I, 14.01.2014, 1	24.01.2014
19.06.2014	RT I, 29.06.2014, 109	01.07.2014, the titles of ministers replaced on the basis of subsection 4 of § 107³ of the Government of the Republic Act in the wording in force as of 1 July 2014.
18.02.2015	RT I, 23.03.2015, 3	01.07.2015
11.06.2015	RT I, 30.06.2015, 4	01.09.2015, in part 01.07.2015
07.06.2016	RT I, 28.06.2016, 1	01.07.2016
14.06.2017	RT I, 04.07.2017, 1	01.01.2018, in part 14.07.2017
06.06.2018	RT I, 29.06.2018, 1	01.07.2018
21.11.2018	RT I, 12.12.2018, 2	22.12.2018
06.05.2020	RT I, 19.05.2020, 2	29.05.2020
24.11.2021	RT I, 08.12.2021, 2	01.01.2022
08.02.2023	RT I, 23.02.2023, 1	01.04.2023
23.06.2023	RT I, 06.07.2023, 6	01.01.2024

Part I
GENERAL PROVISIONS

§ 1. Purposes of Act

The Land Reform Act determines the bases for restructuring relations regarding land (land reform).

§ 2. Objective of land reform

Based on the continuity of rights of former owners and the interests of current land users that are protected by law, and to establish preconditions for more effective use of land, the objective of land reform is to transform relations based on state ownership of land into relations primarily based on private ownership of land.

§ 3. Content of land reform

(1) In land reform, unlawfully expropriated land is returned to its former owners or their legal successors or they are compensated therefor, land is transferred for or without charge into the ownership of persons in private law, legal persons in public law or local governments, and land to be retained in state ownership is determined.

(2) In land reform, a right of superficies is constituted or a usufruct on the bases provided by this Act is established for the benefit of owners of construction works.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 4. Land reform as part of ownership reform

Land reform as part of ownership reform is carried out under the conditions of and pursuant to the procedure provided for in the Republic of Estonia Principles of Ownership Reform Act (hereinafter the *Principles*) and this Act. The Principles apply to land reform unless otherwise provided by this Act.

§ 4[1]. LApplication of Act to registered partner

The provisions of this Act concerning the spouse also apply to the registered partner.
[RT I, 06.07.2023, 6 – entry into force 01.01.2024]

Part II
RETURN OF AND COMPENSATION FOR LAND

§ 5. Persons who have right to claim return of or compensation for land (entitled subjects)

(1) The following have the right to claim return of or compensation for land:
1) natural persons whose land was unlawfully expropriated if they were citizens of the Republic of Estonia on 16 June 1940 or if they resided permanently in the territory of the Republic of Estonia on the date of entry into force of the Principles (20 June 1991);
2) natural persons who pursuant to § 8 of the Principles are successors of the persons specified in clause 1 of this subsection. If a former owner is deceased and no persons specified in § 8 of the Principles exist, the sisters and brothers of the former owner have the right to claim return of or compensation for land in equal shares, and their descendants, if their parent is dead (regardless of the date of death), have the right to claim return of or compensation for land in equal shares; they have the right to claim return of or compensation for the land to which their parent would have had the right;
3) organisations whose land was unlawfully expropriated, pursuant to § 9 of the Principles;
4) persons to whom the right of claim has been assigned or who have succeeded thereto pursuant to §§ 19[1]and 19[2]of this Act.

(2) Return of or compensation for land which the owners transferred after 16 June 1940 may be claimed pursuant to subsection 1 of this section by persons to whom the land was transferred or their legal successors.

(3) Issues relating to the return of and compensation for former ground rent land (obrok land) are regulated by a separate Act.

§ 6. Return of land

(1) Land is returned according to its former boundaries unless otherwise provided by this Act, planning and land consolidation requirements or by agreement between adjacent neighbours who are entitled subjects. Land is returned on the basis of desk survey pursuant to the procedure established by the Government of the Republic. If this is not possible due to insufficient desk survey or if an entitled subject does not wish return on the basis of desk survey, a cadastral unit is surveyed. Based on planning and land consolidation requirements, the area of a plot of land to be returned may differ from the area of land subject to return by up to +/- 8 per cent but not more than 5 hectares. In such case and if land was returned according to its former boundaries but the area surveyed before the unlawful expropriation differs from the area determined upon the return of the land, additional compensation is not paid and the entitled subject is not required to make additional payment for the land. Upon return of land, reallotment or planning may be carried out pursuant to law, and the land shall be returned on the basis of the reallotment plan or the adopted detailed plan.

(2) Land is not returned in part or in whole if:
1) the entitled subject does not claim return of the land but wishes compensation therefor;
2) as set out in § 8 of this Act, the land was granted by law for perpetual use to another natural person pursuant to the Estonian SSR Farm Act (*ENSV Teataja*, 1989, 39, 611; RT I 1993, 72/73, 1021; 1994, 30, 465) by the date of passage of the Act, and the person with the right of use started to use the land for the intended purpose before 1 April 1996;
3) the buildings or civil engineering works which belong to another person, including buildings or civil engineering works of a gardening, cottage, residential building or garage association within a circular boundary of the association, are situated on land, and there is no agreement to constitute a right of superficies, establish a usufruct, subject land to a commercial lease or any other agreement in accordance with §§ 7, 9 and 10 of this Act;
4) the land is retained in state ownership pursuant to clauses 1–5, 7, 10 or 13 of subsection 1 of § 31 of this Act or is transferred into municipal ownership pursuant to clauses 1, 3 or 4 of subsection 1 of § 28 of this Act;
[RT I, 29.06.2018, 1 – entry into force 01.07.2018]
5) [repealed]
6) the location of the unlawfully expropriated land cannot be ascertained.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(3) For the purposes of this Act, a construction works is an integrated thing which is built as a result of human action and is attached to the site subsoil, also unfinished construction works. A construction works is a building or civil engineering works. A building is a construction works with interior space which is separated from

the external environment by a roof and other exterior enclosures. A civil engineering works is a construction works which is not a building. The provisions concerning civil engineering works shall be applied with regard to plantations with plant breeding, scientific or cultural value, including dendrological parks and gardens. The list of such plantations shall be approved by the Government of the Republic. The provisions concerning civil engineering works also apply to the construction works and parks adjacent to former manor houses, if they have cultural value and have been declared cultural monuments on the bases and pursuant to the procedure provided by the Heritage Conservation Act.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(3^1) For the purposes of this Act, roads, utility networks and utility works which enable the intended use of land to be returned are not civil engineering works. Temporary construction works or civil engineering works and abandoned or dilapidated construction works which substantially damage the surroundings or scenery are not deemed to be construction works. Such construction works shall be removed by the owner by the set due date. Construction works which are not removed by the due date shall become essential parts of the plot of land in land reform.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(3^2) For the purposes of this Act, a residential building is a building where at least 20 per cent of the total area of the building is prescribed for permanent residence and the rest for agricultural production or other specific purposes relating to the residential building. The provisions concerning residential buildings also apply to unfinished residential buildings which conform to the characteristics provided for buildings in subsection 3 of this section. The conformity of an unfinished construction works to the characteristics of residential buildings provided for in this subsection shall be determined on the basis of the building design documentation of the construction works. Unfinished residential buildings which do not conform to the characteristics provided for buildings in subsection 3 of this section are deemed to be other construction works in this Act.
[RT I, 29.06.2018, 1 – entry into force 01.07.2018]

(3^3) The land under a construction work and the smallest necessary and sufficient amount of land surrounding the construction work which is necessary to ensure purposeful and safe use, maintenance and physical preservation of the construction work shall be determined as land necessary for servicing the construction work (complex of construction works). If one and the same plot of land can be included in the land necessary for servicing several construction works, the plot shall be divided as equally as possible taking into account the area and value of the land and the land consolidation and other requirements. Determination of land necessary for servicing a construction work shall be based on the building design documentation prepared and approved pursuant to law, which justifies the need to construct extensions to the construction work or to construct another construction work connected with the construction work, if this does not damage the interests of the entitled subjects for the return of land. Determination of land necessary for servicing a construction work shall not be based on the boundaries valid during the period of unlawful expropriation of land units.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(4) Land is returned in part only if this is in accordance with planning and land consolidation requirements and if:
1) return in whole is not possible on the bases provided for in clauses 2–4 of subsection 2 of this section or in § 14;
2) an entitled subject applies for the return of up to 2 hectares of land adjacent to a construction works owned by the entitled subject;
3) an entitled subject does not wish the return of land which is situated within the boundaries of a protected area;
4) an entitled subject applies for the return of a detached plot of land.
[RT I 2006, 7, 40 – entry into force 04.02.2006]

§ 7. Return of land within city boundaries

(1) Unlawfully expropriated land within city boundaries is not returned if the land is adjacent to a building or civil engineering works of another person as a lot or land necessary for servicing the building or civil engineering works, and if the entitled subject and the current owner of the construction works do not agree on the constitution of a right of superficies on the land for the benefit of the owner of the construction works, on the transfer of the construction works to the entitled subject or otherwise.

(2) An agreement concerning the constitution of a right of superficies on land shall be notarised and contain the obligation of the entitled subject to constitute a right of superficies for the benefit of the owner of the construction works upon return of the land. The agreement shall contain the essential terms of the right of superficies, including the charge for and the term of the right of superficies. The provisions of § 15 of the Law of Property Act Implementation Act otherwise apply to the constitution of a right of superficies. The co-owner of a construction works who is an entitled subject may agree on the constitution of a right of superficies held by the owner of the subsoil. In order to secure the constitution of a right of superficies, a notation shall be entered in the land register on the basis of a registration application of the local government.
[RT I 2010, 38, 231 – entry into force 01.07.2010]

(3) Upon agreement on transfer of a construction works, land is returned after transfer of the right of ownership in the construction works to the entitled subject. If a residential building is transferred on the condition of life-

long support, the transferor has the right, after the land under the residential building is entered in the land register, to demand the establishment of a personal right of use in the residential building from the entitled subject. In order to secure the establishment of a personal right of use, a notation shall be entered in the land register on the basis of a notarised application of the transferor of the residential building.

(4) The provisions of this section apply in densely populated areas. For the purposes of this Act, densely populated areas are areas which are determined as densely populated areas by an adopted plan. In the absence of a comprehensive plan or if it is impossible to determine a densely populated area on the basis of a county plan, the areas deemed to be densely populated areas are those concerning which valid general plans of cities or towns, detailed plans, general plans for groups of enterprises, planning projects and building projects for rural settlements and other valid planning projects exist. Lands determined on the proposal of the local government council as densely populated areas by the county governor before 1 January 2018 are also densely populated areas.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(5) The local government shall determine the area and boundaries of land necessary for servicing a construction works in accordance with planning and land consolidation requirements pursuant to the procedure established by the Government of the Republic, as a rule without preparing a detailed plan. The local government may decide to determine the area and boundaries of land necessary for servicing a construction works by a detailed plan, which shall be prepared considering the extent of privatisation of land provided for in this Act.

(5^1) The whole of the land in the legitimate use of the owner of a residential building is deemed to be land necessary for servicing the residential building. Land use is deemed to be legitimate if:
1) the decision on the grant of land for use has been adopted by a competent body or official before the entry into force of the Principles, or
2) the use of land is proven by a receipt for payment of rent on land (land tax) or by other document issued before the entry into force of the Principles.

(5^2) Land necessary for servicing other construction works is determined if a lot has not been determined or if a change in the area or the boundaries of the lot is justified based on planning and land consolidation requirements.

(6) [Repealed – RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 8. Return and division of land granted for perpetual use pursuant to Estonian SSR Farm Act

(1) Land which was lawfully granted for perpetual use as farm land pursuant to the Estonian SSR Farm Act is not subject to return except in the cases where the entitled subject and the head of the farm household agree otherwise or the use of land for the intended purpose is not commenced pursuant to clause 2 of subsection 2 of § 6 of this Act.

(2) A residential lot with an area of up to 2 hectares is returned to an entitled subject from farm land transferred to another person unless return of the residential lot is possible otherwise. The local government shall determine the area and boundaries of a residential lot according to planning and land consolidation requirements pursuant to the procedure established by the Government of the Republic.

(3) Up to 2 hectares of land may be separated from farm land, which the owner of a construction works has the right to privatise by a right of pre-emption pursuant to this Act, unless privatisation of the land is possible otherwise or unless otherwise agreed by the head of the farm household and the owner of the construction works.

(4) If the use for the intended purpose of land which was granted by law for perpetual use pursuant to the Estonian SSR Farm Act is not commenced before 1 April 1996, the termination of the right of use of land shall be decided by the Director General of the Land Board.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

§ 9. Return of land situated beyond city boundaries on which buildings of natural person are situated

(1) If a construction works which is in the ownership of another natural person is situated on unlawfully expropriated land situated beyond city boundaries, and if the entitled subject and the owner of the construction works do not agree on the constitution of a right of superficies for the benefit of the owner of the construction works or on transfer of the construction works to the entitled subject, the unlawfully expropriated land is not returned if such land is adjacent to:
1) a residential building, up to the extent of 2 hectares unless otherwise agreed by the entitled subject and the owner of the construction works;
2) a cottage or garden house, to the extent of the current unspecified term of use of the land but not more than 1 hectare unless otherwise agreed by the entitled subject and the owner of the construction works;

3) another construction works, to the extent of the land necessary for servicing the building.

(1^1) If residential buildings which are in the ownership of other natural persons and a residential building which is in the ownership of an entitled subject are situated on unlawfully expropriated land and unless the owners of the residential buildings and the entitled subject agree otherwise, the land shall be divided in as equal shares as possible between the owners and the entitled subjects.

(2) If the owner of a residential building situated on unlawfully expropriated land wishes to purchase more than 2 hectares of land and the entitled subject wishes return of the land and they do not reach an agreement within the term set by the local government, up to 50 hectares are privatised to the owner of the residential building out of vacant bordering land. If the owner of the residential building is able to privatise less than 20 hectares of land out of bordering land, the owner has the right to privatise additional land out of the registered immovable to be returned up to the deficiency to total 20 hectares, but not more than the land remaining to the entitled subject. If there is no vacant bordering land, the land is divided between the entitled subject and the owner of the residential building in as equal shares as possible and the owner of the residential building does not have the right to claim more than 20 hectares of land. If several residential buildings are situated on unlawfully expropriated land and the owners of the residential buildings wish to privatise more than 2 hectares of land, they may, in the case of non-existence or shortage of vacant land, privatise up to one-half of the land out of the unlawfully expropriated land but not more than 20 hectares in total. Upon privatisation of land pursuant to this subsection, the condition that a registered immovable is formed together with a residential building and the rights of other persons with a right of pre-emption are not violated thereby shall be taken into account.

(2^1) If construction works which constitute a single complex with a residential building situated beyond city boundaries are situated on the land of several former registered immovables to be returned, the land to be privatised by right of pre-emption together with the residential building is determined out of the land of the former registered immovable where the residential building is situated unless the owner of the residential building and the entitled subjects agree otherwise. From the other former registered immovable to be returned, land necessary for the normal use of the construction works which remains on the registered immovable shall be privatised to the owner of the residential building and land necessary for production is not included in such land. If a residential building is situated on the land of several former registered immovables to be returned, the land to be privatised by right of pre-emption together with the residential building is determined out of several former registered immovables in proportion to the area of the former immovables unless the owner of the residential building and the entitled subjects agree otherwise.

(3) [Repealed]

(4) [Repealed]

(5) [Repealed]

(6) [Repealed]

(7) Upon transfer of a construction works specified in subsection 1 of this section, the entitled subject has a right of pre-emption to the construction works except upon transfer of the construction works to descendants or to the ownership of a local government. The right of pre-emption of the entitled subject is valid until a decision not to return the land under the construction works is made. The right of pre-emption is not valid if the construction works to be transferred is not situated within the boundaries of one registered immovable.

(8) The owner of a construction works is required before transfer of the construction works to notify the entitled subject who has a right of pre-emption of the intention and terms of transfer in writing. If the entitled subject does not exercise the right of pre-emption within one month after the date of receipt of the written notice, the owner of the construction works has the right to transfer the construction works at least for the price and on the terms specified in the written notice. If the owner of a construction works transfers the construction works in violation of the right of pre-emption of an entitled subject, the entitled subject may within two months after the date of becoming aware of the violation file an action with a court for transfer of the rights and obligations of the acquirer to the entitled subject.

(9) The local government shall determine the area and boundaries of land which is not returned or is privatised with the right of pre-emption pursuant to this section, including land necessary for servicing a construction works, in accordance with planning and land consolidation requirements pursuant to the procedure established by the Government of the Republic. Land necessary for servicing a construction works is determined if the lot has not been determined or a change in the area of the lot is justified according to planning and land consolidation requirements. Land necessary for production is not included in land necessary for servicing a construction works.

(10) The provisions of subsections 2 and 3 of § 7 of this Act apply to agreements concerning the constitution of a right of superficies for the benefit of the owner of a construction works and concerning the transfer of a construction works as provided for in subsection 1 of this section.

§ 10. Return of land situated beyond city boundaries on which buildings or civil engineering works belonging to state, local government or legal persons are situated

(1) The land situated beyond city boundaries under the buildings or civil engineering works belonging to the state, a local government or a legal person and the land necessary for servicing these buildings or civil engineering works is not returned unless the entitled subject and the current owner of the construction works agree on the constitution of a right of superficies for the owner of the construction works or on transfer of the construction works to the entitled subject. The provisions of subsections 2 and 3 of § 7 of this Act apply otherwise.

(2) Upon transfer of a construction works specified in subsection 1 of this section an entitled subject has a right of pre-emption to the construction works, except upon privatisation of the construction works or transfer thereof into the ownership of the local government. The right of pre-emption is valid upon transfer of a construction works pursuant to the Republic of Estonia Agricultural Reform Act, except upon municipalisation. The right of pre-emption of the entitled subject is valid until a decision not to return the land under the construction works is made. The right of pre-emption is not valid if the construction works to be transferred is not situated within the boundaries of one registered immovable. The provisions of subsection 8 of § 9 of this Act apply upon transfer of the construction works.

(3) The local government shall determine the area and boundaries of land necessary for servicing a construction works in accordance with planning and land consolidation requirements pursuant to the procedure established by the Government of the Republic. Land necessary for production is not included in land necessary for servicing a construction works.

§ 11. [Repealed]

§ 12. Return of land if construction works owned by entitled subject is situated on land

(1) If a construction works situated on land to be returned is in common ownership of several entitled subjects and the shares of common ownership in the construction works and the shares of the entitled subjects in the land to be returned are not equal, the lot situated within city boundaries or land in legitimate use and the land situated beyond city boundaries to the extent specified in subsection 1 of § 9 of this Act is returned into common ownership according to the share of common ownership in the construction works of each entitled subject. Land situated beyond city boundaries which has an area greater than that provided for in subsection 1 of § 9 of this Act is returned into common ownership as a separate registered immovable from the land adjacent to the construction works according to the shares of the entitled subjects in the land to be returned unless otherwise agreed by the entitled subjects by the time the formation of the cadastral unit is begun.

(1^1) An entitled subject to whom land was returned in a share larger than the entitled subject's share is required to pay a debt to the state for the share of land which exceeds the entitled subject's share. The debt is the amount of compensation that was paid or was subject to payment to other entitled subjects. The debt may be paid in money or privatisation vouchers. The debt may be paid in instalments under the conditions applicable to the privatisation of land to persons specified in subsection 4 of § 22^3 of this Act. Payment for land returned in a share exceeding the right of claim may be made in privatisation vouchers during the term provided by law. Payment of the debt shall be secured by a mortgage for the benefit of the Republic of Estonia. Contracts for the establishment of a mortgage and real right contracts shall be entered into by the local government in the name of the state in notarised form.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(1^2) If a construction works situated on land to be returned is in the ownership of one entitled subject and there are several entitled subjects for the return of land, the lot situated within city boundaries or land in legitimate use and the land situated beyond city boundaries is returned to the owner of the construction works as land belonging to the construction works or necessary for servicing the construction works as a separate registered immovable according to the share of the entitled subject's right of claim in land to be returned. Land remaining after formation of a registered immovable from land situated beyond city boundaries and belonging to the construction works or necessary for servicing the construction works is returned as a separate registered immovable to the common ownership of other entitled subjects according to the shares of the entitled subjects' right of claim in land to be returned, unless otherwise agreed by them pursuant to the provisions of § 14 of this Act. If an entitled subject who is the owner of a construction works has the right to acquire as land necessary for servicing the construction works more land than land corresponding to the share of the entitled subject's right of claim, the entitled subject has the right to request the return of the land necessary for servicing the construction works which is situated within the boundaries of the former registered immovable in the part which is larger than the share of the right of claim and privatise the part of the land necessary for servicing the construction works which is beyond the boundaries of the former registered immovable under the same conditions as privatisation with the right of pre-emption without submitting a privatisation application separately.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(1^3) If a construction works which is situated beyond city boundaries and is owned by one entitled subject is situated on a detached plot of land of land to be returned and there are several entitled subjects for the return of land, land shall be returned to the owner of the construction works as a separate registered immovable from land to be returned as land belonging to or necessary for servicing the construction works according to the share of the right of claim thereof from such detached plot of land, or if the detached plot of land is smaller than the share of the right of claim in land to be returned, then to the extent of the detached plot of land. Land remaining after formation of a registered movable from land situated beyond city boundaries and belonging to the construction works or necessary for servicing the construction works is returned as a separate registered immovable to the common ownership of all the entitled subjects according to the shares of the entitled subjects' right of claim in land to be returned such that the total area of the registered immovable formed to the entitled person who is the owner of the construction works from land belonging to or necessary for servicing the construction works and land returned thereto in common ownership would correspond to the share of the right of claim thereof in land to be returned, unless otherwise agreed by the entitled persons pursuant to the provisions of § 14 of this Act.

(1^4) If a construction works situated on land to be returned is in common ownership of several entitled subjects and a co-owner has no desire or no right to acquire land, the co-owners desiring return of land have the right to request the return of land necessary for servicing the construction works in proportion to their shares in the construction works, unless otherwise agreed by the co-owners. If the co-owners desiring acquisition of land have no desire to be returned land necessary for servicing the construction works in the part which is larger than their share of the right of claim, the part of the land without a claim for return shall be retained in state ownership and a right of superficies shall be constituted on land necessary for servicing the construction works for the benefit of all co-owners.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(2) If a construction works in joint ownership of spouses is situated on land to be returned, the land is returned to the spouse who has the right to claim return of the land. Upon entry of the land to be returned in the land register, the other spouse shall be entered in the land register as a joint owner on the basis of a joint notarised application of the spouses. If the spouse to whom the land was returned refuses to submit a joint application, the other spouse has the right to demand his or her entry in the land register as a joint owner of the land necessary for servicing the construction works and division of the registered immovable.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 12^1. Return of land if temporary construction works or plantations belonging to other persons are situated on land

(1) For the purposes of this Act, a temporary construction works is:
1) a construction works which is temporarily attached to the ground and erected on the basis of legal use of land before the entry into force of this Act;
2) a construction works erected on the basis of a permit for use or extraction of mineral resource within the limits of a valid extracting area.

(1^1) For the purposes of this Act, dilapidated or abandoned temporary construction works are not deemed to be temporary construction works.

(2) For the purposes of this section, a plantation is a garden of permanent crops established for the growing of fruit or berries, or other plantations of permanent crops with an area of at least 0.25 hectares established on the basis of legal use of land before the entry into force of this Act and currently in order and in use as a plantation, except the plantations specified in subsection 3 of § 6 of this Act.

(3) If a temporary construction works or plantation belonging to another person is situated on land to be returned, the local government shall determine the area and boundaries of land necessary for servicing the construction works or plantation and shall set a term for the parties to reach an agreement. The parties have the right to agree on the constitution of a right of superficies or the establishment of a usufruct for the benefit of the owner of the temporary construction works or plantation, agree on the subjecting of land to a commercial lease, the assignment of the right of claim to the owner of the temporary construction works or plantation, the transfer of the construction works or plantation to the entitled subject, the removal of the temporary construction works or plantation, or agree on any other manner. The agreement shall be entered into in notarised form and submitted to the local government.

(4) If the entitled subject and the owner of a temporary construction works or plantation fail to reach an agreement by the set term, the land is returned and left in the use of the owner of the temporary construction works or plantation until the expiration of the term of a temporary right of use of land or of the permit for use or extraction of mineral resource. The owner of a temporary construction works or plantation erected on the basis of the right of use of land with an unspecified term has the use of land for up to ten years after a decision on return of land is made, however not for longer than until 1 January 2008. The right of ownership for the cadastral unit to be returned on which the plantation belonging to another person is situated shall be transferred upon the extinguishment of the right of use of land. The owner of the temporary construction works or plantation shall incur the costs related to the formalisation of leaving the land in the use of the owner, shall pay land tax on land left in the use of the owner and pay a fee to the person specified in the decision on return of land in an amount equal to land tax.

[RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 13. Compensation for land

If land is not returned in part or in whole, the land shall be compensated for pursuant to the procedure provided for in the Land Valuation Act.

§ 14. Return of land to several entitled subjects or compensation therefor

(1) If several entitled subjects claim the return of land, including a residential lot, the land is returned into their common ownership according to their shares, unless otherwise agreed by the entitled subjects. The local government shall set a term of one month to the entitled subjects for entry into the agreement. If the entitled subjects fail to enter into an agreement within the specified term, the land is returned into their common ownership. If the entitled subjects agree on the division of land, the land shall be returned according to the agreement of the entitled subjects, and the persons who apply for division of land shall bear the expenses relating to the division of land to be returned.

(2) Each entitled subject has the right to claim compensation for land according to the entitled subject's share.

(3) If an entitled subject wishes compensation for the entitled subject's share or the proceeding for the return has been terminated to the extent of the share of the right of claim of an entitled subject and other entitled subjects apply for return of their shares, the whole of the registered immovable is returned in proportion to the shares of the subjects who apply for the return of shares larger than their shares unless otherwise agreed by the entitled subjects. The local government shall set a term of one month to the entitled subjects for entry into the agreement. If the entitled subjects fail to enter into an agreement within the specified term, the land is returned into their common ownership. If the entitled subjects agree on the division of land, the land shall be returned according to the agreement of the entitled subjects, and the persons who apply for division of land shall bear the expenses relating to the division of land to be returned.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(4) If unlawfully expropriated land was in common ownership, the land corresponding to shares in common ownership is returned into common ownership of the entitled subjects according to their shares. If all entitled subjects of the shares in one common ownership do not apply for the return of land or the proceeding for the return of land has been terminated to the extent of the share of an entitled subject, the other entitled subjects of the shares in the same common ownership are entitled to claim return in the part which is larger than their share of the right of claim. If the persons specified in the previous sentence do not wish the return of land in the part which is larger than their share of the right of claim or if return of a share in common ownership is not applied for and the entitled subjects of other shares apply for the return thereof to themselves, the whole of the registered immovable is returned to their common ownership in proportion to the shares of the entitled subjects who apply for return of shares larger than their shares unless otherwise agreed by the entitled subjects. The local government shall set a term of one month to the entitled subjects for entry into the agreement. If the entitled subjects fail to enter into an agreement within the specified term, the land is returned into their common ownership. If the entitled subjects agree on the division of land, the land shall be returned according to the agreement of the entitled subjects, and the persons who apply for division of land shall bear the expenses relating to the division of land to be returned.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(5) An entitled subject to whom land was returned in a share larger than the entitled subject's right of claim is required to pay a debt to the state for the land exceeding the right of claim. The debt is the amount of compensation that was paid or was subject to payment to other entitled subjects. The debt may be paid in money or privatisation vouchers. Payment for land returned in a share exceeding the right of claim may be made in privatisation vouchers during the term provided by law. The debt may be paid in instalments under the conditions applicable to the privatisation of land to persons specified in subsection 4 of § 22^3 of this Act. Payment of the debt shall be secured by a mortgage for the benefit of the Republic of Estonia. Contracts for the establishment of a mortgage and real right contracts shall be entered into by the local government in the name of the state in notarised form.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 14^1. [Repealed]

§ 15. Procedure for return of and compensation for land

(1) Return of and compensation for land shall be decided by the local government pursuant to the procedure established by the Government of the Republic.

(2) Land is returned at the expense of entitled subjects. Land is returned to the persons specified in clause 1 of subsection 1 of § 5 of this Act and their children and spouse at the expense of the state. Land is returned to the

organisations specified in clause 3 of subsection 1 of § 5 of this Act at the expense of the state if land is returned on the basis of desk surveys.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(3) The Ministry of Finance shall exercise supervision over organisation of the return of land.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(4) "Lists of Taxable Plots of Land", prepared by the Cadastre Board in 1938 and subsequent years, documentation of land registries and the documents specified in subsection 4 of § 7 of the Principles shall be used to prove a right of ownership in land. In regions where the documentation of the Cadastre Board and land registries do not reflect the situation after the completion of land consolidation (reallotment) procedures before 16 June 1940, the right of ownership in land may be proved on the basis of the land consolidation plan prepared pursuant to the procedure which was in force before the unlawful expropriation of land.

§ 16.–§ 19.[Repealed]

§ 19[1]. Assignment of right of claim for return of land

(1) An entitled subject may assign the right of claim for the return of land to:
1) his or her spouse and descendants, and to his or her brothers and sisters and their descendants;
2) a person who has been declared an entitled subject with regard to the same registered immovable;
3) a person who owns a construction works, temporary construction works or plantation that is situated on the unlawfully expropriated land the right of claim for the return of which is assigned;
4) the owner of a neighbouring registered immovable or the entitled subject for the return thereof;
5) Estonian citizens.

(2) The right of claim in a legal share may only be assigned to the owner of the construction works, temporary construction works or plantation which is situated on the land to be returned. If a right of claim belongs to several entitled subjects, each of them may assign their share of the right of claim.

(3) An agreement concerning assignment of a right of claim for the return of land shall be notarised. Assignment of the right of claim is binding on the organiser of the return if the agreement concerning assignment of the right of claim or a notarised copy thereof is filed with the organiser.

(4) A person who acquires a right of claim for the return of land shall pay the expenses relating to the return of land, except if the person is deemed to be the entitled subject with regard to the same registered immovable and the land is returned to him or her at the expense of the state, or if a person specified in the second sentence of subsection 2 of § 15 of this Act has assigned his or her right of claim to his or her spouse or child.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 19[2]. Succession of right of claim

(1) [Repealed – RT I 2010, 41, 242 – entry into force 01.09.2010]

(2) [Repealed – RT I 2010, 41, 242 – entry into force 01.09.2010]

(3) [Repealed – RT I 2010, 41, 242 – entry into force 01.09.2010]

(4) If a person inherits a right of claim for return of land and the bequeather belongs to the group of people specified in the second sentence of subsection 2 of § 15 of this Act to whom land is to be returned at the expense of the state, also the person who inherited the right of claim has the right to be returned the land at the expense of the state.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

Part III
PRIVATISATION OF LAND AND ESTABLISHMENT OF USUFRUCT ON LAND

[RT I 2005, 61, 476 - entry into force 27.11.2005]

§ 20. Land subject to privatisation and land subject to establishment of usufruct

(1) Land which is not returned on the basis of this Act, or which is not retained in state ownership or which is not transferred into municipal ownership, is subject to privatisation. If the retention of land in state ownership is applied for on the basis of clause 8 of subsection 1 of § 31 of this Act or the transfer of land into municipal ownership is applied for on the basis of subsection 2 of § 28 of this Act, a natural person who applies for the privatisation of the land with the right of pre-emption to the extent provided for in § 22[1] of this Act has the right of pre-emption to the land.

(1^1) The land specified in subsection 2 of § 81 of the Forest Act (hereinafter *state forest land*) is not privatised and a usufruct is not established on such land. The owner of a residential building situated on state forest land has the right to privatise land to the extent of up to 2 hectares, and the owner of other construction works has the right to privatise land to the extent necessary for servicing the construction works.

(1^2) Lands of strict nature reserves, conservation zones and limited management zones of protected areas, limited-conservation areas, species protection sites, and land belonging to individual and other protected natural objects provided in the Nature Conservation Act, lands of Natura 2000 sites or other lands placed under temporary protection and lands of protected zones of monuments and heritage conservation areas provided in the Heritage Conservation Act are not privatised and a usufruct is not established on such land. The owner of a residential building situated on the land specified in the first sentence of this subsection has the right to privatise land to the extent of up to 2 hectares, and the owner of other construction works situated on such land has the right to privatise land to the extent necessary for servicing the construction work. As an exception, the manager of a protected area or the National Heritage Board may allow the privatisation of the lands of limited-conservation areas, conservation zones and limited management zones of protected areas, species protection sites, and land belonging to individual and other protected natural objects, lands of Natura 2000 sites or other lands placed under temporary protection or lands of protected zones of monuments and heritage conservation areas up to the extent provided for in subsections 1–2^2 of § 22^1 of this Act or the establishment of a usufruct thereon up to the extent provided for in subsection 6 of § 23^3 of this Act considering the established protection regime. The provisions of the previous sentence also apply to the adding of land to the bordering immovable belonging to a person in private law from land specified in subsection 1 of § 31^2 of this Act, except in the cases where the immovable to which such land is sought to be added is to be acquired by the state pursuant to § 20 of the Nature Conservation Act. Land exceptionally privatised pursuant to this subsection shall not be acquired by the state pursuant to the provisions of § 20 of the Nature Conservation Act. The corresponding entry shall be made in the land register and it is also mandatory upon transfer of the right of ownership.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(2) [Repealed]

(3) If due to land consolidation requirements or for reasons of construction technology the formation of an independent registered immovable together with a dwelling or non-residential premises located in a residential building and owned as movables is not possible or expedient, the owner of the dwelling or non-residential premises has the right to become the owner of the land on the bases and pursuant to the procedure provided for in the Privatisation of Dwellings Act.
[RT I 2006, 30, 232 – entry into force 01.01.2007]

§ 21. Entitled subjects of privatisation of land and establishment of usufruct on land

(1) Estonian citizens and the persons specified in subsections 2–4 of this section are entitled subjects of the privatisation of land, subject to the restrictions arising from this Act.

(1^1) Natural persons and Estonian legal persons in private law who meet the conditions provided for in this Act are the entitled subjects of the establishment of a usufruct on land.

(2) An alien may privatise land granted to him or her for perpetual use pursuant to the Estonian SSR Farm Act, the land necessary for servicing a construction works owned by him or her and the land specified in subsection 1^3 of § 22 of this Act. For the purposes of this Act, an alien is a natural person who is not an Estonian citizen.
[RT I, 14.01.2014, 1 – entry into force 24.01.2014]

(3) A foreign legal person may privatise the land necessary for servicing a construction work owned by the foreign legal person and the land specified in subsection 1^3 of § 22 of this Act. In such case, the branch of the foreign company must be entered in the commercial register of Estonia. A foreign state does not have the right to privatise land by a right of pre-emption.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(4) An Estonian legal person in private law may privatise land if the legal person is entered in the register maintained by the registrar of the commercial register of Estonia. A person operating pursuant to the Churches and Congregations Act, the Non-profit Associations Act or the Foundations Act who is entered in an appropriate register may privatise land for specific purposes in accordance with the activities specified in the articles of association of the person.

(5) The Government of the Republic shall establish a list of such local governments and lands bordering on the state border, boundary bodies of water or the sea coast and other lands important to national security, where privatisation of land by an alien or an Estonian legal person in private law is permitted only if it is not contrary to the public interests or security of the state and local government.
[RT I, 12.12.2018, 2 – entry into force 22.12.2018]

(6) In the case specified in subsection 5 of this section, the organiser of privatisation shall obtain the positions of the local government of the location of the land and the Ministry of the Interior. The minister in charge of the policy sector may authorise a governmental authority of the Ministry of the Interior to provide the position of the Ministry of the Interior. If privatisation of land is contrary to the public interests of the local government, the permissibility of privatisation of land shall be decided by the Government of the Republic.
[RT I, 12.12.2018, 2 – entry into force 22.12.2018]

(7) Aliens, foreign states, foreign legal persons, local governments, legal persons in public law, and legal persons in private law of whose stocks or shares at least one-third belongs to the state or a local government shall not participate in the privatisation of land by auction.
[Subsection 8 enters into force on 01.05.2004, with the exception of the special conditions provided for in subsections 2 and 3 of § 41.]

(8) The rights prescribed in this Act for Estonian citizens and Estonian legal persons upon the privatisation of land and upon the establishment of a usufruct on land apply as appropriate to citizens of states which are Contracting Parties to the European Economic Area Agreement (hereinafter *Contracting State*) or legal persons of such states. Incentives prescribed for permanent residents of Estonia upon the privatisation of land apply to citizens of the Contracting States.
[RT I 2006, 7, 40 – entry into force 04.02.2006]

§ 22. Methods of privatisation of land

(1) Persons who have been granted land for perpetual use pursuant to the Estonian SSR Farm Act or who have the right to purchase land as the owner of a construction works or a plantation pursuant to this Act taking into account the restrictions provided for in § 21 may privatise land by a right of pre-emption; residential building, apartment, garage, cottage or gardening associations may privatise by a right of pre-emption land which is in the common use of members of the association and which return is not applied for. An owner of a plantation specified in subsection 2 of § 12^1 of this Act may privatise by a right of pre-emption land under the plantation which remains vacant in the course of the return of land.

(1^1) Land concerning which a residential building, apartment, garage, cottage or gardening association has the right of use of land and which is commonly used by the members of such association and which is not determined as a lot belonging to a construction works in the ownership of a member of the association or as land necessary for servicing the construction works, is deemed to be land in the common use of the members of the residential building, apartment, garage, cottage or gardening association.

(1^2) [Repealed – RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(1^3) If it is not possible to form an immovable which can be used independently on land bordering on an immovable in private, municipal or state ownership (hereinafter *land suitable for joining to immovable*) and due to planning and land consolidation requirements it is expedient to join such land to the bordering immovable, the owner of the bordering immovable has the right to apply for the acquisition of the land for it to be joined to the immovable thereof. The acquisition of land suitable for joining to an immovable shall be conducted on the bases provided for in Part VI^1 of this Act.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(2) Land, except agricultural land and forest land, subject to privatisation for which there are no privatisation applications by a right of pre-emption shall be privatised by closed auction if persons specified in subsection 4 of this section exist. A usufruct is established on agricultural land without claims for return or privatisation with a right of pre-emption (hereinafter *vacant agricultural land*) pursuant to § 233 of this Act. Taking into account the land consolidation requirements, other land use types of profit yielding land, including forest land to the extent provided for in subsection 6 of § 23^3 of this Act, may be included in a cadastral unit formed of vacant agricultural land. Forest land without claims for return or privatisation with a right of pre-emption, except forest land which, pursuant to the land consolidation requirements, is included in agricultural land on which a usufruct is to be established (hereinafter *vacant forest land*), shall be privatised pursuant to § 23^4 of this Act. Taking into account the land consolidation requirements, other land use types of profit yielding land may be included in a cadastral unit formed of vacant forest land to the extent provided for in the second sentence of subsection 6 of § 23^4 of this Act. Land, except forest land, subject to privatisation which is not privatised in the course of a closed auction or on which a usufruct is not established on the basis of § 23^3 of this Act shall be privatised by public auction.

(2^1) Land in high density areas concerning which no applications for privatisation with a right of pre-emption have been submitted shall be privatised by cadastral units.
[RT I, 23.03.2015, 3 – entry into force 01.07.2015]

(3) At a public or closed auction, a contract of sale shall be entered into with the person who agrees with the established conditions of sale and offers the highest purchase price.

(4) By closed auction:

1) a person to whom land in the administrative territory of the local government of the location of the land was not returned in part or in whole on the bases provided for in clauses 2–4 of subsection 2 of § 6 of this Act and the local government has decided to compensate for the land in part or in full may purchase residential land or land not designated for a specific purpose;
2) a person to whom land situated in the reserve or conservation zone of a protected area situated in the administrative territory of the local government of the location of land to be privatised was not returned or whose returned land is partially or entirely situated in a reserve or conservation zone of a protected area located in the administrative territory of the local government of the land to be privatised may purchase agricultural, forest and residential land and land not designated for a specific purpose;
3) spouses who reside in the county of the location of land to be privatised and whose average age does not exceed 30 years, and families or individuals who raise and maintain at least three minors may purchase residential land;
4) a tenant living in a dwelling to be returned may purchase residential land in the county of the location of land to be privatised if the residential lease agreement was entered into before the entry into force of the Principles on 20 June 1991.
5) [repealed – RT I 2005, 61, 476 – entry into force 27.11.2005]
6) [repealed – RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 22[1]. Extent of privatisation of land

(1) Land may be privatised by a right of pre-emption to the extent provided for in §§ 7, 8, 9, 10 or 21 or subsections 1[1]or 1[2]of § 20 of this Act unless otherwise provided by this section.

(2) The owner of a residential building situated beyond city boundaries or the boundaries of a high density area who is an Estonian citizen has the right to privatise, by a right of pre-emption, up to 50 hectares of land which remains vacant in the course of the return of land or within the boundaries of the former registered immovable if it was larger than 50 hectares on the condition that a registered immovable is formed together with a residential building and the rights of other persons with a right of pre-emption are not violated thereby. The registered immovable may be comprised of cadastral units directly adjoining the cadastral unit under a residential building if an administrative boundary or a road belonging to another person, a brook or stream, the main ditch of a land improvement system or land under other utility networks or utility works is situated between them.

(2[1]) A person operating pursuant to the Churches and Congregations Act, the Non-profit Associations Act or the Foundations Act who is entered in an appropriate register may privatise up to 75 hectares of land.

(2[2]) A person engaged in agricultural production has the right to privatise by a right of pre-emption with the consent of the local government up to 50 hectares of agricultural land which remains vacant in the course of the return of land for a farm building (complex of buildings) which is situated beyond city boundaries or the boundaries of a high density area, belonging to the person and used for its intended purpose. Land privatised for a farm building (complex of buildings) used for its intended purpose may be comprised of cadastral units directly adjoining the cadastral unit under the building referred to in this sentence if an administrative boundary or a road belonging to another person, a brook or stream, the main ditch of a land improvement system or land under other utility networks or utility works is situated between them. If several persons apply for the return of the same plot of land by a right of pre-emption and an agreement is not reached between the persons within the term set by the local government, an auction shall be carried out among the applicants.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(3) One person may privatise up to 200 hectares of land in total by closed auction. The persons specified in subsection 4 of § 22 of this Act may acquire land by closed auction only once. One person may privatise a total of up to 300 hectares of agricultural land, up to 100 hectares of forest land and up to 3 hectares of land situated in cities and other settlements by public auction.

(4) If a construction works is in common ownership, the co-owners have the right to privatise land by a right of pre-emption to the extent and under the conditions provided for in subsections 1 and 2 of this section. Each co-owner has the right to privatise the legal share of the land corresponding to the share of the construction works in common ownership. The co-owners of a residential building situated beyond city boundaries may privatise, by a right of pre-emption, up to 50 hectares of land in total or within the boundaries of the former registered immovable if it was larger than 50 hectares. If the area of the land to be privatised exceeds 2 hectares, it shall be determined by agreement of the co-owners. Failing agreement, the land is privatised to the extent provided for in subsection 1 of § 9 of this Act.

(4[1]) If a co-owner of a residential building situated beyond city boundaries does not wish to privatise, by a right of pre-emption, more than 2 hectares of land, the other co-owners have the right to privatise more land as separate cadastral units, considering the extent of land to be privatised by a right of pre-emption provided for in this section and other conditions.

(4^2) If a construction works is the joint property of spouses, the spouses have the right to privatise land to the extent provided for in subsections 2 and 2^{2}of this section on the basis of a joint application. Unless the spouses submit a joint application, land is privatised to the spouse who is registered as the owner of the construction works. The other spouse shall be entered in the land register as a joint owner on the basis of a notarised joint application from the spouses.

(4^3) If a co-owner of a construction works does not wish to acquire land or has lost the right to privatise land by a right of pre-emption, a co-owner with the right to privatise has the right, during the term set by the organiser of privatisation, either to apply for the privatisation of land necessary for servicing the construction works and constitution of a right of superficies on such land for the benefit of all co-owners of the construction works or to demand the sale of the share of the construction works or the termination of common ownership pursuant to § 12 of the Law of Property Act Implementation Act. If a co-owner with the right to privatise land does not wish to privatise more land than land corresponding to the share of the co-owner in the construction works, the part of the land necessary for servicing the construction works without a claim for privatisation shall be retained in state ownership and a right of superficies shall be constituted on the land necessary for servicing the construction works for the benefit of all co-owners of the construction works.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(4^4) If a co-owner of a construction work has lost the right to privatise land during the proceeding for privatisation of land with a right of pre-emption and the cadastral unit formed for the purpose of privatisation is larger than the land necessary for servicing the construction work, a co-owner with the right to privatise has the right to privatise the land left over from the land necessary for servicing the construction work as a separate cadastral unit. If no co-owner of a construction work wishes to privatise land to the extent larger than the land necessary for servicing the construction work, the land left over from the land necessary for servicing the construction work shall be retained in state ownership.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(5) If a co-owner of a construction works is an entitled subject for the return of land and return of land is applied for, the land is returned and privatised into common ownership corresponding to the legal shares of the co-owners in the construction works to the extent specified in subsection 1 of this section. If a co-owner of a construction works has failed to submit an application to privatise land with a right of pre-emption during the specified term, but expresses a wish to privatise land with a right of pre-emption during the performance of preliminary acts for return and privatisation by submitting a corresponding application to the rural municipality or city government, the land necessary for servicing the construction works shall be returned and privatised in proportion to the legal shares of the co-owners in the construction works. If a co-owner of a construction works does not wish to acquire land or has no right to acquire land, the other co-owners have the right to apply for the privatisation or return of the share of the land necessary for servicing the construction works corresponding to the co-owner's share in the common ownership in proportion to their legal shares in the construction works, unless the co-owners applying for the acquisition of land agree otherwise. The local government shall set a term of at least one month to the co-owners for entry into the agreement. If other co-owners do not wish to acquire more land than land corresponding to their legal shares in the construction works, the part of the land necessary for servicing the construction works without a claim for privatisation or return shall be retained in state ownership and a right of superficies shall be constituted for the benefit of all co-owners of the construction works.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(6) The local government shall determine the area and boundaries of land to be privatised in accordance with planning and land consolidation requirements pursuant to the procedure established by the Government of the Republic. Land necessary for servicing a construction works is determined if the lot has not been determined or a change in the area or the boundaries of the lot is justified according to planning and land consolidation requirements. The area and boundaries of land necessary for servicing a residential building situated in a high density area shall be determined on the bases provided for in subsections 5 and 5^{1}of § 7 of this Act.

(7) Land located within the circular boundary of a gardening or cottage association to be privatised by a right of pre-emption to an owner of a cottage or garden house may consist of several detached plots of land.

§ 22^2. Organiser of privatisation of land

(1) Privatisation of land shall be organised by the Land Board (hereinafter *organiser of privatisation*). If upon the privatisation of state assets, any construction works on land to be privatised have been transferred by the Estonian Privatisation Agency or the construction works belong to a legal person whose stocks or shares were sold by the Estonian Privatisation Agency, then the Estonian Privatisation Agency shall organise the privatisation of such land until 1 November 2001 if the privatisation files concerning the land are submitted to the Agency by 1 June 2001. Upon privatisation of land, the local government shall perform the preliminary acts for privatisation provided by law and legislation based thereon.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(2) [Repealed – RT I, 04.07.2017, 1 – entry into force 01.01.2018]

§ 22[3]. Payment for land to be privatised

(1) The selling price of land to be privatised by a right of pre-emption is the assessed value of the land in 2001. Upon privatisation of land by a right of pre-emption on the basis of an application submitted before 1 January 2002, the selling price of land is the assessed value of the land in 1993 or the assessed value of the land in 1996 if the latter is lower than the assessed value of the land in 1993. The selling price of vacant forest land, agricultural land included in the cadastral unit of forest land, and of land not designated for a specific purpose, and the starting price of land to be privatised by auction is the assessed value of the land applicable at the time of submission of the application for privatisation of the land. Upon privatisation of forest land, the value of the standing crop is added to the selling price of the land or the starting price of the land to be privatised by auction. [RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(2) Upon privatisation of the lot of or land necessary for servicing a residential building, cottage or garden house, including land granted for the erection of a residential building, cottage or garden house, or land adjacent to a residential building beyond city boundaries to a permanent Estonian resident, the selling price of the land to be privatised is multiplied by the factor 0.5 to the extent of up to 2 hectares of land. A person may privatise land adjacent to one residential building and to one cottage or garden house at the concessionary rate. Upon privatisation of agricultural land by a right of pre-emption to a sole proprietor entered in the commercial register who is engaged in agricultural production in the administrative territory of the local government of the location of the land to be privatised, the selling price of the land to be privatised is multiplied by the factor 0.5. If the person specified in the previous sentence privatises agricultural land together with a residential building and the total area of the land to be privatised is more than 2 hectares, then in order to determine the selling price of the land, the selling price of the agricultural land included in the land to be privatised shall be multiplied by the factor 0.5 and after that, the average selling price of one hectare of land is subtracted from the total selling price. [RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(3) Upon privatisation of land, a purchaser may pay up to one-half of the selling price in privatisation vouchers unless otherwise provided by subsections 4, 5, 6 and 6[1] of this section. Payment for land may be made in privatisation vouchers during the term provided by law.

(4) The total selling price may be paid in privatisation vouchers:
1) by a natural person for the lot of a residential building, cottage or garden house or the land necessary for servicing it to be privatised by a right of pre-emption, including the land granted for the construction of a residential building, cottage or garden house and the legal share for the land belonging to a residential building and agricultural land, forest land, land not designated for a specific purpose and land granted for perpetual use pursuant to the Estonian SSR Farm Act and also by the members of a gardening or cottage association for land in their common use;
2) by a person for land to be privatised by closed auction;
3) by a person for land to be privatised in development areas;
4) by a sole proprietor entered in the commercial register who is engaged in agricultural production in the administrative territory of the local government of the location of the land, or the Estonian legal person in private law entered in the commercial register whose main area of activity is agricultural production in the administrative territory of the local government of the location of the land for land to be privatised on the basis of subsection 2[2] of § 22[1] of this Act;
5) by apartment or housing associations for residential land to be privatised;
6) by a person for land adjacent to an agricultural production building.

(5) Natural persons who are not permanent residents of Estonia and legal persons of whose share capital or stock capital more than 50 per cent is held by aliens or foreign legal persons shall pay for land to be privatised in money and shall not pay in instalments. Upon privatisation of land, a natural person who is not a permanent resident of Estonia may pay for land to be privatised in privatisation vouchers to the extent of compensation paid to the natural person for unlawfully expropriated property.

(6) An obligated subject of the Republic of Estonia Re-nationalisation and Privatisation of Property of Co-operative, State Co-operative and Non-profit Associations Act and a legal successor of an obligated subject of the Republic of Estonia Agricultural Reform Act may in addition to the portion specified in subsection 3 of this section also pay the remainder of the selling price of land to be privatised by a right of pre-emption in privatisation vouchers to the extent of the amount accrued to the obligated subject or a company which belongs to the same group of companies as the obligated subject in the course of privatisation of dwelling.

(6[1]) Organisation specified in clause 3 of subsection 1 of § 5 of this Act may in addition to the portion specified in subsection 3 of this section also pay the remainder of the selling price of land to be privatised by a right of pre-emption and by closed auction in privatisation vouchers to the extent of the compensation accrued to the organisation or an organisation which belongs to the same alliance or church as the organisation for unlawfully expropriated land.

(6^2) Persons specified in clause 1 of subsection 4 of this section may pay by advance payment in privatisation vouchers for land to be privatised before the formation of a cadastral unit pursuant to § 22^{4}of this Act.

(7) Upon privatisation of land, a purchaser has the right to pay the selling price in instalments:
1) for up to 5 years if the selling price of the land is 1800 to 19,170 euros;
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]
2) for up to 10 years if the selling price of the land is 19,171 to 319,550 euros;
3) for up to 15 years if the selling price of the land is more than 319,550 euros;
4) upon privatisation of land specified in subsection 4 of this section, for up to 50 years calculated such that the amount to be paid without interest is not less than 360 euros per year.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(8) At least 10 per cent of the purchase price shall be paid before entry into a contract of sale. Payment of a debt shall be secured by a mortgage.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(9) The selling price of land being privatised or privatised by a person by a right of pre-emption or by closed auction or as vacant agricultural or forest land may be reduced or the redemption debt may be forgiven to the extent of 1600 euros per child born after 7 June 1996 of the landowner or of the person privatising the land, regardless of the time of entry into the contract of purchase and sale. If the unpaid amount of the selling price is less than 1600 euros or if the selling price has been paid up in full (also as an advanced payment), the persons specified in the previous sentence have the right to request the refund of the overpaid amount, regardless of the time of entry into the contract of purchase and sale of land. The Government of the Republic shall establish the procedure for application of incentives provided for in this subsection.
[RT I 2010, 22, 108 – entry into force 01.01.2011]

(10) The selling price of land being privatised or privatised by a right of pre-emption or by closed auction or as vacant agricultural or forest land by a natural person who raises and maintains at least four children of under 18 years of age may be reduced or the redemption debt may be forgiven to the extent of 1600 euros. A selling price may be reduced or a redemption debt may be forgiven if the contract of purchase and sale of land was entered into before 30 November 1997 and the landowner raised and maintained at least four children of under 18 years of age at such date. After 30 November 1997, a redemption debt of land may be forgiven or the selling price may be reduced if the landowner raised and maintained such children at the time of entry into the contract of purchase and sale of land or if a child born after entry into the contract of purchase and sale is also the fourth child under 18 years of age raised and maintained by him or her. If the unpaid amount of the selling price is less than 1600 euros or if the selling price has been paid up in full (also as an advance payment), the persons specified in this subsection have the right to request the refund of the overpaid amount. The Government of the Republic shall establish the procedure for application of incentives provided for in this subsection.
[RT I 2010, 22, 108 – entry into force 01.01.2011]

(11) If a person has the right to obtain incentives on the basis of both subsection 9 and 10 of this section upon payment for privatised land or land to be privatised, both incentives shall be applied.

(12) In order to take advantage of the incentives under subsection 9 or 10 of this section, an application for reduction of selling price of land, for refund of overpaid amount or for forgiving of redemption debt shall be submitted to the organiser of privatisation.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(13) Application of the incentives provided in subsections 9 and 10 of this section shall be decided by the organiser of privatisation. According to the circumstances, the decision shall include the following:
1) the details of the person who has applied for reduction of selling price or forgiving of redemption debt or refund of overpaid amount and the details of the object of the contract of sale;
2) the legal basis for applying for the incentive;
3) the amount by which the selling price or redemption debt is reduced or the overpaid amount that is refunded;
4) the details of the contract of sale of land which serves as a basis for creation of the redemption debt or refund of the paid amount;
5) by which due date and to which extent the payable amount is forgiven if a contract of sale has been entered into for acquisition of land and a payment schedule has been prepared for payment of the redemption debt;
6) the part of the amount of the incentives which remains unused.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 22^4. Advance payment upon privatisation of land

(1) If a person with a right of pre-emption wishes to make an advance payment for the land being privatised, the person shall notify the local government of such wish in writing. The local government shall determine the area and price of the land to be privatised on the basis of the list of lands liable to taxation and issue a notice on advance payment to the applicant within ten working days. The selling price of land to be privatised, which is paid in advance, may be reduced in the cases and to the extent provided for in subsections 9–11 of § 22^{3}of this Act. If the registered immovable includes more than 0.5 hectares of forest land, a valuation report on land and standing crop is required. In such case the local government shall issue the notice within ten working days after the receipt of the valuation report. The purchase price paid by advance payment shall be paid in whole.

(2) Upon entry into a contract of purchase and sale after the formation of a cadastral unit, the selling price of land being privatised is determined on the same bases which were valid at the time of making the advance payment.

(3) If the selling price specified in the contract of purchase and sale of land differs from the amount paid in advance by up to 8 per cent, the whole selling price of land is deemed to be paid.

(4) If the amount paid in advance is more than 8 per cent less than the selling price specified in the contract of purchase and sale of land, the person privatising the land shall pay the difference between the amount paid in advance and the selling price of the land specified in the contract of purchase and sale of land in money or privatisation vouchers on the conditions and within the term provided for in the contract of purchase and sale.

(5) The amount paid in advance shall not be refunded, except in the cases provided for in subsections 9–11 of § 22^3 of this Act and in the case where the person who made the advance payment cannot privatise the land by a right of pre-emption due to reasons beyond his or her control or where the amount of the advance payment has not been determined correctly. Advance payment is refunded in privatisation vouchers or money depending on the means of payment used upon the making of the payment in advance. After the end of the term of use of privatisation vouchers the advance payment made in privatisation vouchers shall be refunded in accordance with § 29^1 of the Privatisation Act.

(6) The advance payment made for land shall be transferred to the other person together with the transfer of the right of pre-emption to land.

(7) [Repealed]

(8) Advance payments for land to be privatised shall be made pursuant to the procedure established by the Government of the Republic.
[RT I 2006, 7, 40 – entry into force 04.02.2006]

§ 23. Procedure for privatisation of land

(1) Land is privatised in accordance with planning and land consolidation requirements. In order to privatise land, a cadastral unit is formed on the basis of desk survey. If this is not possible due to deficient desk survey or if an entitled subject of privatisation does not wish to privatise land on the basis of desk survey, a cadastre unit is surveyed. For the purpose of privatisation of vacant forest land, a cadastral unit may be formed with the permission of the cadastral registrar on the basis of desk survey in the case the land to be privatised borders solely on cadastral units registered in the land cadastre which were formed by a survey (excluding geodetic survey by aerial photography).

(1^1) If a cadastral unit is formed by a survey for the purpose of privatisation of land and a person entitled to privatise land with a right pre-emption has received a proposal on the location of the borders of the land to be privatised with a right of pre-emption, the person entitled to privatise land is required to order cadastral unit formation works on the basis of such proposal from a person holding a corresponding licence within three months after receipt of the proposal and notify the local government of placing the order in writing within ten days. If formation of the cadastral unit cannot be completed due to the acts or omissions of the person entitled to privatise land, the rural municipality or city government shall set a term to the person entitled to privatise land for presentation of the cadastral unit formation file to the rural municipality or city government. If the person entitled to privatise land fails without good reason to place an order for formation of a cadastral unit within the specified term or fails to present the file by the set due date, the person loses the right to privatise land. In such case the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works. If the organiser of privatisation makes a proposal to the person entitled to privatise vacant forest land to order cadastral unit formation works from a person holding a corresponding licence, the person entitled to privatise land is required to order cadastral unit formation works within three months after the making of such proposal. If the person entitled to privatise land fails without good reason to place an order for the performance of cadastral unit formation works within the specified term, the person loses the right to privatise land.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(2) Return of unlawfully expropriated land shall be decided after the area and boundaries of the land to be privatised by a right of pre-emption have been determined by an order of the rural municipality or city government. Privatisation of land in any other manner provided for in § 22 of this Act shall be commenced after return of or payment of compensation for unlawfully expropriated land has been decided.

(3) Acts necessary for the proceeding of privatisation of land with a right of pre-emption shall be performed within the term provided by law and regulation of the Government of the Republic.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(3[1]) In the event of death of an owner of a construction works, the rural municipality or city government submits an application to a notary for commencement of succession proceedings if necessary. If a successor does not become evident within six months after the death of an owner of a construction works and there is no other person entitled to administer the estate, the rural municipality or city government submits an application to the court for application of estate management measures. The rural municipality or city government may also submit the application before the expiry of six months if good reasons exist. Expenses related to the submission of such applications shall be compensated for on the basis of expense receipts from the ownership reform reserve fund, except in the case where the local government itself is the successor.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(4) The organiser of privatisation shall decide the group of persons to be invited to a closed auction after considering the opinion of the local government.

(4[1]) Upon privatisation of land on the basis of § 23[4] of this Act or upon privatisation of land by auction, land shall be privatised by formed cadastral units and not by sets thereof.

(4[2]) Upon privatisation of land at a closed or public auction, the organiser of privatisation has the right to establish an auction participation fee the size of which shall not exceed 60 euros, and a deposit the size of which shall not exceed 10 per cent of the starting price of the land to be privatised by auction. The participation fee shall not be returned to the participants in the auction. A deposit shall not be returned to the winner of the auction if a contract of purchase and sale of the land is entered into with the winner, but it shall be taken into account upon payment of the selling price of the land. A deposit, including a reserved deposit, shall not be returned to a person who causes failure of an auction or approval of the results, or to the winner of the auction if the winner fails to enter into a contract for the purchase and sale of the land within three months as of the date of approval of the results of the auction without good reason.
[RT I 2010, 22, 108 – entry into force 01.01.2011]

(5) Land is privatised at the expense of the purchaser. The types of privatisation expenses and the bases for determining the expenses shall be established by the Government of the Republic. The organiser of privatisation enters into contracts of purchase and sale of land, real right contracts and contracts for the establishment of a mortgage in the name of the state. Upon privatisation of land, contracts of purchase and sale and real right contracts may be entered into in unattested written form. If land is privatised by payment in instalments, contracts of purchase and sale of land, real right contracts and contracts for the establishment of a mortgage shall be entered into in notarised form. The notary fee shall be paid by the purchaser. Contracts of purchase and sale of land, real right contracts and contracts for the establishment of a mortgage shall be entered into within three months as of the date of entry into force of the decision on privatisation of land or the date of approval of the results of the auction. The winner of a closed or public auction of land, the person entitled to privatise vacant agricultural land or vacant forest land or the person entitled to privatise land with a right of pre-emption who fails to enter into a contract of purchase and sale of land within the specified term without good reason loses the right to privatise land. In such case the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works pursuant to the procedure established by the Government of the Republic.

(5[1]) The mandatory requirements for entry into contracts of sale of land are:
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]
1) the confirmation of the purchaser that when privatising such plot of land the purchaser complies with the necessary conditions for the application of the concessionary rate, for the forgiving of the redemption debt for land or for the reduction of the selling price and that the purchaser does not exceed the limits for privatisation of land provided for in this Act;
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]
2) [repealed – RT I, 08.12.2021, 2 – entry into force 01.01.2022]
3) the obligation of the purchaser to pay to a special account of the organiser of privatisation a sum of money equal to three times the difference between the legal selling price and the selling price documented in the contract of purchase and sale if after entry into the contract of purchase and sale it becomes known that the purchaser did not conform to the requirements for the application of the concessionary rate, for the forgiving of the redemption debt or for the reduction of the selling price.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]
4) [repealed – RT I, 08.12.2021, 2 – entry into force 01.01.2022]
5) [repealed – RT I, 08.12.2021, 2 – entry into force 01.01.2022]
6) [repealed]
7) [repealed]

(5[2]) The purchaser is required to pay to a special account of the organiser of privatisation a sum of money equal to three times selling price if after entry into the contract of purchase and sale it becomes known that by privatising the corresponding plot of land the purchaser exceeded the limits for privatisation of land provided for in this Act.

(5[3]) [Repealed – RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(6) Land is privatised pursuant to the procedure established by the Government of the Republic.
[RT I 2006, 30, 232 – entry into force 01.01.2007]

§ 23[1]. [Repealed]

§ 23[2]. [Repealed – RT I 2002, 100, 586 – entry into force 01.01.2003]

§ 23[3]. Establishment of usufruct on vacant agricultural land

(1) Rural municipality governments shall ascertain the area of vacant agricultural land specified in subsection 2 of § 22 of this Act and, considering the requirements for effective use of land, for planning and land consolidation, shall delimit the plots of land on which a usufruct is to be established on a plan. Each delimited plot of land shall be registered and designated by a number on the plan. One copy of the prepared plan and the registration paper of the plots of land shall remain with the local government for public examination, the other copy shall be submitted to the person establishing usufruct. The plan of the vacant agricultural land on which a usufruct is to be established and the registration paper of the plots of land shall be publicly displayed after obtaining the corresponding permission from the person establishing usufruct. Notices regarding the place, commencement and duration of the public display of plans shall be published in a county newspaper or, in the absence thereof, in at least one national daily newspaper.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(1[1]) A usufruct is established on vacant agricultural land for the benefit of an Estonian citizen or an Estonian legal person in private law who complies with the requirements provided for in subsection 2 of this section.

(2) In order to obtain usufruct rights on vacant agricultural land, a sole proprietor entered in the commercial register who is engaged in agricultural production in the administrative territory of the local government of the location of the land, or who is engaged agricultural production in the territory of the neighbouring local government and his or her land ownership borders on land on which a usufruct is to be established, or an Estonian legal person in private law entered in the commercial register whose main area of activity is agricultural production in the administrative territory of the local government of the location of the land shall submit an application to the local government, specifying the area of land and the number(s) of the plot(s) of land. For the purposes of this Act, a person engaging in agricultural production is a person who receives income from the sale of own-produced agricultural produce or agricultural products manufactured from such produce and who owns land necessary for production or has the right to use agricultural land. For the purposes of this Act, the right to use agricultural land is deemed to be the actual use of agricultural land on legal basis.

(3) Persons who comply with the requirements provided for in subsection 2 of this section may submit a single application with regard to all the applied plots of land, or submit a separate application concerning each plot of land. If applications for obtaining usufruct rights on vacant agricultural land are submitted by the persons who are co-owners of land necessary for agricultural production, each of them separately must comply with the requirements provided for in subsection 2 of this section and they have the right to obtain usufruct rights on vacant agricultural land in total within the limit provided for in subsection 6 of this section. If such persons engage in agricultural production in the administrative territory of several local governments, they have the right to submit applications for the establishment of a usufruct on vacant agricultural land to several local governments of the location of the land applied for. Applications may be submitted within one month after the end of the period for the public display of a plan specified in subsection 1 of this section, but no later than on 1 January 2010. Applications may also be submitted by registered mail. Rural municipality governments are required to register the applications.
[RT I 2009, 61, 404 – entry into force 17.12.2009]

(4) Rural municipality governments shall prepare a list of applicants for establishment of a usufruct on vacant agricultural land. The list (the number of a plot of land, area, the name or title of applicant, commercial registry code) shall be displayed in the local government for public examination. A notice regarding the place, commencement and duration of the public display of the list shall be published in a county newspaper or, in the absence thereof, in at least one national daily newspaper.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

(5) Before approving a list of persons for whose benefit a usufruct on vacant agricultural land is established, a rural municipality council has the right to require an applicant to submit documents proving engagement in agricultural production. Interested persons may file complaints within ten days after the disclosure of the list. Rural municipality councils shall resolve the complaints of interested persons, approve lists and submit lists to the person establishing usufruct. Persons who do not comply with the requirements provided for in this Act shall not be entered in the list approved by a rural municipality council.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(5[1]) The rural municipality council shall approve the list of persons for whose benefit a usufruct on vacant agricultural land is established no later than on 1 May 2010. If the decision adopted before 1 May 2010 on approval of the list of persons for whose benefit a usufruct on vacant agricultural land is established has been revoked or declared unlawful by the court, the rural municipality council may adopt a decision on approval of

the list in respect of the same agricultural land after 1 May 2010, but not later than three months after entry into force of the court decision.
[RT I 2009, 61, 404 – entry into force 17.12.2009]

(6) Pursuant to this section, a usufruct may be established for the benefit of one person on up to 250 hectares of vacant agricultural land which, taking into account the land consolidation requirements, may include up to 15 hectares of forest land. If, within the limits provided for in the first sentence of this subsection, there are not enough applications for all the plots of vacant agricultural land on which usufructs are to be established in the administrative territory of the local government, the rural municipality council may decide to establish a usufruct for the benefit of one person on more than 250 hectares of land by allowing all the applicants to submit additional applications. A usufruct on vacant agricultural land is established for the benefit of one person. If several persons wish to obtain usufruct rights for their benefit on the same plot of land and the persons fail to reach an agreement within the term specified by the local government, establishment of a usufruct on the land shall be decided by the person establishing usufruct on proposal of the rural municipality council. The rural municipality council has the right to prefer an applicant who actually uses the same plot of land on legal basis or whose land ownership borders on the plot of land applied for, or a sole proprietor. If the person establishing usufruct does not agree with a proposal of the rural municipality council or finds that a decision of the local government is unlawful, he or she shall return the proposal to the council for a new debate.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(6^1) A person with the right to obtain usufruct rights on vacant agricultural land who has applied for the usufruct rights on vacant agricultural land to an extent exceeding the limit provided for in subsection 6 of this section is required, immediately after becoming aware of having been entered in the list of persons for whose benefit a usufruct on vacant agricultural land is established to the extent of the limit provided for in subsection 6 of this section approved by a decision of a rural municipality council, to give written notice thereof to the rural municipality council and to decline to apply for a usufruct on vacant agricultural land which exceeds the limit. A rural municipality council is required to remove from the list of persons for whose benefit a usufruct on vacant agricultural land is established any persons who were entered in the list to an extent exceeding the limit provided for in subsection 6 of this section. Any transaction which is entered into for the establishment of a usufruct on vacant agricultural land to an extent exceeding the limit provided for in subsection 6 of this section is null and void.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

(7) [Repealed – RT I 2005, 61, 476 – entry into force 27.11.2005]

(8) [Repealed – RT I 2005, 61, 476 – entry into force 27.11.2005]

§ 23^4. Privatisation of vacant forest land

(1) Rural municipality governments shall ascertain the area of vacant forest land specified in subsection 2 of § 22 of this Act and, taking into consideration the requirements for effective use of land, and planning and land consolidation, shall delimit the plots of land to be privatised on a plan. Each delimited plot of land shall be registered and designated by a number on the plan. One copy of the prepared plan and the registration paper of the plots of land shall be retained by the local government for public examination and another copy shall be submitted to the county governor not later than by 1 September 2003. The county governor shall make a decision on the grant of or refusal to grant permission within one month as of the receipt of the documents. The plan of the vacant forest land to be privatised and the registration paper of the plots of land shall be displayed publicly for one month after corresponding permission is obtained from the county governor. A notice on the place, commencement and duration of the public display of the plan shall be published in a county newspaper.

(2) Estonian citizens are the entitled subjects of privatisation of vacant forest land. A sole proprietor entered in the commercial register who is engaged in agricultural production within the meaning of subsection 2 of § $23^3$of this Act or forest management in the administrative territory of the local government of the location of the land may submit an application to the local government for the privatisation of vacant forest land. For the purposes of this Act, a person engaged in forest management is a person who owns forest land with standing crop in the territory of the local government of the location of the land and who has carried out the improvement works as defined in the Forest Act in the forest or commenced compliance with the obligation of reforestation provided for in the same Act.

(3) A person who complies with the requirements provided for in subsection 2 of this section may submit either a single application with regard to all plots of forest land of which privatisation is applied for or a separate application concerning each plot of forest land. Persons may submit a joint application for the privatisation of vacant forest land into common ownership. Each co-owner separately shall comply with the requirements provided for in subsection 2 of this section. Co-owners have the right to privatise forest land in total within the limit provided for in subsection 6 of this section. If such persons engage in forest management in the administrative territory of several local governments, they have the right to submit applications for the privatisation of vacant forest land to the local governments of the location of the land applied for. Applications may be submitted within one month after the end of the public display specified in subsection 1 of this section. Applications may also be submitted by registered mail. Rural municipality governments are required to register the applications.

(4) Rural municipality governments shall prepare a list of applicants for privatisation of vacant forest land. The list (the number of a plot of land and area, the name of applicant, commercial registry code, content of application) shall be displayed in the local government for public examination. A notice on the place, commencement and duration of the public display of the list shall be published in a county newspaper. The list shall be displayed publicly for ten calendar days.

(5) Interested persons may file complaints within ten days as of the disclosure of the list. Complaints filed by interested persons shall be resolved by the rural municipality council.

(6) One person may privatise up to 20 hectares of vacant forest land on the basis of this section. The area of land to be privatised may be up to 10 hectares larger due to the land consolidation requirements. If several persons apply for the privatisation of one plot of land and they fail to reach an agreement within the term specified by the local government, the local government council shall prefer the owner of a neighbouring registered immovable, thereafter a person engaging in agricultural production and thereafter the applicant who owns the least forest land.

(7) A rural municipality council shall approve the list of the persons privatising forest land no later than on 1 April 2004. A person is deemed to have the right to privatise vacant forest land as of the date on which the list is approved by the rural municipality council. The following persons shall not be entered in the list approved by a rural municipality council:
1) persons who, during the past ten years, have transferred forest land which was in their ownership, with the exception of transfer to their spouse, descendants or parents or if the forest land was sold and purchased to ensure the integrity and expedient use of the forest land;
2) persons who have not sufficiently regenerated the forest land in their ownership or have not improved it within the meaning of the Forest Act;
3) persons who own more than 100 ha of forest land.

(8) A person with the right to privatise vacant forest land who has applied for the privatisation of land to an extent exceeding the limit provided for in subsection 6 of this section is required, immediately after becoming aware of having been entered in the list approved by a decision of a rural municipality council to the extent of the limit provided for in subsection 6 of this section, to give written notice thereof to the rural municipality council and to decline to privatise such land as exceeds the limit. A rural municipality council is required to remove from the list any persons who were entered in the list to an extent exceeding the limit provided for in subsection 6 of this section. Any transaction which is entered into for the privatisation of land to an extent exceeding the limit provided for in subsection 6 of this section is null and void.

(9) A person who has privatised forest land on the basis of this section shall not transfer such forest land before full payment of the redemption price and in any case not before five years have passed since the contract of purchase and sale was entered into, with the exception of transfer to a spouse, descendants or parents, and the person shall not establish a usufruct on such land within ten years as of entry into the contract of sale. Corresponding entries shall be made in the land register and they are also mandatory upon transfer of the right of ownership.
[RT I 2006, 30, 232 – entry into force 01.01.2007]

§ 24. [Repealed]

Part IV
MUNICIPAL LAND

§ 25. Transfer of land into municipal ownership

(1) Land specified in § 28 of this Act is transferred into municipal ownership without charge.

(2) Local government may use land transferred into municipal ownership only for the intended use and purpose indicated in the decision on transfer of land into municipal ownership.

(3) Before land transferred into municipal ownership is transferred or encumbered with the right of superficies, the necessity of the immovable for the state must be ascertained in accordance with subsection 1^1 of § 33 of the State Assets Act.
[RT I, 23.02.2023, 1 – entry into force 01.04.2023]

(4) [Repealed – RT I, 23.02.2023, 1 – entry into force 01.04.2023]

(4^1) [Repealed – RT I, 23.02.2023, 1 – entry into force 01.04.2023]

(4^2) [Repealed – RT I, 23.02.2023, 1 – entry into force 01.04.2023]

(5) If cadastral units are formed for land under bodies of water retained in municipal ownership, unimproved public land or land necessary for servicing roads, streets and railways in municipal ownership, a boundary report shall not be prepared.

(5^1) The transfer into municipal ownership of land to be transferred into municipal ownership ascertained in accordance with subsection 3 of § 38 of this Act shall be decided by the Director General of the Land Board.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(6) The procedure for transfer of land into municipal ownership is established by a regulation of the Government of the Republic.
[RT I, 23.02.2023, 1 – entry into force 01.04.2023]

§ 26.–§ 27.[Repealed]

§ 28. Land to be transferred into municipal ownership

(1) [Repealed – RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(2) [Repealed – RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(3) The land which transfer into municipal ownership has not been applied for by a local government by the due date set provided by this Act is transferred into municipal ownership if such land is not subject to returning, privatisation or retention in state ownership under this Act.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

Part V
STATE LAND

§ 29. Retention of land in state ownership

Land specified in subsection 1 of § 31 of this Act is retained in state ownership by a resolution of the Government of the Republic or of a government agency authorised by the Government of the Republic. The procedure for retention of land in state ownership and the bases for designation of administrators of state land shall be established and the authorised government agencies shall be specified by the Government of the Republic. The area and boundaries of land retained in state ownership is determined in compliance with planning and land consolidation requirements without preparing a detailed plan.

§ 30. [Repealed]

§ 31. Land to be retained in state ownership

(1) The following shall be retained in state ownership:
1) land under buildings and civil engineering works retained in state ownership and the land for servicing them;
2) land under state protection and land adjacent to objects under state protection if the established protection regime makes it impossible for another person to use the land;
3) land under bodies of water retained in state ownership;
4) public land;
5) national defence land;
6) state forest land;
7) agricultural land of state companies and state agencies;
8) state land reserves;
9) [repealed – RT I, 29.06.2018, 1 – entry into force 01.07.2018]
10) land necessary for servicing the construction works of another person on which a right of superficies is constituted;
11) [repealed]
12) land on which a usufruct is established pursuant to § 34^1 of this Act;
13) land which is granted into the ownership, possession or use by a foreign country or which is subject to a written agreement concerning transfer, entered into by government delegations;
14) [repealed – RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(2) Land which is not returned, privatised or transferred into municipal ownership or which is not retained in state ownership pursuant to subsection 1 of this section is also in state ownership.

(3) Land retained in state ownership is transferred pursuant to the procedure provided for in the State Assets Act unless otherwise provided by law.

Part VI
[Repealed]

§ 31[1]. [Repealed]

Part VI[1]
CARRYING OUT LAND REFORM ON LAND WHERE IT IS NOT POSSIBLE TO FORM IMMOVABLE WHICH CAN BE USED INDEPENDENTLY

[RT I, 15.03.2013, 26 - entry into force 20.03.2013]

§ 31[2]. Land suitable for joining to immovable

(1) Land suitable for joining to an immovable is deemed to be a plot of land which is as a rule with a shape of a strip, wedge or other irregular shape or which due to its smallness cannot be used independently, to which there is as a rule no access from public road and which has been created in nature as a rule in the course or in consequence of carrying out land reform mostly due to errors caused by different desk surveys or different surveys used at different times. A plot of land between an immovable and a public road in the ownership or possession of another person and an immovable may also deemed to be land suitable for joining to an immovable if it is not expedient in the opinion of the owner or possessor of the road to include it in the road area.

(2) A plot of land which is subject to privatisation, subject to return or to be transferred into municipal ownership as an independently used plot of land or to be retained in state ownership is not deemed to be land suitable for joining to an immovable.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 31[3]. Acquisition of land suitable for joining to immovable

(1) The proceeding for the acquisition of land suitable for joining to an immovable begins by the submission of an application by the owner of the bordering immovable or by the initiation of the proceeding by the rural municipality or city government or the Land Board. Land is joined to an immovable by addition by way of alteration of the border on the bases provided for in the Land Consolidation Act, taking into consideration the specifications provided for in this section.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(2) The rural municipality or city government or the Land Board shall perform the preliminary acts for transfer of ownership of land suitable for joining to an immovable, in the course of which it will determine the land suitable for joining to an immovable and prepare the layout of the land unit by marking the borders of the land on the printout of the cadastral map, which clearly shows the borders and cadastral codes of the bordering immovables. The rural municipality or city government shall determine whether any applications concerning the land suitable for joining to an immovable have been submitted for the return of land or for privatisation with a right of pre-emption or whether a proceeding for retaining the land in state ownership has been initiated or whether the administrator of state assets of a bordering immovable is interested in retaining the specified land in state ownership or whether it is expedient to join the land to the bordering immovable in municipal ownership.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(3) [Repealed – RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(4) After ascertaining the possibility of making an addition to an immovable, the land consolidation plan is forwarded and the proposal for acquisition of land is made to the owners of the immovables, to whose immovables it is possible according to planning and land consolidation requirements to join the addition. The proposal for acquisition of land shall not be made to the owner of an immovable whose immovable is subject to be acquired by the state on the basis of § 20 of the Nature Conservation Act. The person who receives the proposal has the right to submit an application for the acquisition of land within the term set by the person carrying out land consolidation. Upon failure to submit an application within the set term, the person is deemed to have waived the acquisition of land.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(5) The person carrying out land consolidation has the right to decide according to the planning and land consolidation requirements, whether it is expedient to divide or not to divide the land suitable for joining to immovable.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(6) If land suitable for joining to an immovable is applied for into the state ownership or municipal ownership in part or in full and joining of it to the land in the ownership of the state or the local government is in accordance with planning and land consolidation requirements, the part of the land which is applied for into the ownership of the state or the local government is not subject to division among other persons wishing to acquire land.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(6[1]) The procedural acts specified in subsection 4 of this section are not made upon adding land suitable for joining to immovable to an immovable in the ownership of the state or the local government.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(7) The expenses related to acquisition of land on the basis of this section shall be covered by the person acquiring the land.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(8) The intended purpose of the immovable to which land is added is determined as the intended purpose for the cadastral unit formed as a result of land consolidation. If the actual use of the land joined as an addition differs from it, several intended purposes may be determined for the cadastral unit. The decision on determining the intended purpose shall also set out the intended purpose of the joined part.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(9) A compensation which shall be determined on the basis of the lowest of the assessed values of land determined on the basis of the results of assessments of land shall be paid to the Land Board for the acquired land. Upon acquisition of forest land, the value of the standing crop, which is determined on the same bases as upon privatisation of land with a right of pre-emption, is added to the compensation.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(9[1]) Compensation for the acquired land may be paid in instalments in accordance with subsections 7 and 8 of § 22[3] of this Act. To secure payment in instalments, the immovable to which the addition is joined is encumbered with a mortgage. The provisions of Part VIII[2] of this Act apply to the establishment of a mortgage, payment of a redemption debt and administration of a mortgage.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(10) The procedure for adding land which cannot be used independently to bordering immovables, for setting terms, for payment of compensation for the addition and other expenses as well as the persons conducting the procedural acts shall be established by a regulation of the Government of the Republic.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(11) If lands specified in subsection 1 of § 31[2] of this Act are situated in the area concerning which a local government has initiated detailed planning, the proceeding for acquisition of such land shall be carried out simultaneously with the planning proceeding, regardless of whether or not all the bordering immovables are situated in the planned area.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(12) The decision made on the basis of subsection 4 of § 30[1] of the Land Consolidation Act shall set out the amount of compensation payable for the acquired land, the procedure for payment and, in case of payment in instalments, the conditions for establishment of a mortgage and other relevant circumstances.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(13) The change to the boundaries of the cadastral unit as a result of land consolidation shall be registered in the land cadastre after payment of compensation or entering into a contract on payment in instalments and establishment of a mortgage.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(14) The ownership of the land acquired by addition shall transfer to the acquirer to the same extent as the acquirer had in respect of the immovable to which the addition is joined. An immovable in the separate ownership of a spouse and the addition joined to the immovable shall not become joint property of the spouses as a result of land consolidation.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(15) If an addition is joined to an immovable in state ownership, which was encumbered with a right of superficies or a usufruct in the course of land reform, the rights and obligations of the superficiary or the usufructuary arising from the specified real rights extend to the entire formed immovable.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

Part VII
RIGHT OF USE OF LAND BY CONTRACT AND RIGHT OF SUPERFICIES

§ 32. Granting land for use by contract

(1) Use of land retained in state ownership is granted on the bases of and pursuant to the procedure provided for in the State Assets Act unless otherwise provided by this Act.

(2) Land to be returned or land subject to privatisation by a right of pre-emption in the course of land reform is not granted for use by contract, except in the cases provided for in §§ 341 and 351 of this Act.

§ 33.–§ 34.[Repealed]

§ 34[1]. Procedure for establishment of usufruct on land and use of land on basis of usufruct

(1) A usufruct may be established for the benefit of a person who was granted use of land pursuant to the Estonian SSR Farm Act and who uses the land during application for establishment of a usufruct and does not wish to acquire the land.

(2) A usufruct on agricultural land shall be established for up to 15 years for the benefit of a person who is engaged in agricultural production and has obtained usufruct rights on the land pursuant to § 23[3] of this Act. For extension of the usufruct for up to 15 years, the usufructuary shall submit a written application to the Land Board no later than three months before the extinguishment of the usufruct. The contract shall not be extended if land subject to usufruct is required for the exercise of the powers of state, to a local government for the performance of its functions or for other public purposes.
[RT I, 19.05.2020, 2 – entry into force 29.05.2020]

(2[1]) A usufruct is established on land in accordance with planning and land consolidation requirements. For the purpose of establishment of a usufruct on land, a cadastral unit may be formed with the permission of the cadastral registrar on the basis of desk survey only in the case the land on which a usufruct is to be established borders solely on cadastral units registered in the land cadastre which were formed by a survey (excluding geodetic survey by aerial photography). Upon establishment of a usufruct on land on the basis of § 23[3] of this Act, a usufruct shall be established on the land by the formed cadastral units and not by sets thereof.

(3) A person for whose benefit a usufruct is established on the basis of this section has the right to apply for acquisition of the land two years after establishment of the usufruct. Transfer of land on which a usufruct is established into ownership is regulated by a separate Act which provides the persons who are entitled to acquire land encumbered with a usufruct and the extent of and conditions for acquisition of the land.
[RT I 2009, 18, 107 – entry into force 28.03.2009]

(3[1]) The cutting of standing crop by the usufructuary shall be excluded on the land on which a usufruct is established as vacant agricultural land on the basis of subsection 3 of § 201 of the Law of Property Act. As an exception, standing crop may be cut by a usufructuary on land on which a usufruct is established pursuant to the procedure and for the fee determined by the Government of the Republic. Land on which a usufruct is established shall not be subject to a commercial lease or granted for use to another person.
[RT I 2009, 18, 107 – entry into force 28.03.2009]

(4) A person for whose benefit a usufruct is established on the basis of this section shall during the first five years pay only land tax, the payment of usufruct fees commences after five years from the entry of the usufruct in the land register. The amount of the annual usufruct fee is 2% of the effective assessed value of the land, but not less than 6.35 euros.
[RT I 2010, 22, 108 – entry into force 01.01.2011]

(5) Establishment of a usufruct shall be organised by the Land Board pursuant to the procedure established by the Government of the Republic. Upon establishment of a usufruct on land, the local government shall perform the preliminary acts provided by this Act and legislation based thereon. At the same time with an application for entry of land which is retained in state ownership pursuant to clause 12 of subsection 1 of § 31 of this Act in the land register, a real right contract for establishment of a usufruct entered into in unattested written form may be submitted. The contract on establishment of a usufruct shall be entered into by the Director General of the Board or an official authorised thereby.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(5[1]) The contract on establishment of a usufruct on land shall contain the provisions of the real right contract for the registration of land and real rights relating to land. The mandatory requirements for contracts for the establishment of a usufruct are as follows, according to the circumstances:
1) confirmation of the person obtaining usufruct rights on land that by obtaining usufruct rights on vacant agricultural land the person does not exceed the limit provided for in subsection 6 of § 23[3] of this Act or that by obtaining usufruct rights on land the person does not exceed the extent of land which use is granted to the person pursuant to the Estonian SSR Farm Act or pursuant to the procedure equivalent thereto;
2) the obligation of the person obtaining usufruct rights on land to pay land tax during the term of the contract;
3) the obligation of the person obtaining usufruct rights on land to commence to pay usufruct fees after five years from entry of the usufruct in the land register;
4) upon delay of payment of usufruct fees, the obligation of the person obtaining usufruct rights on land to pay a penalty for late payment of 0.05 per cent of the overdue amount for each day the payment is delayed;
5) the obligation of the person obtaining usufruct rights on land not to subject land to a commercial lease or grant the use thereof to another person;
6) the obligation of the person obtaining usufruct rights on land to use the land for the intended purpose and following good agricultural practice;
7) a reference to subsection 3 of § 201 of the Law of Property Act under which the cutting of standing crop on land on which a usufruct is established by the usufructuary is excluded and to the exception provided for in subsection 3[1] of this section;
8) the obligation of the person obtaining usufruct rights on land to pay a contractual penalty in the amount of at least 1270 euros for undue performance of the obligations specified in clause 1, 5, 6 or 7 of this subsection.
[RT I 2010, 22, 108 – entry into force 01.01.2011]

(6) The person obtaining usufruct rights on land shall bear the costs related to the establishment of a usufruct on land, the composition of which and the basis for determination of which shall be established by the Government of the Republic.

(6[1]) If the usufructuary does not wish to continue agricultural production, the Land Board shall terminate the usufruct contract. Simultaneously with terminating the contract, the Land Board has the right to enter into a contract for the establishment of a usufruct on the same conditions with a person who continues agricultural production and is a relative to the usufructuary or a spouse living together with the usufructuary.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(6[2]) Instead of a usufructuary who is a natural person, land subject to usufruct may be used on the basis of a written contract entered into with the usufructuary by a person who continues agricultural production on this land and is a relative or spouse of the usufructuary or a legal person where the majority of the share capital or of the total number of votes belong to the usufructuary or his or her relative or spouse. The usufructuary shall notify the person establishing usufruct of grant of use of land and forward the contract within one month after it is entered into.
[RT I, 19.05.2020, 2 – entry into force 29.05.2020]

(7) Upon the death of a usufructuary, the spouse who lived together with the usufructuary may take the place of the usufructuary in the contract for the establishment of a usufruct. If the usufructuary did not have a spouse who lived together with him or her or the spouse does not wish to take the place of the usufructuary in the contract for the establishment of a usufruct, one successor has the right to take the place of the usufructuary in the contract for the establishment of a usufruct pursuant to an agreement between the successors.

(8) The Land Board shall terminate the usufruct contract and, if necessary, claim the caused damage from the usufructuary in addition to the contractual penalty provided for in clause 8 of subsection 5[1] of this section if the land user:
1) violates the provisions of subsection 3[1] of this section;
2) does not use the land for an intended purpose and does not follow good agricultural practice;
3) regularly fails to pay usufruct fees within the set term; or
4) does not comply with the requirements provided for in subsection 6[2] of this section.
[RT I, 19.05.2020, 2 – entry into force 29.05.2020]

§ 34[2]. Extension of usufruct contract

(1) The provisions of the State Assets Acts concerning use agreements apply upon the extension of usufruct contracts unless otherwise provided in this section.

(2) The mandatory requirements for usufruct contracts, according to the circumstances, are:
1) the usufruct fee is a market-based use fee and the obligation to pay the fee is created at the establishment of the usufruct;
2) if the market-based fee is less than ten euros, the usufruct fee is ten euros;
3) the usufructuary is required to pay the land tax and other accessory expenses, taxes and duties related to the immovable;
4) upon delay of payment of the usufruct fee the usufructuary shall pay a penalty for late payment of 0.05 per cent of the overdue amount for each day the payment is delayed;

5) the usufruct fee may be changed after five years from the establishment of the usufruct and again after five years from the latest change in the fee;
6) the usufructuary must use the land for the intended purpose and following good agricultural practice;
7) standing crop may be cut on land subject to usufruct only with the written consent of the person establishing usufruct, paying for timber the local average selling price of state forest;
8) the usufructuary may make improvements which exceed ordinary maintenance on land subject to usufruct only with the written consent of the person establishing usufruct;
9) the usufruct fee may be set off to compensate for the expenses made for improvements if the improvements have been made with the consent of the person establishing usufruct;
10) the usufructuary has the right to apply for acquisition of land after the establishment of usufruct in accordance with the Act on Acquisition of Land Subject to Usufruct in Land Reform;
11) the rights and obligations arising from the usufruct shall not be exercised by other persons, with the exception of the persons specified in subsections 6^1, $6^2$and 7 of § $34^1$of this Act;
12) if the usufructuary violates the provisions of this subsection, the person establishing the usufruct has the right to terminate the usufruct contract and demand a contractual penalty in the amount of the usufruct fee for one year.

(3) The Land Board decides on the extension of a usufruct contract, enters into a written real right contract with the usufructuary and submits a written registration application for entry of the usufruct in the land register.
[RT I, 19.05.2020, 2 – entry into force 29.05.2020]

§ 35. [Repealed]

§ 35^1. Constitution of right of superficies for benefit of owner of construction works

(1) A right of superficies shall be constituted for the benefit of the owner of a construction works who does not wish or who does not have the right to acquire the land.
[RT I, 14.01.2014, 1 – entry into force 24.01.2014]

(1^1) The procedure, terms and conditions for the constitution of the right of superficies on state land during land reform, including the amount of the annual charge for the right of superficies and the procedure for amendment and payment thereof, shall be established by a regulation of the Government of the Republic.
[RT I, 14.01.2014, 1 – entry into force 24.01.2014]

(1^2) The proceeding for the constitution of the right of superficies shall not be commenced and the right of superficies shall not be constituted on the basis of a building permit if construction has not been commenced. In such case the right of use of land granted for the erection of a construction works shall be deemed terminated.
[RT I, 14.01.2014, 1 – entry into force 24.01.2014]

(1^3) The right of superficies shall be constituted on the basis of a decision of the Director General of the Land Board.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(2) The owner of a construction work for whose benefit the proceeding for the constitution of the right of superficies has been commenced has the right, after registration of the land necessary for servicing the construction work in the land cadastre, to privatise the land belonging to the construction work if it is not the land necessary to the state for performing its functions. The Land Board shall notify the owner of the construction work of the conditions for the privatisation of the land within two months after registration of the land unit in the land cadastre and make a proposal for privatisation of the land. The selling price of land to be privatised is the assessed value of the land in 2001. Upon privatisation of land, the incentives specified in subsections 9 and 10 of § $22^3$of this Act cannot be used.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(2^1) Upon payment of the selling price in instalments, the acquirer of land is obliged to pay each year at least the amount corresponding to the annual charge for the right of superficies, but not less than 360 euros annually. The payable amount may be smaller in the last year of payment in instalments. The amount payable before entering into the contract and the amount payable in instalments and the term for payment in instalments shall be determined in accordance with subsections 7 and 8 of § $22^3$of this Act.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(3) If the owner of a construction work wishes to privatise land, he or she shall submit a respective application within one month after receipt of the proposal from the Land Board. The privatisation of land shall be decided by the Director General of the Land Board.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(4) The owner of a construction work has the right to enter into a sales contract and real right contract within three months after entry into force of the decision on privatisation of land. If the owner of a construction work fails to enter into a sales contract and real right contract concerning the land within the specified term, he or she loses the right to privatise the land and the Land Board continues with the proceeding for the constitution of the right of superficies.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(5) The expenses related to the privatisation of land necessary for servicing the building on the basis of subsection 2 of this section and the notary fees involved in entry into the contracts shall be covered by the person privatising the land. The expenses involved in the constitution of the right of superficies shall be covered from the ownership reform reserve fund.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(6) The composition of, limitations on and the procedure for payment of the expenses specified in subsection 5 of this section shall be established by a regulation of the Government of the Republic.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(7) If the land unit designated for privatisation with a right of pre-emption concerning which a person has lost the right to privatise is larger than the land necessary for servicing the construction work, the Land Board shall initiate, simultaneously with formation of a cadastral unit in respect of land necessary for servicing the construction work, the proceeding for retaining in state ownership of the land remaining from land necessary for servicing the construction work.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(8) The Land Board shall submit the decision on the constitution of the right of superficies and an application for the registration of land retained in state ownership and for the constitution of the right of superficies to the land registry department.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(9) To secure the payment obligation for a right of superficies, a real encumbrance is entered in the right of superficies land register part for the benefit of the land owner on the basis of a decision of the Director General of the Land Board. To secure the claim on changing the amount of payment, an entry shall be made in the right of superficies land register part with the same ranking as the real encumbrance. The superficiary is obliged to be subject to immediate compulsory enforcement for the satisfaction of a financial claim secured by the real encumbrance.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(10) If a construction work is the joint property of the spouses and the spouses have filed a joint application, the right of superficies is constituted for the benefit of both spouses. Unless the spouses submit a joint application, the right of superficies is constituted for the benefit of the spouse who is registered as the owner of the construction work. The other spouse shall be entered in the land register as a joint owner on the basis of a notarised joint application of the spouses. A right of superficies constituted for the ownership of a construction work or a part thereof in separate ownership of a spouse on state land shall not become the joint property of the spouses unless the spouses agree otherwise.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 36. Extinguishment of current use of land

(1) The current right of use of land extinguishes with re-registration of use of land on the bases provided for in this Act or the State Assets Act.

(2) [Repealed]

(3) [Repealed]

§ 37. [Repealed]

Part VIII
GUARANTEE OF LAND REFORM

§ 38. Procedure for carrying out land reform

(1) Land reform shall be carried out by the Government of the Republic through the Land Board and local governments on the bases of this Act pursuant to the procedure established by the Government of the Republic.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(2) In carrying out land reform, the Land Board has the right to:
1) monitor the activities of state and local government bodies in the carrying out of land reform;
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]
2) require information and reports from state and local government bodies on the carrying out of land reform;

[RT I, 04.07.2017, 1 – entry into force 01.01.2018]
3) make mandatory precepts to state or local government bodies concerning the issues in the carrying out of land reform;
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]
4) provide explanations on the implementation of legislation related to land reform;
5) involve qualified persons of ministries and other state agencies and scientists and practicians of appropriate areas in the resolution of problems arising in the course of land reform;
6) if the local government fails to perform the functions assigned thereto by legislation, including by a precept specified in clause 3 of this subsection, upon carrying out land reform on time, transfer the right to perform such functions to the Land Board.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(3) In order to attain the objective provided for in § 2 of this Act or to perform the functions provided for in § 3 of this Act, the Land Board may organise the ascertainment of land to be privatised, transferred into municipal ownership or retained in state ownership and present documents for entry of land into land cadastre or land register.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(4) During a land privatisation proceeding, a person with the right to privatise land is required to perform acts necessary for the proceeding within the terms and pursuant to the procedure established by the Government of the Republic. If a person with the right to privatise land fails to perform the necessary acts within the term of which the person is informed in writing, the person is deemed to have waived the claim for privatisation and the privatisation proceedings are terminated, the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted on such land for the benefit of the owner of the construction works pursuant to the procedure established by the Government of the Republic.

(5) If supervision proceedings have been initiated concerning an administrative act adopted in land reform, implementation of the administrative act and the proceeding for carrying out land reform related to this administrative act are suspended until the results of the supervision are obtained. The person exercising supervision shall promptly notify the local government and other persons concerned of initiation of supervision.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

§ 38[1]. Service of administrative acts adopted in land reform or other documents

Administrative acts adopted in land reform or other documents shall be served on the participants in the proceeding in the manner prescribed in the Administrative Procedure Act. In the case provided in subsection 1 of § 31 of the Administrative Procedure Act, an administrative act adopted in land reform or another document may be published in the official publication *Ametlikud Teadaanded*.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

§ 39. Filing of applications for land

[Repealed – RT 1992, 10, 145 – entry into force 12.03.1992]

Part VIII[1]
LAND INSTALMENT CLAIMS INFORMATION SYSTEM

§ 39[1]. Establishment of land instalment claims information system

(1) Land instalment claims information system (hereinafter the *database*) is a database belonging to the State Information Systems which is established for the administration of contracts of sale of land, real right contracts, contracts for the establishment of a mortgage and contracts for the encumbering of state land entered into in carrying out land reform and for the efficient performance of the duties of the mortgagee and administrator of state land.

(2) The database shall be established and its statutes shall be approved by a regulation of the minister in charge of the policy sector.

(3) The controller of the database shall be the Land Board and the processor shall be determined by the statutes of the database.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

(4) Contracts for the transfer and encumbering of land entered into in carrying out land reform and information necessary for the administration of financial claims of the state arising from such contracts shall be entered in

the database. The exact list of information to be entered in the database shall be established in the statutes of the database.

(5) The processing of personal data in the database is permitted only to the extent which is necessary for the achievement of the goal of establishment of the database.
[RT I, 14.01.2014, 1 – entry into force 24.01.2014]

Part VIII[2]
ESTABLISHMENT OF MORTGAGE, PAYMENT OF REDEMPTION DEBT AND ADMINISTRATION OF LIMITED REAL RIGHTS

[RT I, 08.12.2021, 2 - entry into force 01.01.2022]

§ 39[2]. Establishment of mortgage

(1) To secure payment of the selling price of land in instalments, the immovable as an object of privatisation or return is encumbered with a mortgage for the benefit of the Republic of Estonia.

(2) Upon acquisition of land suitable for joining to immovable by payment in instalments, the immovable to which the addition is joined is encumbered for the benefit of the Republic of Estonia and the mortgage is entered in the first available ranking of the land register part of the bordering immovable or payment in instalments is secured by an existing mortgage established for the benefit of the Republic of Estonia.

(3) The sum of the mortgage must secure at least 1.2 times the amount of the claim for payment for land in instalments, which is the redemption debt.

(4) The mandatory requirements for a contract for the establishment of a mortgage are as follows, according to the circumstances:
1) an agreement of the parties which prescribes the obligation of the actual owner of the immovable to be subject to immediate compulsory enforcement for the satisfaction of the claim secured by the mortgage concerning which a notation shall be made in the land register;
2) the obligation of the purchaser to pay the entire redemption debt in case of transfer of the immovable, except in the case provided in subsection 8 of § 39[3] of this Act, concerning which a notation shall be made in the land register;
3) the obligation of the purchaser to prevent a decrease in the value of the immovable encumbered with a mortgage and damaging the rights of the mortgagee in any other manner;
4) the obligation of the purchaser not to cut standing timber on the land encumbered with a mortgage without a permission of the mortgagee and, upon applying for a permit, to submit the forest management plan provided in the Forest Act to the mortgagee or an authorised representative of the mortgagee;
5) the obligation of the purchaser to pay a contractual penalty in the amount of at least 1270 euros for undue performance of the obligations specified in clause 3 or 4 of this subsection.

(5) Upon establishment of the mortgage specified in subsection 1 of this section, it shall not be agreed that the demand provided for in subsection 1 of § 332 of the Law of Property Act does not apply to the established mortgage.

(6) The expenses related to entering into the contract for the establishment of a mortgage, transferring, changing and assignment of a mortgage and releasing an immovable from the mortgage, including the notary fee and state fee, are paid by the owner of the immovable encumbered with the mortgage, unless a limited real right is terminated and deleted on the basis of a registration application of the Land Board in accordance with subsection 1 of § 39[5] of this Act.
[RT I, 23.02.2023, 1 – entry into force 01.04.2023]

§ 39[3]. Payment and falling due of redemption debt

(1) A payment schedule shall be prepared for payment of the redemption debt in accordance with the provisions of subsections 7 and 8 of § 22[3] of this Act.

(2) Upon acquisition of land on the basis provided for in Part VI[1] of this Act, a payment schedule shall be prepared on the basis of such clause of subsection 7 of § 22[3] of this Act on the basis of which the conditions for payment in instalments were determined upon the purchase of the immovable to which the acquired land is joined.

(3) Payment of the redemption debt in instalments commences no later than six months after entering into the contract of sale. Instalments must be paid at least twice annually in equal parts by the due dates prescribed in the payment schedule.

(4) The amount to be paid annually under the payment schedule shall bear an interest of ten per cent per year, and upon privatisation of land specified in subsections 4 of § $22^3$and subsection 2 of § $35^1$of this Act an interest of five per cent per year.

(5) Upon delay of payment, the purchaser shall pay a penalty for late payment on the overdue amount at the rate provided for a penalty for late payment in the Law of Obligations Act, but not more than 0.05 per cent of the amount due for each day the payment is delayed. Delayed payment of an amount reduces first the payable penalty for late payment of the purchaser, second the payable contractual penalty, third the payable interest and last the payable purchase price.

(6) The owner of land may pay the redemption debt in full or in part before the end of the term prescribed in the payment schedule. No interest is calculated on the amount paid before the end of the term. Upon partial payment before the end of the term as well as in the cases specified in subsections 9 and 10 of § $22^3$of this Act, the redemption debt is cancelled starting from the last payment provided in the payment schedule, the amount to be paid annually is not recalculated and payments are continued to be made according to the payment schedule. If a person explicitly indicates the intention to make several consecutive payments under the payment schedule, the debt claims are cancelled in the same order as they fall due.

(7) Upon reducing the sum of the mortgage or releasing from the mortgage an immovable created as a result of the division of an immovable, a new payment schedule is prepared for payment of the redemption debt that has not been paid by such time on the terms and conditions provided in clauses 1–3 of subsection 7 of § $22^3$of this Act, proceeding from the payable amount of the redemption debt.

(8) The redemption debt falls due upon transfer of an immovable encumbered with a mortgage in the course of land reform for the benefit of the Republic of Estonia. Such notation is entered in the third division of the land register part on the basis of a registration application of the Land Board. Upon transfer of an immovable, the mortgagee has the right to grant consent for the transfer of the redemption debt to the acquirer of the immovable if the immovable encumbered with the mortgage is transferred to a direct relative, sister, brother, spouse, registered partner or a person who assumes the debt obligations of the owner of the immovable as a result of enforcement proceedings or insolvency proceedings.

(9) In case of transfer of the land redemption debt arisen under this Act to the new owner of land, the payment schedule is changed such that the amount to be paid annually would be at least 360 euros. This section does not apply if the redemption debt is transferred to the successor of the immovable or if the amount to be paid annually exceeds 360 euros.

(10) Supervision over payment of redemption debt shall be exercised by the Land Board.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 39^4. Rights and obligations of mortgagee

(1) In case of a mortgage established for the benefit of the Republic of Estonia in the course of land reform, the duties of the mortgagee shall be performed by the Land Board.

(2) For releasing from the mortgage an immovable formed upon division of an immovable encumbered with a mortgage, the usual value is determined for the immovable which is to secure the instalment claim by a mortgage. A mortgagee may allow the division of an immovable without valuation if division is in the public interest or if the interests of the state or not harmed thereby. With the consent of the mortgagee, an immovable formed upon division may be released from the mortgage such that the mortgage continues to encumber only the immovable that has the value which covers the amount of the claim secured by the mortgage 1.2 times.

(3) A mortgagee may refuse to grant the consent specified in subsection 8 of § $39^3$of this Act if less than 360 euros of the claim secured by the mortgage is payable or if there is reason to presume that the acquirer of the immovable is not capable of performing the debt obligation or the transfer of the redemption debt may otherwise harm the interests of the state.

(4) A mortgagee has the right to reduce the sum of the mortgage if at least 30 per cent of the redemption debt has been paid and the payable amount exceeds 720 euros.

(5) A mortgagee shall grant or refuse to grant the consent specified in clause 4 of subsection 4 of § $39^2$of this Act within three weeks after receipt of the application and documents specified in the same provision. The mortgagee has the right to refuse to grant consent if as a result of cutting, the value of the registered immovable would fall below 1.2 times of the amount of the claim secured by the mortgage.

(6) If the value of an immovable decreases below 1.2 times of the amount of the claim secured by the mortgage, the mortgagee is required to apply all measures provided by law to prevent the decrease in the value of the immovable encumbered with a mortgage.

(7) Upon a decrease in the value of the immovable encumbered with a mortgage below the value provided by law the mortgagee has the right to cancel the contract on payment in instalments, demand payment of the payable redemption debt in full and deletion of the mortgage or demand an additional security, including establishment of a mortgage on an immovable which was not the object of privatisation or return.

(8) A mortgagee has the right to cancel the contract on payment in instalments extraordinarily if at least two consecutive instalment payments of a debtor who is a natural person are overdue or the overdue amount corresponds to at least the amount of two instalment payments or if an instalment payment of a debtor who is a legal person is overdue and more than three months have passed from the due date for payment of the instalment.

(9) A mortgagee may assign the mortgage to the owner of the land only if such condition is provided in the contract for the establishment of the mortgage. Assignment of a mortgage cannot be applied for if the mortgagee has submitted an application for deletion of the mortgage.

(10) In order to prevent causing of damage to the state, a mortgagee has the right to apply legal remedies arising from law regardless of whether such condition is provided in the contract on payment in instalments or the contract for the establishment of the mortgage.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 39[5]. Deletion of limited real right

(1) A limited real right established in the course of land reform is terminated and deleted from the land register part on the basis of a digitally signed registration application of the Land Board if:
[RT I, 23.02.2023, 1 – entry into force 01.04.2023]
1) an entry on a usufruct has lost legal effect or the term of the usufruct has expired;
2) a claim secured by a mortgage is satisfied or if a claim is not created.

(2) In the cases specified in subsection 1 of this section, the consent of the person concerned is not necessary for making an entry in the land register.
[RT I, 23.02.2023, 1 – entry into force 01.04.2023]

Part IX
IMPLEMENTING PROVISIONS

[RT I 2003, 26, 155 - entry into force 15.03.2003]

§ 40. Time limits for completion of land reform

[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(1) Applications for the privatisation of land by a right of pre-emption shall be accepted until 31 December 2003 unless an earlier term is provided by law. Applications for the privatisation of land adjacent to a construction work, which is acquired as a movable and which transferor has not submitted an application for privatisation of land, shall be accepted until 1 March 2006; applications for the privatisation of land necessary for servicing a construction work shall be accepted until 1 June 2006. Unless an application has been submitted for the privatisation of land adjacent to a construction work by 2 June 2006, a right of superficies shall be constituted on the land necessary for servicing the construction work on the basis of a decision of the Director General of the Land Board pursuant to the procedure and on the conditions established by the Government of the Republic.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

(2) Applications for participation in the privatisation of land at a closed or public auction shall be accepted until 31 December 2003. After this date, an application for the privatisation of land at a closed auction shall be accepted only if it is submitted on the basis on the decision not to return the land provided for in clause 1 or 2 of subsection 4 of § 22 of this Act and if the decision is made after 1 October 2003. Applications for privatisation submitted on the bases provided for in the previous sentence shall be accepted until 1 March 2006.
[RT I 2005, 61, 476 – entry into force 27.11.2005]

(3) The rural municipality or city government shall make a proposal on the location of the borders of the land necessary for servicing the construction works no later than on 31 December 2015.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(4) The local government shall submit an application for obtaining land into municipal ownership no later than on 30 June 2016.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

(5) The rural municipality or city government shall submit, no later than on 31 January 2014, to the county governor a list of construction works, concerning which the right of superficies shall be constituted for the benefit of the owner on the basis of § 35[1] of this Act, indicating for each construction works whether or not an application for the constitution of the right of superficies has been submitted.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(6) Unless the person specified in subsection 1 of § 35[1] of this Act has submitted an application for the constitution of the right of superficies, the rural municipality or city government or county governor shall initiate a proceeding for the constitution of the right of superficies no later than on 31 January 2015.
[RT I, 15.03.2013, 26 – entry into force 20.03.2013]

(7) If the owner of a construction work loses the right to privatise land by a right of pre-emption, the organiser of privatisation shall terminate the proceeding for the privatisation of land and initiate a proceeding for the constitution of the right of superficies.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

§ 40[1]. Proceedings on applications for transfer of land into municipal ownership filed before 1 July 2016

The proceedings on transfer of land into municipal ownership, for the initiation of which an application was filed before 1 July 2016, shall be completed on the bases of and pursuant to the procedure hitherto in force and the transfer of land into municipal ownership shall be decided until 31 December 2017 by the county governor or the Minister of the Environment.
[RT I, 04.07.2017, 1 – entry into force 14.07.2017]

§ 40[2]. Payment of compensation in event of transfer of land into municipal ownership under subsection 1 of § 28 of this Act in wording in force until 13 July 2017

The obligation to pay a compensation provided in subsection 4 of § 25 of this Act is not created for a local government in the event of transfer of land which was transferred into municipal ownership under clause 1, 9 or 11 of subsection 1 of § 28 of this Act in the wording in force until 13 July 2017.
[RT I, 29.06.2018, 1 – entry into force 01.07.2018]

§ 40[3]. Submission of application for extension of usufruct and transition to market-based use fee

(1) If the usufruct established on the basis of § 34[1] of this Act extinguishes before 31 August 2020, the usufructuary has the right to submit an application for extending the contract on establishment of usufruct within three months after the due date for extinguishment of the usufruct.

(2) If the usufruct established on the basis of § 34[1] of this Act extinguishes before 1 June 2022, the annual usufruct fee shall be in the first year following the extension of the contract 33 per cent, in the second year 66 per cent, and starting from the third year 100 per cent of the market-based use fee.
[RT I, 19.05.2020, 2 – entry into force 29.05.2020]

§ 40[4]. Annual charge for usufruct contract entered into until 31 December 2002

Upon performance of a usufruct contract entered into on the basis of § 34[1] of this Act in the wording in force until 31 December 2002, the annual local average usufruct fee is deemed to be two per cent of the assessed value of land.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 40[5]. Completion of privatisation of land which cannot be used independently, its transfer into municipal ownership and retaining it in state ownership

If a decision on privatisation of land which cannot be used independently, its transfer into municipal ownership or retaining it in state ownership is made before entry into force of the wording of this Act which entered into force on 1 January 2022, the privatisation of land, its transfer into municipal ownership or retaining it in state ownership is completed on the bases and pursuant to the procedure effective at the time of adoption of the specified decision.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

§ 40[6]. Release from payment of compensation to state in event that land transferred to municipal ownership on basis of this Act in wording in force until 1 April 2023 is transferred, encumbered with usufruct or right of superficies

The obligation to pay compensation provided in subsection 4 of § 25 of this Act in the wording in force until 31 March 2023 is not created for a local government in the event that land transferred to municipal ownership on the basis of this Act before 1 April 2023 is transferred or encumbered with a usufruct or right of superficies.
[RT I, 23.02.2023, 1 – entry into force 01.04.2023]

§ 41. Application of Act in connection with accession to the European Union

(1) Subsection 8 of § 21 of this Act enters into force as of the moment of Estonia's accession to the European Union, with the exception of the special conditions provided for in subsections 2 and 3 of this section.

(2) For seven years after Estonia's accession to the European Union, a land unit with an area of more than 2 ha containing a land use type of agricultural land may be privatised or a usufruct may be established on such land unit with a preferred right to privatisation to the following only:
1) Estonian citizens;
2) citizens of the Contracting States who have permanently resided in Estonia and engaged in the production of agricultural produce here within the meaning of subsection 2 of § 23[3] of this Act for at least the last three years;
3) Estonian legal persons or legal persons of the Contracting States who are entered in the commercial register, who have been registered in the commercial register for at least the last three years and who have engaged in the production of agricultural produce in Estonia within the meaning of subsection 2 of § 23[3] of this Act at least during the last three years.

(3) For seven years after Estonia's accession to the European Union, a land unit with an area of more than 2 ha containing a land use type of forest land may be privatised to the following only:
1) Estonian citizens;
2) citizens of the Contracting States who have permanently resided in Estonia for at least the last three years.

(4) If an application for the privatisation of land is submitted before the entry into force of subsections 2 and 3 of this section and under conditions which are more favourable for the person than the conditions provided for in the specified subsections, the conditions which were in force before the entry into force of the specified subsections apply upon privatisation.

§ 42. Application of notation concerning prohibition upon acquisition of land by state

A notation entered in the land register on the basis of subsection 1[2] of § 20 of the Act concerning the prohibition on exchange of land also applies to the acquisition of land by the state. The corresponding entry shall be made in the land register on the basis of an application of the organiser of privatisation.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

§ 43. Application of Act upon succession of right of claim

(1) If a right of claim for the return of land has terminated in conformity with subsection 3 of § 19[2] of this Act or § 26 of the Land Reform Act Amendment Act (RT I 2005, 61, 476), but the proceeding for the return of land has not been terminated, the right of claim is deemed to be restored from 1 September 2010.

(2) If a right of claim for the return of land has terminated in conformity with subsection 3 of § 19[2] of this Act or § 26 of the Land Reform Act Amendment Act (RT I 2005, 61, 476) and the proceeding for the return of land has been terminated, the county or rural municipality government of the location of land shall restore the right of claim at the request of the entitled subject or at its own initiative and resume the return proceeding if there is a good reason therefor. The request for restoration of the right of claim and resumption of the proceeding must be submitted no later than on 31 August 2011.

(3) Administrative acts given and transactions and administrative acts made in respect of the unlawfully expropriated land after termination of the return proceeding but before submission of the request specified in subsection 2 of this section shall remain effective.

(4) If land cannot be returned due to a lawful administrative act given or transaction or act made as specified in subsection 3 of this section, the land shall be compensated for pursuant to the procedure provided for in this Act.
[RT I 2010, 41, 242 – entry into force 01.09.2010]

§ 44. Transfer of land reform files

Files prepared in respect of proceedings provided for in the Land Reform Act and legislation issued on the basis thereof shall be transferred to the Land Board after arrangement thereof in conformity with the requirements for permanent storage and closure thereof. If a county governor has authorised a local government on the basis of subsection 2 of § 22[2] of this Act to organise privatisation of land with the right of pre-emption on behalf of the state and the files are kept at the rural municipality or city government, the files shall be transferred to the Land

Board by the rural municipality or city government within two years after the closure of the file, but no later than on 31 December 2019.
[RT I, 04.07.2017, 1 – entry into force 01.01.2018]

§ 45. Notation on falling due of redemption debt

On the basis of a registration application of the Land Board, the notation provided for in subsection 8 of § 39^3 of this Act is entered in the third division of the land register parts about all the immovables which have been encumbered with a mortgage for the benefit of the Republic of Estonia in the course of land reform unless the redemption debt is paid. The consent of the owner of the immovable or other persons concerned as evident from the land register is not necessary for making the entry in the land register and for deleting it.
[RT I, 08.12.2021, 2 – entry into force 01.01.2022]

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Extract from the Republic of Estonia Land Reform Act and Legislation Related to Land Reform Act Amendment Act Amendment Act (RT I 1997, 81, 1363) concerning the implementation of the Land Reform Act:

III. Implementing provisions

§ 14.

(1) The procedure provided for in subsection 7 of § 12, subsection 7 of § 13 and subsection 5 of § 16 of the Republic of Estonia Principles of Ownership Reform Act (RT 1991, 21, 257; RT I 1997, 27, 391; 74, 1230) applies to the proceeding for the return of and compensation for land.

(2) A person who has the right to privatise land with a right of pre-emption pursuant to the Land Reform Act and who has not submitted a corresponding application must submit it by 1 January 1998. If no application is submitted within the established term, the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works.

(2^1) If a construction works as a movable is acquired after 1 January 1998, the person who has acquired the construction works has the right to privatise land with a right of pre-emption on the bases provided for in the Land Reform Act. The person who has acquired a construction works must submit an application for the privatisation of land with a right of pre-emption within three months after the day of acquisition of the construction works. If no application is submitted within the established term, the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works pursuant to the procedure established by the Government of the Republic.
[RT I 2000, 54, 347]

(2^2) If a construction works as a movable is acquired after 1 January 1998 and the transferor of the construction works has submitted an application for the privatisation of land with a right of pre-emption no later than by 1 January 1998, the application for the privatisation of land with a right of pre-emption submitted by the transferor of the construction works by 1 January 1998 shall remain effective also in respect of the new owner of the construction works. The new owner of the construction works shall submit an application within three months after the day of acquisition of the construction works only if the new owner does not wish to privatise land. In such case the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works pursuant to the procedure established by the Government of the Republic.
[RT I 2000, 54, 347]

(2^3) If a co-owner of a construction works has failed to submit an application to privatise land with a right of pre-emption during the specified term, but expresses a wish to privatise land with a right of pre-emption during the performance of preliminary acts for privatisation by submitting a corresponding application to the rural municipality or city government, the land shall be privatised in proportion to the shares of the co-owners in the construction works. If the co-owner specified in the previous sentence does not wish to privatise land with a right of pre-emption, a co-owner who has submitted an application for the privatisation of land with a right of pre-emption has the right either to request privatisation of the land under the construction works and necessary for servicing the construction works and constitution of the right of superficies on such land pursuant to the procedure and on the conditions established by the Government of the Republic for the benefit of all co-owners of the construction works or to initiate expropriation proceedings concerning a part of the construction works pursuant to the procedure provided for in § 12 of the Law of Property Act Implementation Act (RT I 1993; 72/73, 1021; 1999, 44, 510).
[RT I 2000, 54, 347]

(3) The procedure for making an advance payment for land shall be established by the Government of the Republic within one month after the entry into force of this Act.

(4) If a closed auction has been announced before the entry into force of this Act, it shall be completed under the currently applicable conditions.

(5) An entitled subject for the return of land whose land to be returned is situated in Ida-Petserimaa can buy land at a closed auction in Põlva County or Võru County and a subject whose land to be returned is situated in Virumaa to the east of the Narva River can buy land at a closed auction in Ida-Viru County.

(6) A person who used state land adjacent to a privatised construction works on the basis of a right of superficies contract or commercial lease agreement entered into before entry into force of this Act has the right to request privatisation of the land used under the contract or agreement with a right of pre-emption taking into account the restrictions provided for in § 21 of the Land Reform Act.

(7) The land of a former registered immovable may be returned in parts at different times with the consent of the entitled subject if simultaneous return of the parts is impossible due to the resolution of an issue of dispute, entry into agreements, plans, land consolidation or surveying.

(8) The provisions of subsections 2 and 2^2 of § 22^1 of the Land Reform Act also extend to the person to whom land has been returned or privatised with a right of pre-emption before the entry into force of this Act.

(9) § 22^4 of the Land Reform Act enters into force on 1 January 1998.
Extract from the Land Reform Act Amendment Act (RT I 2005, 61, 476) concerning the implementation of the Land Reform Act:
II. Implementation of Act

§ 19. If a person entitled to privatise land with a right of pre-emption has received from a competent person a proposal on the location of the borders of land to be privatised with a right of pre-emption compiled pursuant to the procedure established by the Government of the Republic, but has not placed an order to a person with a corresponding licence for the formation of a cadastral unit on the basis of the specified proposal, the person entitled to privatise is obliged to place a corresponding order within three months after the entry into force of this Act. If the person entitled to privatise land fails without good reason to place an order for the formation of a cadastral unit within the specified term, the person loses the right to privatise land. In such case the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works pursuant to the procedure established by the Government of the Republic.

§ 20. Persons entitled to privatise who are entered by the rural municipality council in the list of persons privatising vacant agricultural and forest land on the basis of subsection 4 of § 23^1 and subsection 4 of § 23^2 of the Land Reform Act and who have not ordered cadastral unit formation works from a person holding a corresponding licence pursuant to the procedure established by the Government of the Republic according to a proposal made by the organiser of privatisation of land are obliged to place a corresponding order within three months after the entry into force of this Act. If the person entitled to privatise fails without good reason to place an order for the performance of cadastral unit formation works within the specified term, the person loses the right to privatise land.

§ 21. Unless an earlier due date is established by law for the entry into a contract of purchase and sale of land at a closed or public auction or privatised as free agricultural and forest land, the person entitled to privatise land has the right to enter into a contract of purchase and sale of land within three months after the entry into force of this Act. A person entitled to privatise who fails without good reason to enter into a contract of purchase and sale of land within the specified term loses the right to privatise land.

§ 22. A person entitled to privatise land with a right of pre-emption who has not entered into a contract of purchase and sale of land has the right to enter into a contract of purchase and sale of land within seven months after the entry into force of this Act. A person entitled to privatise who fails without good reason to enter into a contract of purchase and sale of land within the specified term loses the right to privatise land. In such case the land necessary for servicing the construction works is retained in state ownership and the right of superficies is constituted for the benefit of the owner of the construction works pursuant to the procedure established by the Government of the Republic.

§ 23. The establishment of a usufruct on vacant agricultural land provided for in § 23^1 of the Land Reform Act shall be completed on the bases of and pursuant to the procedure hitherto in force if the local government council has approved the list of persons obtaining usufruct rights on land before 1 January 2003. The procedure for the establishment of a usufruct on vacant agricultural land shall also be completed pursuant to the procedure specified in the previous sentence if the list of persons obtaining usufruct rights on land has been approved by

a decision of the rural municipality council before 1 January 2003 and the corresponding decision has been declared to be illegal or void by a court.

§ 24. The Government of the Republic may establish a procedure for the grant of temporary use of land specified in subsection 2 of § 31 of the Land Reform Act and for the covering of costs related to the grant of use.

§ 25. Applications for the transfer of land into municipal ownership submitted to the Government of the Republic by the moment of entry into force of this Act shall be reviewed on the bases of and pursuant to the procedure hitherto in force.

§ 26. If a succession is opened before the entry into force of this Act and the person entitled to inherit the right of claim or the person who has inherited the right of claim has not submitted a right of succession certificate concerning the succession of the right of claim to the local government of the location of the unlawfully expropriated land, the person must submit it within nine months after the entry into force of this Act. If a right of succession certificate is not submitted within the specified term, the return proceeding is terminated and the compensation proceeding is not commenced.

§ 27. Subsection 4 of § 25 of the Land Reform Act does not apply in the case of transfer of, establishment of a usufruct on or constitution of the right of superficies on the land transferred into municipal ownership before the entry into force of this Act.