

## **Dublin City Council**

### **Local Property Tax – FAQ**

#### **What is the Local Property Tax (LPT)?**

The LPT is a tax payable on the market value of residential property.

#### **What is residential property?**

A residential property means any building or structure (or part of a building) which is used as, or is suitable for use as, a dwelling and includes any shed, outhouse, garage or other building or structure and includes grounds of up to one acre. The LPT does not apply to development sites or farmland.

#### **When did the LPT come into effect?**

The charge came into effect on the 1<sup>st</sup> of July 2013. A half year charge was payable in 2013 with a full year charge payable from 2014 onwards.

#### **Who is responsible for collecting the tax?**

The LPT is collected by the Revenue Commissioners. Revenue offers a range of methods for paying the tax. Further details are available from: <http://www.revenue.ie/en/tax/lpt/>

#### **Who is liable to pay the LPT?**

All owners of residential property, including rental properties, are liable to pay the tax. The following groups are also liable for LPT:

- People who have a long-term lease (20 years or more)
- People with a life interest or long-term right of residence (life or more than 20 years) in a residential property
- Local authorities or social housing organisations
- A person acting as a personal representative for a deceased owner (for example, as an executor/administrator of an estate). Trustees or beneficiaries are jointly liable where a residential property is held in trust.

#### **How is your property valued?**

The tax is based on the *chargeable value* of a residential property on the *valuation date*. The chargeable value is defined as the market value that the property could reasonably be expected to fetch in sale on the open market on the valuation date.

The first valuation date for LPT is 1 May 2013 for the 4-year period until 2016. The initial valuation of your property on 1 May 2013 will be valid from 2013 to 31 October 2016 and will not be affected by any repairs or improvements made to your property, or any general increase in property prices, during this period. The next valuation date will be 1 November 2016

### **What charge am I liable to pay currently?**

The Local Property Tax (LPT) is based on market value bands. The first band covers all properties worth up to €100,000. Bands then go up in multiples of €50,000. The table below indicates what charge you currently pay based on your valuation band;

LPT Valuation Band	Annual Property Tax
€	€
0-100,000	90
100,001-150,000	225
150,001-200,000	315
200,001-250,000	405
250,001-300,000	495
300,001-350,000	585
350,001-400,000	675
400,001-450,000	765
450,001-500,000	855
500,001-550,000	945
550,001-600,000	1,035
600,001-650,000	1,125
650,001-700,000	1,215
700,001-750,000	1,305
750,001-800,000	1,395
800,001-850,000	1,485
850,001-900,000	1,575
900,001-950,000	1,665
950,001-1,000,000	1,755
Properties worth more than €1 million are assessed on the actual value at .18% on the first €1 million and .25% on the portion above €1 million.	

From 1 January 2015, Local Authorities will have discretion to vary the LPT rates by +/- 15% of the national central rate. The national central rate of 0.18% **will not** be increased for the lifetime of the current Government.

### **What does varying the LPT mean?**

Under Section 20 of the Finance (Local Property Tax) Act 2012, it is a reserved function of our elected members to vary the basic rate of the LPT by +/- 15%. This adjustment is known as the local adjustment factor and it shall not exceed 15%.

### **What impact does the LPT have on a Local Authority?**

Revenue from the LPT will accrue to Local Authorities and will support the provision of local services. The idea to fund local services by local charges follows best international practice. Dublin City

Council is responsible for (among other services) Public Parks, Libraries, Leisure Facilities, Fire and Emergency Services, Homeless Services, Street Cleaning, Street Lighting, Roads Maintenance, Planning & Development, Motor Taxation and Local Elections.

**Do I have any input to the process?**

Yes. Under Section 20 of the Finance (Local Property Tax) Act 2012, a Local Authority is required to carry out a public consultation process to canvass the public for their opinions and views. As part of this process Dublin City Council would now like for you to submit your views on the LPT.

The public consultation process will run from the **Tuesday 15<sup>th</sup> July to Wednesday 13<sup>th</sup> August at 4.30pm.**

The information gained in this process will be used to inform Councillors in their decision making duties. The council meeting to discuss this will be held in late September.

You can submit your views/opinions via the following methods:

- 1 – By completion of this Online Survey at [www.dublincity.ie](http://www.dublincity.ie)
- 2 – By completion of this survey and emailing: [lptconsultation@dublincity.ie](mailto:lptconsultation@dublincity.ie)
- 3 – In writing by completion of this Survey and returning to:

LPT Consultation,  
C/O Finance Dept,  
Dublin City Council,  
Block 1, Floor 8,  
Civic Offices,  
Wood Quay,  
Dublin 8

Hard copies of this survey will be made available at DCC Public Libraries and the Customer Services Centre, Civic Offices, Wood Quay, Dublin 8 and local Area Offices. A pdf version of the online survey will also be available for download at [www.dublincity.ie](http://www.dublincity.ie) or by email request to [lptconsultation@dublincity.ie](mailto:lptconsultation@dublincity.ie)

**What happens if the Elected Members vary the basic rate of the LPT?**

The City Council must inform both the Department of Environment and the Revenue Commissioners by the 30<sup>th</sup> of September 2014. A public notice informing the public of this decision will be placed within 14 days of the elected members' decision being made in local newspapers and on the Dublin City Council website [www.dublincity.ie](http://www.dublincity.ie).