

Dublin City Council

Local Property Tax 2023 – FAQ

What is the Local Property Tax (LPT)?

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

What is a 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 1st of July 2013.

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 and social housing organisations
- A person acting as a personal representative for a deceased owner (for example, as an executor/administrator of an estate). Trustees and 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.

What was the valuation date?

The valuation date of your property was the 1st of November 2021.

What is the basic rate of the LPT?

The basic rate of the LPT is 0.1029%

What is the basic rate of the LPT for Dublin City Council?

The effective rate of the LPT in Dublin City Council in 2022 was 0.0875%.

Who decides the LPT Rate for Dublin City Council?

It is a Reserved Function of City Councillors 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%.

Why is the Dublin City Council rate different?

At a special council meeting on the 19th of July 2021 the City Councillors passed a resolution to reduce the LPT rate by 15% for 2022.

The effective rate for the LPT in Dublin City Council for 2022 is 0.0875% on properties up to €1.05m. For properties valued in excess of €1.05m, the first €1m is liable at 0.0875%, the value between €1.05m and €1.75m is liable at 0.2125%. For properties valued in excess of €1.75m the first €1m is liable at 0.0875%, the value between €1.05m and €1.75m is liable at 0.2125%, any amount in excess of €1.75m is liable at 0.255%.

How much did the reduction in the LPT cost Dublin City Council in 2022?

The reduction in the LPT represents funding foregone for Dublin City Council in 2022 of €12m.

What charge am I liable to pay currently?

The Local Property Tax is based on market value bands. The first band covers all properties worth up to €200,000. Bands then go up in multiples of €62,500. The table below indicates what charge you currently pay based on your valuation band and what you would pay at the basic rate.

| LPT Valuation Band | Current Rate | Basic Rate |
|------------------------------|---------------------|-------------------|
| € | | |
| 0-200,000 | 77 | 90 |
| 200,001- 262,500 | 191 | 225 |
| 262,501 - 350,000 | 268 | 315 |
| 350,001- 437,500 | 344 | 405 |
| 437,501- 525,000 | 421 | 495 |
| 525,001- 612,500 | 497 | 585 |
| 612,501- 700,000 | 574 | 675 |
| 700,001- 787,500 | 650 | 765 |
| 787,501- 875,000 | 727 | 855 |
| 875,001- 962,500 | 803 | 945 |
| 962,501- 1,050,000 | 880 | 1,035 |
| 1,050,001 - 1,137,500 | 1,011 | 1,189 |
| 1,137,501 - 1,225,000 | 1,197 | 1,408 |
| 1,225,001 - 1,312,500 | 1,383 | 1,627 |
| 1,312,501 - 1,400,000 | 1,569 | 1,846 |
| 1,400,001 - 1,487,500 | 1,754 | 2,064 |
| 1,487,501 - 1,575,000 | 1,941 | 2,283 |
| 1,575,001 - 1,662,500 | 2,127 | 2,502 |
| 1,662,501 - 1,750,000 | 2,313 | 2,721 |

What impact does the LPT have on Local Authority service provision?

Revenue from the LPT will accrue to Local Authorities and will finance 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.

What decision has Dublin City Council reached in previous years?

This is the 8th year of the LPT consultation process. In the previous seven years the LPT has, by council resolution, been reduced by the maximum amount of 15%.

How much additional income would this generate?

In Budget 2023, adjusting the base rate downwards by 15% would cost DCC €14.2m. Each 1% lesser variation in the LPT Local Adjustment Factor would generate an additional €803k for Dublin City Council.

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 **Tuesday 9th August to Thursday 8th September.**

The Council welcomes written submissions from the public on this matter, specifically covering the potential effects of varying the basic rate of the Local Property Tax on business, individuals and on local authority services.

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 on Monday 5th October.

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

1 – By Completion of this Online Survey at: <https://consultation.dublincity.ie/>

2 – By downloading the survey and emailing: lptconsultation@dublincity.ie

3 – By downloading the survey and posting a hard copy to LPT Submissions, Finance Department, Block 1 Floor 8, Dublin City Council, Civic Offices, Wood Quay, Dublin 8, D08 RF3F

What happens if the City Councillors vary the basic rate of the LPT?

The City Council must inform both the DoHP&LG and the Revenue Commissioners by the 15th October 2022. A public notice informing the public of this decision will be placed within 14 days of the City Councillors decision being made in local newspapers and on the Dublin City Council website www.dublincity.ie.