

Exemption for properties in unfinished housing estates

Part 02-09

This document should be read in conjunction with section 10 Finance (Local Property Tax) Act 2012 (as amended).

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Table of Contents

1. Introduction	3
2. Legislation	3
3. List of unfinished housing estates.....	3
4. Claiming the exemption.....	4
5. Duration of exemption.....	4
6. Example illustrating operation of exemption	4
7. Self-assessment and compliance	5

1. Introduction

Residential properties that were included in a list of unfinished housing estates¹ published by the Department of the Environment, Community and Local Government (DECLG)² were exempt from local property tax (LPT) for the first valuation period covering the years 2013 to 2021. Whether a property qualified for this exemption depended entirely on its inclusion in the DECLG list.

Revenue had no role in the selection of the exempt properties and the compilation of the list of unfinished housing estates. Queries about the list should be directed to the local authority in whose functional area the unfinished housing estate was situated.

2. Legislation

The relevant provisions are contained in section 10 Finance (Local Property Tax) Act 2012 (as amended). Subsection 10(4) sets out the issues that were to be taken into account by DECLG when deciding whether to include a development in the list of unfinished housing estates. S.I. 91 of 2013 contains the list of exempt unfinished housing estates and is available at www.irishstatutebook.ie.

Under section 14(2), a property that was exempt on the first valuation date 1 May 2013 continued to be exempt until the second valuation date 1 November 2021.

The Finance (Local Property Tax) (Amendment) Act 2021 (section 15) terminated the exemption after the year 2021.

3. List of unfinished housing estates

The list that was published in relation to the Household Charge exemption contained entire housing estates. While the revised LPT list still contained some entire estates, in the case of other estates, it excluded the 'finished' part of the estate. Therefore, with the latter type of estates, it was necessary for a person who wished to claim an exemption to identify those properties in a housing estate that were categorised as being in the unfinished part of the estate. The list (from S.I. 91 of 2013) contained the name and address of the housing development and the relevant local authority. However, because it only identified exempt properties in estates that were partly exempt by means of geographic coordinates, it was not possible to identify the relevant properties directly from the list.

¹ The list that was used for the Household Charge exemption was revised for LPT purposes and contained far fewer properties than the original list.

² Now the Department of Housing, Local Government and Heritage.

Each local authority had a list of unfinished housing estates in its functional area that were on the DECLG list and identified the exempt part of those estates on maps by drawing boundary lines around them. The relevant local authority website can be consulted for details. Alternatively, the maps are available for public inspection in local authority offices. Another source of information is www.housingagency.ie. This website contains the list of unfinished housing estates, FAQs on the LPT exemption and the relevant contact person in each local authority.

4. Claiming the exemption

The person who, if the exemption had not applied, was the liable person for LPT on 1 May 2013 was required to claim the exemption on the LPT1 return form as part of the normal self-assessment process. The code “D” was to be inserted in the exemption box on the return form.

Where an exempt property was acquired after 1 May 2013, the original owner would have been responsible for submitting the return and the new owner did not have to claim the exemption or file a return for the first valuation period covering the years 2013 to 2021.

5. Duration of exemption

A property that was exempt from the charge to LPT on the first valuation date 1 May 2013 was not chargeable until the second valuation date 1 November 2021.³ This was the position regardless of whether the property was removed from the DECLG list of unfinished housing estates in the intervening period.

6. Example illustrating operation of exemption

Pat qualified for an exemption from the Household Charge because he lived in an estate that was included in the list of unfinished housing estates published by DECLG for the purposes of the Household Charge. However, his estate did not appear on the revised LPT list. Because his estate was removed from the list, he was not eligible for the LPT exemption.

Alternatively, if part of Pat’s estate was on the list and he verified from his local authority map that his property was situated in the unfinished part of the estate, his property would have been exempt for the years 2013 to 2021. He would have claimed the exemption by filing an LPT1 return form.

³ The original second valuation date was 1 November 2016 but this was extended on a number of occasions until it became 1 November 2021 in the Finance (Local Property Tax) (Amendment) Act 2021.

7. Self-assessment and compliance

The exemption was to be claimed on the LPT 1 return form as part of the normal self-assessment process. However, Revenue may decide to examine the validity of the claim at a later stage as part of its ongoing compliance programme and to verify that the particular property was situated in a listed unfinished housing estate or in the relevant part of such an estate.