

The Local Government (Charges) Act 2009

Non-Principal Private Residence Charge

PMQ

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Reminder from Purcell McQuillan Tax Partners – Payment due by 30 June 2011

The Local Government (Charges) Act 2009 introduced a new charge on all residential properties not used as the owner's sole or main residence. The owners of Non-Principal Private Residential Property (NPPR) are required to pay an annual charge of €200 for every residential property, with the exclusion of the owner's principal private residence (and certain other exemptions listed below). The charge in respect of 2011 must be paid before 30 June 2011 in respect of any non-principal private residential property owned on 31 March 2011. The charge extends to any building used or suitable for use, by an individual as a separate dwelling (e.g. a house, maisonette, flat, apartment, bed-sit).

The easiest way to pay the NPPR charge is online at www.nppr.ie. If you are a new customer then you will need to register your non-principal private residence and provide details of your PPS number and address of the property/properties. As an existing customer, you should log on to your account and renew your registration status. Any changes in the number of properties that you own can be amended online. Alternatively, you can pay by bank draft, postal order or cheque, made payable to "NPPR". The payment should be sent to the relevant local authority or alternatively to NPPR, PO Box 11654, Dublin 8. The payment should be accompanied by either an Existing Customer – 2011 Renewal Form (Form NPPR11R) or a New Customer Registration form (NPPR11N). Both forms can be downloaded from the NPPR website (www.nppr.ie).

Where a payment is late, a late payment penalty of €20 per month or part of a month will apply. In addition, any unpaid charge or unpaid late payment penalty will be a charge against the property concerned.

There are a number of exclusions from the charge, which include the following:

- ◆ Property not located in the Republic of Ireland.
- ◆ A residential property that is occupied by an individual as his or her sole or main residence.
- ◆ Newly constructed residential property that is held as part of trading stock and that has never been either sold or used as a residence.
- ◆ A mobile home or caravan.
- ◆ A residential property owned by a charity.
- ◆ A residential property that is owned by an individual and is occupied as their principal private residence but who also claim rent a room relief under S. 216A TCA 1997.
- ◆ A repayment facility is available where a person is moving house and in the process owns two houses for a relatively short period (i.e. the second property must have been acquired within one year before the liability date and the first property is sold not later than 6 months after the liability date.)
- ◆ An exemption can also apply where there is joint ownership of a property following the grant of a divorce or separation agreement.

- ◆ Local Authority housing, shared ownership housing (with a Housing Authority) and some heritage buildings which qualify for significant buildings allowances under S.482 TCA 1997 also qualify for an exemption from the NPPR charge.
- ◆ An exemption is also available for a person who had to be taken into care because of incapacitation due to illness but who retains ownership of their house or apartment.
- ◆ An exemption also applies to a property in which a relative lives if it is provided free of rent and if it is located no more than two kilometres from the residence of the owner.

The above is intended as a general guide to the measures announced in The Local Government (Charges) Act 2009. While every care and attention has been taken to ensure the accuracy of the information contained in this document professional taxation advice and clarification should always be sought.

If you require any help with completing the form or have any questions in relation to the above please do not hesitate to contact **Eugene McQuillan** (eugene@pmqtax.com)



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