

Commercial Rates Waiver for First Quarter 2021

Frequently Asked Questions

1. Is this commercial rates waiver scheme a continuation of the commercial rates schemes in place for 2020?

No this commercial rates waiver scheme is not a continuation of the commercial rates schemes in place for 2020.

2. What is the credit in lieu of rates?

A 100% waiver, in the form of a credit in lieu of commercial rates will be applied to the rate accounts of eligible businesses in categories listed in Appendix C for the first quarter 2021.

3. Which ratepayers are entitled to the waiver?

The three-month credit in lieu of rates will apply for the first quarter of 2021 to all ratepayers in the categories listed in Appendix C.

4. What amount of credit is to be applied to eligible rate accounts?

A 100% credit in lieu of commercial rates, for a three-month period, will be applied to eligible classes and categories of occupied rateable property. The value of the waiver is the equivalent value of 25% of the annual rate bill for 2021.

5. Is an application from a ratepayer required for the waiver?

There is no application required for the waiver. Kildare County Council will automatically apply a 100% credit in lieu of commercial rate for a three month period to eligible businesses.

6. What categories of business does the credit in lieu of rates apply to?

The credit in lieu of rates for the first quarter of 2021 applies to the following broad categories of businesses:

- Hospitality;
- Leisure;
- Miscellaneous Entertainment;
- Non Essential Retail (Shops and Warehouse);
- Airports;
- Essential Retail (excluding Large Supermarkets, greater than 500M2);
- Health;
- Service Stations;
- Personal Care; and
- Childcare.

A detailed list of eligible property categories is included in Appendix C.

7. What are the exclusions to eligibility?

This credit in lieu of rates for the first quarter of 2021 does not apply to the following broad categories:

- Public Service*
- Vacant Properties (all vacant property as is ordinarily understood for rates is excluded from the waiver);*
- Global Utility Networks on the Central Valuation List
- Properties in the "Office" Valuation Category
- Properties in the "Industrial Uses" Valuation Category
- Properties in the "Miscellaneous" Valuation Category
- Properties in the "Minerals" Valuation Category
- Properties in the "Utility" Valuation Category
- Supermarkets greater than 500M2 (Categories Supermarket 2 and Supermarket 3)
- Properties with the valuation category of "Department Store" but which are occupied either partially or wholly by a supermarket which sells food and/or groceries.
- Banks, Building Societies and Credit Unions
- Pharmaceutical manufacturing
- Premises contracted to provide services related to the COVID 19 pandemic to/on behalf of the State, where the State is already compensating for rates as part of the contract between the occupier or service provider and the State.

**Neither application of the waiver to public service properties or vacant properties, nor appeals in respect of same, are permitted.*

There are some exceptions to the broad categories in the above list. A detailed list of excluded categories is attached in Appendix D.

8. Are there any exceptions to the above criteria?

A national fund is being provided for ratepayers in excluded categories who can demonstrate that the pandemic has had a significant negative impact on their business. These businesses are invited to engage with Kildare County Council if they meet the following criteria:

- The business is receiving support under the Revenue Commissioners COVID Related Support Scheme (CRSS)
- Or**
- Turnover from the relevant business activity in the claim period from 1st January to 31st March 2021 does not exceed 25% of the average weekly turnover for the year 2019 (or 2020 for a new business)

Documentary proof will be required in both cases, and Kildare County Council reserve the right to request further proof, if necessary.

9. How can businesses in the excluded categories, that experienced severe impact from level 5 restrictions, apply for the credit in lieu of rates?

Businesses in the excluded categories can make an appeal to Kildare County Council. Appeals will only be accepted through Kildare County Council's dedicated on-line portal which will be available from the 1st April to 14th April 2021 on <http://kildare.ie/county council/YourCouncil/Finance/CommercialRates/>.

10. What supporting proofs are acceptable if a ratepayer from an excluded category claims eligibility?

In line with eligibility for the CRSS, ratepayers in excluded categories should demonstrate turnover from the relevant business activity in the claim period does not exceed 25% of the average weekly turnover in 2019. (Note the changed threshold of eligibility for the CRSS compared to the TWSS).

11. Proofs which may be acceptable in this context are listed below and are intended to be illustrative rather than exhaustive:

- Evidence that the business undertaken at the rateable property was not considered an essential retail outlet or service under S.I. 701 of 2020 or S.I. 4 of 2021, and thus was forced to close.
- Evidence of participation in the Covid Restrictions Support Scheme operated by Revenue. Note that eligibility for the CRSS scheme requires businesses to demonstrate that because of Covid restrictions the weekly turnover from the relevant business activity in the claim period will be no more than 25% of the average weekly turnover of the business in 2019 (or average weekly turnover in 2020 in the case of a new business).
- Evidence of employment ceasing and employees availing of the PUP.
- Copies of documentation submitted to a financial institution as part of the negotiation of relief measures with the financial institution.
- Copies of correspondence with Revenue to agree forbearance measures with regard to tax liabilities.
- Evidence of reliance on the Government Credit Guarantee Scheme or overdraft facilities or other borrowings for capital purposes. In any assessment of ratepayer eligibility for the three-month credit in lieu of rates, local authorities should focus on the types of business records, having regard to the nature and scale of the business that would normally be readily available for such a business.

12. What does severely impacted mean and what level of impact should applicant businesses in the excluded categories demonstrate?

The critical requirement of a ratepayer in an excluded category is to be able to demonstrate closure of their business or significant negative economic disruption due to public health restrictions imposed in response to COVID-19. Ratepayers in excluded categories that claim to be severely impacted by level 5 restrictions should be able to demonstrate turnover from the relevant business activity in the claim period does not exceed 25% of the average weekly turnover in 2019 (or average weekly turnover in 2020 in the case of a new business).

13. If a ratepayer has already paid 2021 rates, can they get refund or a credit towards next year's bill?

If you have already paid your rates bill for 2021, a refund or a credit towards the 2022 bill will be arranged on request.

14. When is the closing date?

There is no application process for the majority of ratepayers. For in-eligible business who wish to make an appeal, Kildare County Council's online appeal portal will be available from 1st April to the 14th April 2021.

15. Will Kildare County Council write to ratepayers to inform them of the waiver?

The waiver will be applied to businesses in the automatically eligible categories in Appendix C without prior to communication with those rate payers. Businesses in excluded categories will be contacted by Kildare County Council to inform them of the appeal process.

16. Can a ratepayer in the excluded category who is unhappy with the decision to refuse an application for the credit appeal?

Yes, a ratepayer will be allowed the opportunity to appeal an initial decision of refusal. Kildare County Council will, upon request, facilitate a review of a decision by a second official.

17. Are credit unions excluded from the three-month waiver?

Credit unions are excluded from the waiver. This is a change from the 2020 waiver when credit unions were not excluded.

18. What qualifies as a vacant property for the purposes of exclusions to eligibility?

All vacant property (i.e. vacant property as is ordinarily understood for rates) is, without exception, excluded from the waiver. Note that appeals and application of the waiver to vacant properties are not permitted.

19. Is there an appeal process following consideration by the local authority of applications from businesses in the excepted categories who claim severe impact?

There is no appeal process outside of the normal avenues a ratepayer has for querying a decision of Kildare County Council.

20. Does the three-month waiver apply to the Entry Year Property Levy?

Yes, occupiers of premises subject to the entry year property levy and the post-entry year property levy are entitled to the three-month waiver in the first quarter of 2021, if they would otherwise be entitled to the waiver.

21. If there was a change of occupier in the first quarter should the waiver be apportioned for the relevant period to ensure both occupiers receive the portion applicable to the respective occupancy of the premises?

Yes, each occupier should benefit from the appropriate portion of the three-month waiver.

22. If a company is in receivership / liquidation are they entitled to the waiver?

Yes.

23. What is meant by 'Categories Supermarket 2 and Supermarket 3'?

The intention is to exclude supermarkets with area greater than 500m². There are three categories of supermarket on valuation lists post revaluation i.e. Supermarket 1 (200-500 m²), Supermarket 2 (500-2500 m²) and Supermarket 3 (over 2500m²). Supermarkets with an area greater than 500 m² are excluded from the three-month waiver. The waiver has been structured in this way to take account of categorisation differences in the valuations lists where small supermarkets and convenience stores are concerned. If any excluded supermarkets can demonstrate severe impact, they can be assessed on that basis.

24. Should 'discount stores' be included with supermarkets, and for the purpose of the waiver depend on whether or not they exceed 500m²?

Discount stores are listed as an eligible category in Appendix C. They are not on the list of excluded categories in Appendix D.

25. Are properties with the valuation category of "Department Store" but which are occupied either partially or wholly by a supermarket which sells food and/or groceries excluded from the waiver?

Yes. Properties with the valuation category of “Department Store” but which are occupied either partially or wholly by a supermarket which sells food and/or groceries are excluded from the waiver..

26. Are local authority occupied properties excluded from the waiver?

Local authority occupied properties, where services are provided directly by the local authority, are excluded from the three-month rate waiver on the basis of being a public service. Properties where services are provided by subsidiary or ancillary companies, or outsourced to a separate management company or external contractor are not excluded.

27. What is meant by “Premises contracted to provide services related to the COVID 19 pandemic to/on behalf of the State, where the State is already compensating for rates as part of the contract between the occupier or service provider and the State”?

This exclusion only applies to the use of hotels and private medical facilities (or similar) contracted by the state for reasons associated with the pandemic e.g. to facilitate isolation, treatment, or additional capacity, and where the value of rates form part of the contract.

28. If a property was vacant prior to the waiver but a business was to take a lease on the property during the waiver period, are they entitled to a partial waiver for the relevant period under the scheme?

The waiver should be treated in the same manner as the rates bill. If this rate payer would receive a rates demand for the period of occupation, then a waiver would apply.

29. Are tolls (roads, bridges and tunnels) excluded from the waiver?

Yes tolls are excluded from the three-month rates waiver.

30. Do embassy accounts (currently charged a beneficial rate) qualify for the waiver?

Embassies are entitled to the credit to the extent of their beneficial rate.

31. What does Public Service mean in terms of the exclusion from the rates waiver?

Bodies that deliver public services to the people of Ireland. In general, the public service refers to the civil service of Government; the civil service of the State; the provision of services by the state in the areas of health, education and justice; local authorities and; state agencies. The Standards in Public Offices Commission provides a list which is useful but not exhaustive, of public service bodies that are considered public service bodies for the purposes of the Regulation of Lobbying Act 2015 <https://www.lobbying.ie/help-resources/information-for-public-bodies/list-of-public-servicebodies/>. As the list is not exhaustive local authorities may direct queries about bodies not on this list to Local Government Finance section in the Department. Properties where services are provided by subsidiary or ancillary companies, or outsourced to a separate management company or external contractor are not excluded from the waiver. Note that appeals and application of the waiver to public service properties are not permitted under the circular.

32. Are bus shelters and advertising stations excluded from the waiver?

Bus shelters and advertising stations are on the list of excluded categories in Appendix D to circular Fin 01/2021. Note that the position here has changed with respect to the nine-month 2020 waiver.

33. Are airports excluded from the waiver?

Airports listed as an eligible category in Appendix C. However, as all Industrial Use categories are in the list of excluded categories in Appendix D, there may be industrial premises on airport campuses and environs which would be excluded. Such premises are entitled to make an application for the waiver if they can demonstrate significant impact.

34. Are transport related companies Dublin Bus, Bus Éireann, Iarnród Éireann, Transport Infrastructure Ireland and Dublin Port Company excluded from the waiver?

Ports are on the list of excluded categories in Appendix D. Such properties are entitled to make an application for the waiver if they can demonstrate significant impact. All transport including Bus Éireann, Dublin Bus, Luas and Iarnrod Eireann are excluded from the three month rates waiver. Such properties are entitled to make an application for the waiver if they can demonstrate significant impact. Note that the position here has changed with respect to the nine-month 2020 waiver.

35. Are Údaras na Gaeltachta companies excluded from the three-month rate waiver?

Údaras na Gaeltachta is considered public service and therefore properties where it provides services directly are excluded from the waiver. Properties where services are provided by subsidiary or ancillary companies, or outsourced to a separate management company or external contractor are not excluded.

36. Are post offices eligible for the credit in lieu of rates?

Post offices are listed as an eligible category in Appendix C. They are not on the list of excluded categories in Appendix D of the same circular.

Addendum to FAQs for Q1 2021 Waiver of Commercial Rates

1. What is the approach to take with a business which occupies multiple properties associated with the main business activity, where one or more property is in a valuation category eligible for the waiver (Appendix C) and one or more property is in a valuation category excluded from the waiver (Appendix D)?

This scenario may arise in situations such as the following examples:

Example A: A nightclub with an associated and adjacent office (Office Category) and store room (Industrial Uses Category) valued as separate properties.

Example B: A pharmacy with an adjacent store room (Industrial Uses Category) valued as a separate property.

Example C: A boutique with an associated and adjacent office (Office Category) and store room (Industrial Uses Category) valued as separate properties.

Example D: A retail business premises or other premises which is eligible under Appendix C, which uses offsite storage in a property deemed excluded in Appendix D, such as an industrial estate for example.

Local authorities are advised to implement the waiver in a way which takes account of the main activity/use undertaken by businesses in occupation of properties ancillary to and in close proximity to the main business property. If a business's main categorisation is eligible in Appendix C and there are additional properties which are understood to be part of the enterprise and which are ancillary to and in close proximity to the main business property (but which if viewed as standalone would be excluded in Appendix D), then the local authority should grant the waiver to those additional properties also.

However, if a business's main categorisation is eligible in Appendix C and there are additional properties associated with business which are offsite and not ancillary, nor in close proximity to the main business property, and which are excluded under Appendix D, then the additional properties remain excluded under Appendix D.

In the case of Examples A-C above, nightclubs, pharmacies and boutiques are all eligible property categories and the associated properties, though valued separately and with different valuation categories, are core to the operation of the business and are ancillary to and in close proximity to the main business property. These associated properties would be eligible for the waiver. In the case of Example D above, the associated property category is in Appendix D, is offsite and not ancillary nor in

close proximity to the main business property. In this example the associated property is not eligible for the waiver.

2. What is the approach to take where the valuation certificate of an individual property identifies multiple categories/uses from both Appendix C (eligible) and Appendix D (excluded)?

Local authorities are advised not to apportion the waiver or split valuations under an individual property number. For the purposes of identifying properties in eligible and excluded categories, the category of the main activity/use undertaken at the premises shall be deemed to be the category of the entire premises. It is accepted there will be instances where a single property/property number will contain valuations from both Appendix C (entitled) and Appendix D (excluded). An example would be an industrial manufacturing premises with sub-uses of office, showroom, store or car park. The main activity/use of the property is manufacturing and the valuation certificate classifies it as Industrial; eligibility should be determined on that basis.

3. What if the category or use of a property on its valuation certificate is not accurate to the services/activity of the occupying business?

Because of the complete exclusion of the industrial and office categories, there will likely emerge a number of properties where the usage or occupancy purpose is different to the use outlined on the valuation certificate. These are properties that would be excluded on the basis of the property usage on the valuation record but that may be eligible for the waiver based on actual usage/occupancy purpose if known or made known to the local authority. An example would be a gym operating from a property classified as Industrial on the valuation certificate. If the local authority is satisfied that the property usage is as a gym even though it is categorised industrial then the property should be included in the waiver.

4. For businesses in the Office category that aren't listed in either Appendix C or Appendix D, can a local authority make a judgment call as to what is the most similar category to a business in either.

It is intended that properties in the Office category be excluded from the waiver, unless covered by one of the scenarios identified in the FAQs or unless the occupying business can demonstrate the required level of impact.

5. Are health care professionals entitled to the waiver?

Appendix C includes all health categories on the valuation lists. Accordingly, any health professional working from properties in those categories are automatically exempt. If a local authority is aware of properties, occupied by health professional providing health related services, then the waiver should be applied to those properties also; even if the use or category on the valuation record is not health related (e.g. Office).

6. Are professional services such as accountants, solicitors, architects that have a valuation category of "Office" or indeed any valuation category entitled to the waiver?

If the valuation certificate categorisation for the property occupied by the professional service is Office, or another category in Appendix D, it should be excluded from the waiver. However, if the categorisation is Retail (Shop) then the occupier is eligible for the waiver, it being the case that the Retail (Shop) category is necessarily broad and involving properties and business activities that are customer facing and/or which open to the street.

7. Which types of business are intended to fall under the 'garage' category in Appendix D?

It is intended that mechanics, crash repairs, tyre retailers, puncture repair traders etc. are excluded from the waiver i.e. being in the garage category or industrial uses, workshop.

8. Can the hardware/DIY, Retail (Warehouse) hardware and DIY Superstore categorisation be clarified please?

Properties with the use HARDWARE (under Retail Warehouse) are excluded from the waiver. Please note the status of properties with the use HARDWARE/DIY (under Non Essential Retail (Shops)) remains unchanged and eligible.

9. Are office car parks entitled to the waiver?

Properties categorised as Office are excluded from the waiver. For the purposes of identifying properties in eligible and excluded categories, the category of the main activity/use undertaken at the premises shall be deemed to be the category of the entire premises. If the main activity/use of a property is Office, it is excluded from the waiver.

10. Are private language schools, private colleges and computer colleges occupying properties categorised as Office excluded?

Yes colleges and schools both under colleges and schools in Appendix D and under the office category are excluded. Ratepayers may engage with local authorities to demonstrate severe impact and qualify for the waiver, on a case by case basis.

11. The 2020 waiver was applied to contract operated post offices, should the 2021 be applied in this manner?

Yes, post offices are included in the waiver in the same manner as applied to the 2020 waiver.

12. Are veterinary practices included in the waiver?

Generally properties occupied by veterinary practices are categorised as Industrial Uses or Office on valuation certificates. Veterinary practices occupying properties in categories in Appendix D are excluded from the waiver.

37. How should masts/antennas which are not included in the Central Valuation List be dealt with?

Such properties are entitled to make an application for the waiver if they can demonstrate significant impact. Note that the position here has changed with respect to the nine-month 2020 waiver.

38. Are sports clubs excluded from the three-month rate waiver?

Sports clubs are not excluded.