

# Property Entry Levy Information Leaflet

## What is the property levy?

The property levy is a charge, which the Local Authority applies to all, newly erected or newly constructed properties or properties that have never been valued before pending the assessment of commercial rates.

## Is the charge additional to commercial rates?

Property Levies are a once off charge within the first year of valuation. Commercial rates will be charged on this property with effect from the 1<sup>st</sup> January of the following year.

## What is the basis for the charge?

The charge was introduced under the Local Government (Business Improvement Districts) Act 2006 that was enacted on the 24<sup>th</sup> December 2006.

## How is the charge calculated?

It is calculated by reference to:

- Net Assessable Valuation (NAV) of the property as determined by the Commissioner of Valuation.
- The annual rate on valuation (ARV) as determined by the Council
- The date (effective valuation date) the property is valued for rating purposes (i.e. entered in the valuation list)
- The number of days from the date the property was valued to the end of the year.

## Can you give me an example?

Say that a property is newly constructed and capable of occupation on 1<sup>st</sup> February 2020 and it is valued for rating purposes on 10<sup>th</sup> February 2020 with a Net Assessable Valuation (NAV) of 10,000. The Annual Rate on valuation (ARV multiplier) determined by the Council at its Budget Meeting for 2020 is €0.2246. The invoice for the relevant portion of the year would be calculated as follows:

=>  $(ARV \times NAV) \times (REMAINING \text{ DAYS IN THE YEAR}/365)$

=>  $(0.2246 \times 10,000) \times (325/365 = 89) = \text{Demand is € } 1998.94$

## **POST ENTRY LEVY**

These are properties which have an effective valuation date after the Budget was adopted.

The property invoices are calculated differently for example if the Budget was adopted on the 18/11/2019 and the property has an effective valuation date of the 19/11/2019 this property is calculated as:

19/11/2019 to 31/12/2019 as a **PEL**,  
then from 01/01/2020 to 31/12/2020 as a **Post Entry Levy**  
then from 01/01/2021 a **Commercial Rates Demand**

### **Who is liable for the charge?**

According to the act the “levypayer” is liable. The levypayer can be either:

- a) The person who is in occupation of the property on the entry date. i.e. the date the property is placed on the valuation list, or
- b) If the property is vacant on the entry date, the owner.

### **If the property is unoccupied, is the charge payable?**

Full relief<sup>1</sup> from the Levy for any periods of vacancy is applied provided the owner submits a

- Completed Section 32 Declaration – Transfer of Property Notification Form

can satisfy the Local authority that:

- The owner was not occupying the property on the entry date
- No other person was entitled to the use or enjoyment of the property on that date, and
- Acting in good faith, the owner was genuinely unable to find a suitable tenant for the property at a reasonable rent.

### **When does the charge become payable?**

It is payable in full 14 days from the date that the invoice issues.

### **If I want more information about this, who do I contact?**

Kindly contact the Rates section of Kildare County Council at 045 980656 or email [rates@kildarecoco.ie](mailto:rates@kildarecoco.ie) .

This leaflet is for general information only and is not a definitive interpretation of the law. The full text of the Local Government (Business Improvement Districts) Act 2006 can be accessed at [www.irishstatuebook.ie](http://www.irishstatuebook.ie)

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<sup>1</sup> Full relief is subject to changes in relevant governing legislation.