

Our Ref: - JMN/CM

Auditors & Accountants
Business Advisors
Taxation Consultants
Corporate Finance
Company Secretarial

To Whom It May Concern

19 August 2009

Non-Principal Private Residence Charge

We refer to the charge recently introduced for non-principal private residences in the Local Government (Charges) Act 2009. The purpose of this letter is to set out any potential liabilities you may have and clarify any queries.

As you are probably aware the Local Government (Charges) Act 2009 introduced a €200 annual charge on non-principal private residences payable to the local authority in whose area the property is located. The charge arises on the liability date which is 31 July for the current year and will be 31 March in subsequent years. The charge must be paid by 30 September 2009 and 31 May in subsequent years.

The charge applies to the owners of residential property. There are however a number of exclusions:


1. A property which is the sole or main residence of the owner.
2. Residential property that has never been sold or used as a residence.
3. An approved building within the meaning of Section 482 of the TCA 1997 i.e. relief for expenditure on significant buildings & gardens.
4. State, local authority and social housing.
5. Rent a room scheme i.e. where the owner partly occupies a dwelling as his/her sole or main residence and avails of the rent a room scheme.
6. Moving house – this exempts a charge where an individual owns two or more properties for a relatively short period while they are in the process of moving house.
7. A residential property which is owned by an individual and occupied by their spouse as their sole or main residence where a divorce or judicial separation has been granted
8. Where the owner has vacated the residential property due to long term incapacitation as a result of physical or mental illness.
9. Granny flats.
10. Any property that attracts commercial rates.
11. Residential property owned by charities.

The charge can be paid online at www.nppr.ie. A late payment fee of €20 per month or part of a month will apply to all late payments.

Please note that co-owners are jointly and severally liable for the charge. The payment of the charge by one co-owner will discharge the liabilities of all of the others.

We trust that this is in order but please contact us with any queries that you may have.

Yours faithfully,



FMB
Chartered Accountants