

## Non Principal Private Residences Charge

### Local Government (Charges) Act 2009 (“the Act”)

- The Act introduces a charge for non-principal private residences (N.P.P.R.), currently set at €200 but reviewable.
- N.P.P.R. broadly includes second homes, rental, holiday, and vacant properties.
- Main exemptions are mobile homes, “granny flats”, properties occupied free of rent as a main residence by a relative of the owner and being within 2 km. of the owners main residence, properties owned by charities, properties approved under the rent a room scheme, and private residences that have been vacated because the owner is in a care situation arising from mental or physical illness and living in a unit that they do not own.
- When a person is moving home and on the liability date is the owner of 2 homes for a temporary period, one of the homes will be charged as an NPPR on the liability date. A refund is available if the new home was acquired within the year before the relevant liability date and the first home is sold within 6 months after the liability date.
- If a person who is divorced or separated by judicial decree, retains ownership of what was the family home and yet, the other party to the marriage continues to reside there, then that owner is not liable to pay the charge in respect of that home.
- The charge is payable to the Local Authority in whose area the N.P.P.R. is situated. It is payable online at [www.nppr.ie](http://www.nppr.ie) or directly to the Local Authority.
- The charge is payable by the owner of the property and the charge is a self-assessment liability, and no notices will be issued requiring payment. The charge is for N.P.P.R. situated in the state, whether or not the owner is normally resident in the state.
- For 2009 the liability for the charge arises on the 31<sup>st</sup> July 2009 and is payable within 2 months thereof i.e. the 31<sup>st</sup> September 2009. Thereafter a penalty of €20 per month accrues if the charge is not paid within the month i.e. for 2009 by the 31<sup>st</sup> October 2009.
- For 2010 and every year thereafter the liability date is the 31<sup>st</sup> March.
- As the charge is a charge on property, on the sale of a N.P.P.R. it, including all arrears and penalties must be paid to allow the sale proceed.
- To identify properties subject of the charge, Local Authorities are empowered to request information from the Private Tenancies Residential Board, Electricity Supply Board and the Revenue Commissioners and may also use databases such as the Property Registration Authority
- The present indications are that the charge will not be an allowable expense against rental income for Income Tax purposes.