

NPPR Charge - Exemptions

NON-PRINCIPAL PRIVATE RESIDENCES within County Cork

Property which is the owner's Principal Private Residence

If you determine that you are not liable for the NPPR charge because the property is your principal private residence, it is your responsibility to prove this and you are strongly recommended to keep on file documentary evidence in support of your claim. Two forms of documentary evidence will be required for July 2009 and two forms of documentary evidence will be required for March 2013. Documentary evidence includes:

- Your Social Welfare or employment address as per your claim/payroll records on the liability date, whichever is applicable
- Revenue Commissioner correspondence – P60, P21 etc
- Driver's Licence address
- Utility Bills
- Bank Statements
- Drivers Licence/Motor Tax Renewal address

Please note that if you are claiming this property is your principal private residence, you should ensure that this information does not conflict with the principal private residence you declared to the Revenue Commissioners. The Revenue Commissioners require that a married couple nominate one property as their principal private residence.

Property owners who are divorced or separated

If a person is divorced or separated (by separation agreement or judicial separation decree granted), he/she will not be liable to pay the charge where he/she resides in what used to be the family home as his/her existing principal private residence. Where the other party to the divorce or separation does not reside in this property but retains an interest in the ownership of it under the terms of the divorce or separation agreement, the Act provides that this person will not be liable for the charge in respect of the interest that they retain in what used to be the family home.

It is strongly recommended that such owners retain legal documents as described below or solicitors' letters in support of their claim. The owner will be required to provide such proof when selling or transferring the property at a future date, if audited by the Council in relation to the charge or if pursued by the Council for non-payment of same.

- Decree of Divorce – recognised under section 5 of the Family Law Divorce Act 1995, **or**
- Decree of Judicial Separation – recognised under the Law Reform Act 1989, **or**
- A declaration recognised under the Law of the State

Property which is deemed by the owner as being unsuitable for use as a dwelling

Where a property owner deems their property to be unsuitable for use as a dwelling, such properties are not liable because they regarded as residential property within the meaning of the Act. If the property is occupied on the liability date, it is liable for the charge. To determine if a property is unsuitable for use as a dwelling, the owner must consider this by reference to the structure of the building as follows:-

- Does the property have a sound roof?
- Is it so affected by dampness as to make it unsuitable for habitation?
- Does it have toilet/bathroom facilities?
- Does it have a water supply? Where this is turned off or temporarily disconnected, it would still be available for use and does not in itself make a dwelling uninhabitable.
- Does it have doors and windows?
- Does it have an electricity supply connected? If not, when was the electricity last connected to the property?

To deem a property uninhabitable, it would have to meet a number of the above criteria. Where an owner determines that their property is uninhabitable, it is strongly recommended that they retain on file sufficient documentation to prove their non-liability. Proofs would include dated photographs of the interior and exterior of the property, a builder's report or engineer's report outlining the condition of the property.

Incapacitated

If a person has had to vacate their principal private residence (which they own) for a period of more than 12 months due to long-term mental or physical infirmity/illness, this property - which they own - is exempt from the charge irrespective of the use to which it is subsequently put. The exemption applies irrespective of whether they live in a nursing home or care centre, or whether they live with, and are cared for, by relatives.

To qualify for the exemption in any given year the following conditions must be met:

- a) Immediately before the date on which the person vacated the property, it was his or her sole or main residence,
- b) the person is now residing in a property of which he or she is not the owner
- c) the person had to vacate his or her property for a continuous period of more than 12 months, and
- d) the long term mental or physical infirmity is certified by a registered medical practitioner (eg GP/Consultant) for each year the charge is due

Probate

Where a residential property has been owned by a person who has since died, a grant of probate or a grant of administration, whichever applies, will have to be granted before the owner can be said to exist. If probate has not yet been granted, there would appear to be no person who satisfies the definition of "owner" within section 1 of the Act and therefore no person is liable for the charge in relation to the property. Once probate has been granted, the executor/executrix of the estate is liable. When ownership is transferred, the new owners become liable for the charge unless thereafter they occupy the property as their principal private residence.

Mobile Home

A mobile home which is not the owner's principal private residence is exempt from the charge. A mobile home is a home that is constructed at a location remote from the place of its intended use. To that extent it must be mobile for it to be transported to where it is to be located. It is therefore prefabricated and can be moved again.

Granny Flat

Properties which are sometimes referred to as "granny flats" are exempt from the charge subject to a number of conditions. The exemption applies if on the liability date the property is occupied free of rent, as his/her sole or main residence by a person who is a relative of the property owner and the owner resides in another property as his/her sole or main residence SUBJECT TO the property being located on the same property e.g. granny flat built onto the main dwelling OR if it is located within 2 kilometres of the residence of the owner.

New/Unsold Property

Where a property is a non-principal private residence which is new or unsold and forms part of the trading stock of a business, it is exempt from the charge. It is important to note that in order to be exempt, no income has been or is being derived from the property and the property must not have been used as a dwelling

From 2012 the definition of business has been amended to incorporate the business of a company and the business of an individual. The business of a company includes an examiner, liquidator or receiver and the business of an individual includes a bankrupt or an arranging debtor within the meaning of the Bankruptcy Act 1988 or a receiver, manager or the Official Assignee.

Rental Accommodation Scheme (RAS)

From 2012, all properties let under the Rental Accommodation Scheme (RAS) are liable for the NPPR charge.

Properties let under the Rental Accommodation Scheme (RAS) in 2009, 2010 and 2011 were exempt from the charge where the contract was signed prior to the liability date. The liability date for 2009 was 31st July. For 2010 and 2011 the liability date was 31st March. The situation at each liability date determined whether the property was liable for the charge in a given year.

It is important to note that properties which are rented to tenants in receipt of rent supplement are not entitled to exemption from the charge.

Heritage Buildings

Certain heritage buildings are exempt from the NPPR charge. These are buildings that are in receipt of "approved building" status under section 482 of the Taxes Consolidation Act 1997. A property owner will need to obtain verification from the Direct Taxes Section, Business Income Tax Unit, Revenue Commissioners that their property comes under this Act if they wish to avail of the exemption.

Right of Residence

If a person(s), other than the owner of a property, has an EXCLUSIVE Right of Residence which allows them to live in the dwelling rent free, then the owner does not meet the definition of “owner” in the Act and the property is exempt until such time as the Right of Residence is extinguished, or the beneficiary of the right dies.

If you require any further information, please do not hesitate to contact the NPPR Unit at 021-4285515 or email nppr@corkcoco.ie

For us to process the personal data you have submitted we need your consent. By ticking this box you consent to us processing the data in line with the terms of our Privacy Policy available at: <https://www.corkcoco.ie/Privacy-Policy> [Hardcopy available at our offices in County Hall.]

I give permission for my personal information to be processed for the purpose of processing my Application Date _____

Cork County Council takes your privacy seriously and will keep your personal information confidential and will use it when necessary. You have the right to withdraw your consent at any time by contacting the NPPR Unit, Floor1, County Hall, Cork Tel: 021 – 4285515 Email nppr@corkcoco.ie