



Cavan County Council
Comhairle Chontae an Chabháin

Cavan County Council

Property Levy information sheet

Property Levies

The following does not purport to be a legal interpretation of the law in relation to property levies; it's sole purpose is to provide basic guidance only to occupiers and landlords or immediate lessors of properties liable for a rates levy. If you require more detailed information please contact Rates Section.

What is a Property Levy?

Section 7 of the Local Government (Business Improvement Districts) Act 2006 provides, with effect from 25th December 2006, for the imposition of an entry year property levy and post entry year property levy in respect of newly erected or newly constructed relevant or qualifying property following its first entry on the valuation lists.

Is the charge additional to commercial rates?

No – It is only assessed until such time as the property becomes liable for commercial rates.

How is the charge calculated?

There are two ways in which the charge is calculated.

Entry year Property Levy

The amount of the entry year levy is determined by the formula:

$$A \times B \times C \div D$$

Where:

- **A** is the Annual Rate on Valuation that was determined by the rating authority for the entry year
- **B** is the rateable valuation of the property,
- **C** is the number of days remaining in the entry year, beginning with the entry date and
- **D** is the total number of days in the entry year.

Post year Property Levy

The amount of the post entry year levy is determined by the formula:

A x B

Where:

- **A** is the annual rate on valuation that was determined by the rating authority for the post-entry year.

and

- **B** is the rateable valuation of the property.

Can you give me an example?

The following example is for an entry year Property Levy.

A property which is newly constructed and capable of occupation on 1st February 2007 has been valued by the Valuation Office for rating purposes and entered on the Valuation List with effect from the 10th April 2007 with a rateable valuation of €100. The annual rate on valuation (a multiplier) determined by the Council at its annual Budget meeting for 2007 is 54.14.

The bill for the relevant portion of the year would be calculated as follows:

$A \times B \times C \div D = \text{Assessment}$

$54.14 \times 100 \times 297 \div 365 = \text{€}4,405.37$

The following example is for a post year Property Levy.

A property which is newly erected or constructed and capable of occupation on the 1st October 2007 and has been valued by the Valuation Office for rating purposes and entered on the Valuation Lists after the rating authority determines the annual rate on valuation for the post entry year at its Annual Budget Meeting for 2008, with a rateable valuation of €100 and say for example the annual rate on valuation (multiplier) is determined for 2008 at 58.00.

The bill for the relevant portion of the year would be calculated as follows:

$A \times B = \text{Assessment}$

$58.00 \times 100 = \text{€}5,800.00$

When does the charge become payable?

It is payable in full 14 days after the bill is issued. The Council will however accept payment by standing order or by monthly instalments over the course of the remainder of the year with the final instalment being paid on or before the end of November.

Who is liable for the charge?

The act states the 'levypayer' is liable for the payment of the levy. The levypayer can be either:

1. The person who is in occupation of the qualifying property on the entry date i.e. the date the property is placed on the valuation list

or

2. If the qualifying property is unoccupied on the entry date, the person who owns the property on that date.

If the property is unoccupied, is the charge payable?

50% of the charge is payable if the property is unoccupied on the entry date. For the purposes of the Act, the qualifying property is 'unoccupied' if the person who owns the property on the entry date (the 'owner') satisfies the rating authority that:

1. The owner was not occupying the property on that date.
2. No other person was entitled to the use or enjoyment of the property on that date.

and

3. Acting in good faith, the owner was genuinely unable to find a suitable tenant for the property at a reasonable rent.

What happens if I do not pay the rate levy?

The levy for which a levypayer is liable under this section is recoverable as a simple contract debt in any court of competent jurisdiction and, if there is more than one levypayer in respect of the qualifying property; those levypayers are jointly and severally liable for that levy.

Who is liable if there is an error in the name of the levy payer in the notice?

A levy is not invalidated by any error or defect in the statement of the name of the levypayer in the notice or by the use of the description 'the owner' or 'the occupier' without any name or addition, and the levy is recoverable from the levypayer notwithstanding any such error or defect or the use of any such description.