



Comhairle Contae an Chabháin
Cavan County Council

Cavan County Council

Property Levy Information Sheet

What is the property levy?

The property levy is a charge, which the local authority applies to all newly erected or newly constructed properties pending the assessment of commercial rates. 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?

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 1st 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 24th December 2006.

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
- Rateable valuation of the property as determined by the Commissioner of Valuation
- 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: $A \times B = \text{Assessment } 58.00 \times 100 = \text{€}5,800.00$

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?

Yes. Fifty percent (50%) of the charge is payable by the owner if the property is

unoccupied on the entry date. The following conditions apply in order to avail of this reduced rate (proofs required):

The owner was not occupying the property on the entry date.

No other person was entitled to occupy.

Attempts were being made to let 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?

If you require more detailed information please contact:

Rates Section, Cavan County Council, Courthouse, Cavan H12R6V2

Email: rates@cavancoco.ie

Phone: (049) 4378693, 4378484 and 4378481

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