IPTI Xtracts
Property Tax and Assessment News from Around the World

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Empty Sligo business properties in the rates net

A proposal to collect a total invoiced income of €847,000 from owners of vacant properties in an initiative to tackle dereliction in Sligo was rejected by councillors in a vote at the annual budget meeting last Monday.

The motion which would have seen all owners paying 50% of their rates liability was put forward by Councillor Declan Bree and based on the recommendation of Chief Executive Martin Lyons and Head of Finance Marie Whelan, as outlined in Draft Budget for 2022.

The councillors instead adopted a motion put forward by Cllr. Donal Gilroy stated that rates be paid on sliding scale with rates up to €3000 paying 30%, €20,000 paying 40%, and €50,000 and up paying 50% with a 50% write off.

This sliding scale method will reduce that invoiced income by over €220,000.

Money raised from this project will be going into a rates incentive scheme to tackle Sligo's high level of vacancy and dereliction, as well as to support new business outlets and promote job creation and employment in the county. With 665 properties Sligo has the highest-level vacant retail and commercial units in the country.

The two motions were debated by councillors and Cllr. Bree stated he is "aware that certain investors, property owners and speculators have been lobbying councillors to vote down the proposal" but that "we must think of the common good and what is best for Sligo and its people".

“While the Department has been making up the Council’s shortfall in rates since the pandemic broke out, I have to say it is regrettable that at our Budget meetings pre-pandemic, the Fine Gael and Fianna Fail councillors and their independent supporters voted down the proposal to collect rates from the owners of commercial properties and introduce a refund scheme and vacant property incentive scheme,” he said.

Cllr. Gilroy hoped his motion could act as a “compromise that would be in the middle ground” and when he first heard the figure, he was concerned it was too high.

“By law the rates are applicable, and I think the time is right. We have to take the professional advice of our Chief Executive and Head of Finance on this issue,” he said.

“In previous years we were told it wasn’t viable, that there was going to be no financial gain from it. This year we’re being told there will be a small gain and I think this lower level may work. We can always build up to Cllr. Bree’s proposed level in future years but let’s start with something on a sliding scale.”

Chief Executive Martin Lydon stated the budget is matter for elected members to ultimately decide.

However, there are currently 20 Local Authorities throughout the country who operate a rates vacancy refund/discharge scheme, which is 65% of all Local Authorities, and he highlighted that it always had a positive impact.

“This policy cannot be any more negative than the 20% vacancy rate that is rolled out on a continued basis doing damage to the county. We are always top of the list in relation to vacant properties. That is not the image we want to portray,” he said.

“I am pro-business and always have been. In this chamber we always ask the central government to provide funding for everything. If we’re serious about the towns and villages, we have to play our part as a Council.

“There’s only positives to be had from following this scheme. Do I think it will earn an absolute fortune? No, I don’t. But do I think it’s the right thing to do so we at least have some funding to work with businesses and have a rent incentive scheme? Absolutely I do.

“If it’s 50% or a tiered approach, that is for the members to decide as part of this budget process.”

Cllr. Joseph Queenan said in “this is not a straightforward issue and there is concern from elected members”.

“There are certain businesses in this county that have fallen over the last number of years for different reasons: personal, family, the bank. It’s going to be a sensitive area. You’re comparing family businesses with the banks,” he said.

Cllr. Gerard Mullaney echoed these statements stating that there are businesses in rural towns that “have closed due to no fault of the people running them” and that he is concerned people “will have a rates bill that they won’t be able to pay”.

"I think we're in a pandemic and it's a difficult time to bring in something like this, I think it's going to cost a fortune to collect it," he said.

Cllr. Michael Clarke who seconded Cllr. Gilroy's motion highlighted that property owners will have the option to delist as a commercial premises with the possibility of relisting in the future.

"There is so much dereliction in the city centre, our motion will allow the Council to deal in a sympathetic way with private owners, and deal with big landlords and banks in a different manner. I don't think it's fair to treat them all the same and that's the difference between ours and Cllr. Bree's motion."

Cllr. Thomas Walsh said he has concerns about the viability of owners being able to rent or lease properties.

"There are a number of premises that if you put up a sign that said two years free lease on a five- or 10-year contract to attract a business entrepreneur or start-up company, you still couldn't get them," he said.

"It's important we send the message that Sligo is open for business and investment, a lot of businesspeople pay a lot of tax into this local exchequer."

Cllr. Dara Mulvey stated that many of these properties need a lot of work put into them before they are ready to be leased from "reconnecting the USB, upgrading all your utilities, computer IT and wages".

"The small towns are suffering out there and I think it sends the wrong message to the small areas that I represent," he said.

Cllr. Tom Fox said we need to do more to encourage businesses to take up retrofits and that "it's not the right time to deal with this issue, I think we need more time to discuss and debate this issue".

Cllr. Rosaleen O'Grady said it is important that owners are given the option to delist from the rates, that a tiered approach would better suit small local businesses, and it is important the funding received is "ring fenced and be used for shop front upgrading and rates incentive schemes".

Cllr. O'Boyle said he "cannot believe the amount of people sticking up for businesses" when there was motion last year "to defer Council rent on the ordinary Joe Soap" that did not pass.

"Going back to what Cllr. Walsh said about giving a two-year free lease.

"How many businesses have had to close in the Quayside? Tiger closed because the rent was €1,200 a week. There is no cheap rent," he said.

"There is a reason we are here to implement this policy and from the sound of what you're going to do, it's the businesses that are running you. It's an absolute disgrace what you're doing."

The Mayor of Sligo Cllr. Arthur Gibbons said there are plenty of properties in Sligo that entrepreneurs have shown interest in leasing that are being left vacant.

“A lot of the people that own these premises are in a better position to pay their rates than most. They don’t want to delist, and they don’t want to pay their rates.

“As Cllr. O’Boyle said we wanted a rent freeze last year on ordinary tenants and it wasn’t done and here we are on the business side of things,” he said.

“These businesses have a stranglehold on all the premises in this town and they are in a position to pay their rates on them, they have a choice to delist or not.”

Cllr. Healy highlighted that Cllr. Bree had put forward motions on rates liability since he first joined the Council in 2014 and “if we had taken it in at that time, I don’t think we’d have 665 properties lying vacant at the moment”.

“The CEO has stated he wants 50% and that’s the way we should go. We need to be laying down from the start what we want, and the money is going to be ring fenced to support and help new businesses in the area.

“We are not taking from Paul to give to Peter, we are taking from Paul to give back to Paul,” he said.

Cllr. Bree stated this initiative would allow the Council “to introduce the Long-Term Vacant Property Incentive Scheme which other Councils operate and would provide an incentive to give rates relief to new businesses and encourage the use of vacant commercial properties.”

“I gave every member of this Council copies of the scheme, and I still couldn’t convince you; it was consistently voted down.

“I am sure some of you will be surprised to hear the Chamber of Commerce and Sligo BID have the same view and they are the representatives of the business community in Sligo. They recognise that successful implementation of the incentive scheme will help reduce the negative impact of empty commercial properties in Sligo.

“While Cllr. Gilroy’s motion is certainly a step in the right direction compared to previous years, we’d be losing out on nearly a quarter of a million euro in rates and at the same time we’ll be sending the Chief Executive and officials up to Dublin to ask the department for money.

“They’ll say there is a quarter of a million euro that you have rejected the possibility of collecting. This is not a revolutionary initiative, it’s not like we’re carrying red flags. This legislation was brought in by Fine Gael and Labour in 2014, it’s not radical in terms of Irish politics, but in terms of Sligo politics it seems there’s going to be communist revolution if such a motion is adopted. I would appeal to the members to support my motion, the Executive, and the budget.”

Cllr. Joseph Queenan added that it is unusual to see Cllr. Bree siding with the recommendations of the Chief Executive.

“Well done Martin, you are the first Council Manager who has gotten such praise form councillor Bree in 42 years. I am getting worried,” he said.

Cllr. Bree’s motion to adopt the draft budget’s recommendation of 50% liability rates on vacant properties was defeated with a tally of four in favour and 14 against the motion. Councillors Bree, Gibbons, Healy and O’Boyle voted in favour.

Cllr. Gilroy’s motion to adopt a tiered approach to collecting the rates was accepted by a tally of six abstentions and 12 in favour.

Thousands claim homes have low value in property tax returns

MOST people have now filed a property return but thousands of owners claim their properties have a low valuation.

Property tax returns for 1.57 million properties have been returned.

This is out of a total of close to 2 million properties, meaning that returns for more than 400,000 properties have yet to be filed with Revenue.

Fresh statistics from the tax authority show that the valuations on a third of the properties have been put under €200,000.

This is based on valuations for 1.35 million properties which have been submitted.

This means that close to 430,000 properties are being valued by their owners at under €200,000. These homeowners will have to pay just €90 a year in the tax.

Local Property Tax is a self-assessed tax.

Another 300,000 properties have been valued at under €262,500.

Owners with properties in this valuation band, of between €200,001 and €262,500, have to pay €225 a year.

All told some 730,000 properties have been valued at under €262,500.

This is despite the fact that the property market is on fire at the moment, with prices surging by 12pc in the past year.

The large numbers of properties with such low valuations has raised fears that homeowners are deliberately under-valuing their homes so they can pay the smallest amount of the tax possible.

Revenue has said it will not overturn a valuation where a property owner has made an honest estimate and can provide supporting documents.

However, if the valuation cannot be supported, Revenue will engage with the property owner to agree a revised valuation.

Revenue said it has been checking valuations over the past few years, and just a small number of homeowners were found to be undervaluing.

Finance Minister Paschal Donohoe welcomed what he said was the progress achieved by Revenue implementing the revaluation of properties for the property tax.

He said returns in respect of over 1.57 million properties are being treated as filed.

This representing approximately 79pc of the expected number of properties liable for LPT for 2022.

But when people who have been paying the tax up to now, but have yet to file a new return, are added in the overall payment compliance rate rises to 89pc.

Most returns were filed online.

Exemptions were claimed for 13,800 properties. These include homes impacted by the mica pyrite crisis and homes where the owner is in long-term residential care.

Deferrals have been claimed for 9,700 properties.

Mr Donohoe said that property tax of €428m has effectively been secured for 2022 already.

The yield last year was around €480m.

Property owners who have not yet filed their Local Property Tax return were urged to do so by the minister.

He said the quickest and easiest way to do this is online using myAccount, ROS or the LPT online portal, all of which can be accessed via the Revenue website.

Revenue said those who did not file their return by the extended deadline still have an obligation to do so and has strongly encouraged them to file their return immediately.

Government to introduce vacant property tax 'as early as possible'

Paschal Donohoe says Revenue will use local property tax returns to design new levy

Minister for Finance Paschal Donohoe says he intends to introduce a vacant property tax "as early as possible".

He said information on vacancy included in the local property tax (LPT) returns was being analysed by Revenue and this would inform the design of the tax.

"Before introducing such a tax it is vital to have a sound understanding of the quantity, locations and characteristics of long-term vacant properties and the reasons why they are vacant," Mr Donohoe said during a committee stage hearing of the Finance Bill. "It's important to identify the reasons for vacancy and whether this is long or short-term in nature.

"There may be genuine and acceptable reasons for vacancy, such as refurbishment work, the temporary absence of the owner for medical reasons, or pending the granting of probate for the deceased person's estate. Appropriate exemptions for any charge will have to be considered in addition to acceptable periods of vacancy," Mr Donohoe said.

The Republic has one of the highest levels of vacancy in the world. According to a recent report by UK price comparison website money.co.uk, 9.1 per cent of the State's housing stock, equating to 183,312 units, are classified as vacant.

This is the 10th-highest rate in the world.

Vacancy surcharge

The Government is understood to be examining the possibility of imposing some kind of LPT surcharge on properties that are left vacant.

Sinn Féin finance spokesman Pearse Doherty claimed the Minister had rejected the idea of a vacant property tax in 2018 and that the State had lost time in implementing such a measure.

Mr Donohoe said his department did not have adequate information on vacancy back then but would have now via the LPT returns.

"And I accept as part of Housing for All, a tax that can apply to vacant properties can be part of how we respond back to the needs that we have," he said.

The Oireachtas finance committee also considered various amendments to the Finance Bill relating to the Government's proposed residential zoned land tax, which will – in two years' time – replace the vacant site levy.

Under the measure, land zoned for housing that is not being developed will be subject to an annual levy of 3 per cent as opposed to the 7 per cent tariff that applies under the vacant site levy.

Land prices

Mr Donohoe said a much bigger tranche of land and sites would fall under the new measure and the relatively long lead-in time was there to give landowners a chance to prepare.

He indicated that 501 hectares nationally at the end of 2019 fell under the scope of the vacant site levy, whereas the new tax will cover about 8,000-9,000 hectares, 16-18 times more land.

He said the lower 3 per cent rate had to strike a balance " between achieving its essential purpose of encouraging the release of land for house-building purposes, but at the same time not being too penal, so that it runs the risk of being challenged in the courts."

"I am of the view it will encourage landowners to either develop their land, or sell it to others for development purposes. By doing this the supply of land available will increase, and this will be reflected in a stabilisation of land prices," he said.

A vacant property tax sounds good but it won't make any difference

Governments are struggling to rein in housing costs and the new target is vacant homes

A vacant property tax falls into the category of something that sounds good, something that will play well politically, but ultimately something that will deliver next to nothing.

Don’t get me wrong, it’s galling to have so many empty homes in the midst of such chronic housing shortages. But vacancy is a complex phenomenon, one that won’t simply be magicked away by a tax.

As the Central Statistics Office (CSO) notes, many of the 183,312 homes recorded as vacant in Census 2016 were either for sale; were rental properties; had a deceased owner; or were being renovated. In the main, it’s not fat cat “buy to leave” investors or foreign funds sitting on half empty apartment blocks, legitimate targets in most people’s eyes.

The CSO’s figures give rise to a vacancy rate – the number of empty properties as a proportion of the total housing stock – of 9.1 per cent, which is high by international standards, the 10th highest in the world.

Geodirectory – which adopts a narrower definition of vacancy and uses eircodes to identify empty homes – estimates there were 92,135 vacant units (4.5 per cent) in the second quarter of 2021. But even this might overstate it.

In a note to the Oireachtas housing committee, a senior official in the tax policy division of Minister for Finance Paschal Donohoe’s department said a recent sample analysis, carried out on the number of vacant properties in 16 of the State’s rent pressure zones, showed that the “urban areas of Cork and Dublin continued to show very low rates of vacancy”.

The north inner city of Dublin showed a vacancy rate of 0.86 per cent while the rate for Clontarf was just 0.24 per cent. In the southeast of Cork city, the rate was 0.77 per cent, he said.

The CSO’s 183,312 figure contains multiple categories of vacancy. Some we might consider legitimate to tax, others less so. Drawing a line between them won’t be easy. Neither will navigating Ireland’s litigious culture. The soon-to-be-discontinued Vacant Site Levy triggered several legal cases.

Nonetheless Donohoe has indicated he intends to introduce a tax on empty homes “as early as possible”. He said information on vacancy included in the local property tax (LPT) returns would be analysed by Revenue to inform the design of the tax.

“Before introducing such a tax it is vital to have a sound understanding of the quantity, locations and characteristics of long-term vacant properties and the reasons why they are vacant,” he said during a committee stage hearing of the Finance Bill last week.

“There may be genuine and acceptable reasons for vacancy, such as refurbishment work, the temporary absence of the owner for medical reasons, or pending the granting of probate for a deceased person’s estate,” he said.

Possible LPT surcharge

Sinn Féin finance spokesman Pearse Doherty wondered if vacant homes in small Donegal villages would be hit by the same rate of tax as vacant properties in places like Dublin, where the housing need is greater. Are derelict cottages, for instance, to be taxed? This is another potential anomaly that will have to be worked through.

Given its focus on the LPT, the Government may be considering some sort of LPT surcharge on vacant properties similar to what’s been rolled out in the UK.

Such a measure would impose a higher rate – potentially 300-400 per cent higher – on houses or apartments that have been vacant for more than six or 12 months.

There is concern, however, that a blanket tax could hit property owners who might be abroad or own holiday homes, when the intended target is rich investors or those presiding over vacant apartment units. Kennedy Wilson's 22-storey Capital Dock apartment scheme in Dublin's south docklands was – earlier this year – reported to be half empty.

A vacancy tax if directed at foreign funds, enjoying high rental yields, will play well here – Fine Gael party leader Leo Varadkar has been pushing for one– but whether it will deliver in terms of supply – the ultimate aim – is another matter. And applying it to a wider pool of vacancy may prove controversial.

Other countries

Vancouver introduced one in 2017 amid dwindling rates of supply and on foot of a study that suggested there were more than 10,000 vacant homes in the city. However, the first report on the tax's implementation in 2018 found the tariff only applied to 2,538 units.

This fell to 1,893 units in 2019 and in a city that is estimated to need 72,000 new homes to meet demand over the next decade.

Even so the concept of taxing empty homes – as a part solution to the housing problem – is being taken up by policymakers the world over.

Los Angeles is planning to put a vacant homes tax to the vote in 2022 amid a resurgent in homelessness there. Hong Kong, one of the priciest property markets in the world, is considering taxing apartment developers to deter them from hoarding. Barcelona has gone a step further, telling landlords to rent out their vacant homes within 30 days or risk having them repossessed for half their market value.

Governments are struggling to rein in housing costs and struggling politically as a result and taxing empty homes is the latest in a long line of solutions that unfortunately haven't made a blind bit of difference.

Business rates to increase by 3% across Cork county

Some 30% of businesses across Cork county currently pay less than €1,000 in rates annually, meaning they would pay on average €16.89 per year extra or 32c per week, council said

Business rates will increase by 3% across Cork county as a new council budget for the region has been approved.

Although concerns were raised that any rate increase "would be a slap in the face" for already struggling businesses, overall the budget was hailed as "positive" and "very pro-community", with most services being either maintained or improved.

Tim Lucey, chief executive of Cork County Council, said although the rate hike may be the headline from Budget 2022, it was a carefully thought-through budget.

Business rates have not been increased for 14 years, despite inflation, he said.

And as inflation grew by 9.24% in the last 10 years, the burden on rate payers had actually reduced, it was suggested.

The only other option for raising the necessary revenue would have been to increase local property tax.

It was argued a 3% increase would have no material impact on many businesses. Some 30% of businesses across Cork county currently pay less than €1,000 in rates annually, meaning they would pay on average €16.89 per year extra or 32c per week, the council said.

For the 55% of businesses that pay rates of less than €2,000 a year, they would pay between €16.89 and €43.84 extra per year.

And for the 70% that pay less than €3,000 per year, they would pay between €16.89 and €74.32 extra per year.

But these additional charges would have a very meaningful impact on the council's budget and what services it could therefore provide to the community, Lorraine Lynch, the council's head of finance said.

Overall expenditure has increased from €348.1m in 2021 to 372.5m in this coming year's budget.

Money brought in from business rates will increase from €112.5m in 2021 to €118.8m in 2022, providing 32.3% of the budget. Local property tax will remain the same as it was in 2021 at €17.1m. Increased costs due to Brexit and the pandemic, investment in public spaces, in climate action, increased activity across all services and increased investment in property and economic development meant the council had to find extra money for next year.

The budget was prepared on a deficit basis of €4.1m.

Additional government grant income of €9.7m will help fund social housing in the county. An additional €2m will go to the payments and availability scheme.

From grants, the council will also increase spending on void properties by €750,000.

There will also be an additional €300,000 raised from the planning fee.

A number of councillors mooted changes to how business rates, known as the Annual Rate on Valuation (ARV), are calculated. The rates are currently based on the size of business premises and it was suggested that they should be based instead on profitability.

Some councillors also said that the rate equalisation scheme introduced some years ago had meant rates had been increasing for businesses in many Cork towns in recent years so those businesses had not already benefitted from a rate freeze for the last 14 years.

The council pledged to continue to support citizens and communities throughout the pandemic while ensuring the highest levels of service delivery.

Commenting on the passing of the 2022 annual budget, Mayor of the County of Cork Cllr Gillian Coughlan said: "Cork County Council's approach is one that is very conscious of the need to support the business sector and is designed to underpin the sustainability of communities. A number of important funding initiatives are being fully retained, such as the general municipal allocation for our eight municipal districts, ensuring continue supports are available for our county's towns and villages.

"Funding through the Economic Development Fund, which drives our tourism and strategic marketing initiatives as well as further town centre rejuvenation to address issues such as vacancy and dereliction has been ringfenced. Further investment will also follow into our rural digital innovation hubs, which are essential to the resilience of towns and will ensure balanced economic growth across Cork County."

Some of the initiatives in Cork County Council's Budget for 2022 include:

Additional funding for the maintenance and improvement of local authority housing with provisions to refurbish in excess of 150 vacant properties during 2022;
€1.2m for the Economic Development Fund and to address town regeneration issues; and €8.2m for libraries;
A fund of €150,000 for the arts programme for creative towns and spaces.
The Climate Action and Low Carbon Development (Amendment) Act for 2021 commits Ireland to move to a climate resilient and climate neutral economy by 2050.

Cork County Council Budget 2022 contains provisions for:
The public lighting efficiency project to retrofit upwards of 31,000 lights to LED by 2024, achieving at least 38% energy reduction and significant cost savings;
A ringfenced fund for climate action and biodiversity, with €400,000 being provided for 2022;
A fleet replacement programme to upgrade to newer more fuel-efficient vehicles to meet the 2030 climate change targets.
Chief executive of Cork County Council, Tim Lucey, said: "Presenting Budget 2022 has required some difficult decisions and a fine balancing of priorities. When considering the financial resources available, the council had to reconfigure the budget to ensure there was no impact on service delivery for 2022.

"Sound financial management and prudence in previous years ensured the council built up reserves for purposes such as playground improvements, burial ground extensions, and ICT infrastructure.

"However, the expenditure provided for in Budget 2022 exceeds the projected income, leaving a gap that must be bridged. Every effort has been made to support businesses throughout the last 12 months while the modest rates increase has been designed to ensure a minimum impact on ratepayers while priortising continued service delivery and growth."

Revenue Local Property Tax website crashes one day before deadline

Homeowners are obliged to submit return based on value of property on November 1st

The Revenue website for dealing with Local Property Tax valuations crashed for a number of hours Tuesday, one day before the extended deadline for registering all properties for the tax.

Homeowners had been given a reprieve on a deadline for returning their local property tax valuation from November 7th until 5pm on Wednesday November 10th.

Homeowners are obliged to submit a return on the basis of the value of their home as of November 1st.

The Revenue's Local Property Tax website went offline around 11 am on Tuesday but appeared to have been restored as of 2pm.

A notice posted on the Local Property Tax page during the outage said "Revenue online services are currently unavailable".

Customers were advised to try again later or contact roshelp@revenue.ie or phone (01) 738 3699

As of last Thursday, returns had been filed for an estimated 54 per cent of properties, with the owners of more than a million properties having either filed returns (964,600) or otherwise engaged with Revenue to meet their obligations.

Revenue was contacted for a comment on the level of engagement and a response is expected.

Revenue extends local property tax return deadline

Returns have been filed for about 54% of properties, with helpline in place for queries

Homeowners have been given a reprieve on a deadline for returning their local property tax valuation.

Revenue had set a deadline of November 7th – this Sunday – for all homeowners to submit an updated property valuation on which their local property tax (LPT) would be based. Homeowners are obliged to submit a return on the basis of the value of their home as of November 1st.

However, the tax office announced this morning that the deadline has now been extended until 5pm on Wednesday, November 10th.

Revenue made the announcement on Friday amid what it said was an "extremely strong" rate of filing of returns by homeowners across the State in the past week.

It said that, as of Thursday, returns had been filed for an estimated 54 per cent of properties, with the owners of more than a million properties having either filed returns (964,600) or otherwise engaged with Revenue to meet their obligations, with 29,800 payments made with no return as yet. A total of 17,700 paper returns have yet to be scanned, Revenue says.

"With this high level of engagement expected to continue to increase further in the coming days, it is clear that property owners are making every effort to fully comply with their LPT obligations," a spokeswoman for Revenue said.

"LPT requires property owners to submit a return to Revenue, and we are very conscious that this can cause a degree of worry and stress for property owners who do not have a reason to engage directly with Revenue on an ongoing basis.

"Revenue is also very conscious that this is the first revaluation for LPT since it was first introduced over eight years ago. In light of this and having regard to the fact that the return filing deadline falls on Sunday, Revenue has extended the LPT return filing deadline."

Revenue says that €71 million in tax has already been paid and €273 million in new payment arrangements has been put in place. Of the returns filed to date, more than half (52.7 per cent) valued their homes at under €262,500, with just over a fifth (21.5 per cent) valuing their property at €262,501-€350,000 . The majority (85.8 per cent) of those who have submitted their returns own just one property.

Source: CSO

Just over half of property owners (51.7 per cent) have paid by annual or monthly direct debit; 27.1 per cent have paid by credit or debit card; while just 1 per cent paid by cash or cheque, with the remaining payments either deducted at source (11.4 per cent) or paid by a service provider (8.8 per cent).

The tax office said it had fielded more than 80,000 calls to its LPT helpline this week, bringing to 264,300 the total number of calls to date. It has received 40,900 pieces of correspondence so far, including 15,000 this week alone.

The Government has reduced the rate of the tax so that most homeowners should see no change in their local property tax bill despite a sharp rise in the value of their homes since 2013.

A spokeswoman for the tax office said that property owners who had submitted a written query to Revenue on their LPT obligations – either online or by post – would be treated as having complied with the deadline for filing a return, "provided they file their return promptly as soon as their query is resolved".

Filing a return

Revenue again advised that the easiest way to file an LPT return was online, noting that 93 per cent of all returns to date have been online.

Local property tax helpline phones will be manned over the weekend to facilitate callers. The helpline, 01-7383626, is open on Friday, 8am-4.30pm. It will operate 9.30am-1:30pm on both Saturday and Sunday and 8am-8pm on Monday and Tuesday. On the new deadline day, the helpline will be available 8am-5pm.

Revenue initially sent out 1.4 million letters – either physically or via its online service – to the owners of almost two million properties in the State.

If homeowners fail to file a return by the deadline, Revenue will default to the proposed valuation for the property that they have included in each of the letters sent out to property owners.

Revenue urges homeowners to pay property tax as deadline looms next week

Returns for 2022 have been paid on about 30% of properties so far as Revenue seeks updated valuations

Figures released by Revenue show that up to 70 per cent of homeowners have yet to file returns for the local property tax (LPT), which is due for 2022 on most homes in the State next week.

Revenue says the tax returns for sums totalling €38 million have been paid in connection with some 530,000 homes so far, or about 30 per cent of the total properties liable for 2022. About 95 per cent of the returns have been made online. Returns for 2022 are due to be filed by all homeowners by next Sunday, November 7th. Tenants do not have to pay the tax.

Revenue has this year changed the system for the tax for the first time since it was introduced in 2013. Homeowners must estimate the current value of their property and enter it in one of 20 price bands, with higher taxes due on houses further up the valuation chain. For example, houses worth up to €200,000 pay €90 LPT, those worth between €262,501 and €350,000 will pay €315, and those worth €350,000 to €437,500 will pay €405.

Houses in the top bracket, those valued at over €1.75 million will pay tax starting at €2,830 for the year, plus 0.3 per cent of the value over €1.75 million.

Katie Clair, head of Revenue's LPT branch, said homeowners have a little over a week to value the property, and submit this valuation to Revenue. She also said Revenue's LPT helpline is getting 10,000 calls per day, with the busiest times between 9.30am and 11am, and they should consider trying later in the day.

Homeowners can enter their Eircode on the Revenue payment site, and it will suggest a valuation based on other houses in the local area. Homeowners can also enter their own valuation. Figures released by Revenue suggest just under one-third of returns so far have been made under the lowest band, with more than half falling between €200,000 and €437,500.