

Commercial Rates Waiver Further Extended in Budget 2021

In Budget 2021, the Government announced an extension of the waiver of commercial rates for certain properties for the final quarter of the year. This is a further extension of the waiver first announced on 1 May 2020 as part of the suite of measures introduced by the Government to support businesses affected by the COVID-19 crisis. Initially, the waiver was to apply for a three month period from 27 March 2020 and would only be available to businesses that had been forced to close for public health requirements due to COVID-19. This was subsequently extended to apply for a six month period from 27 March 2020 to 27 September 2020 and to apply to all ratepayers with a number of exceptions. The waiver has now been extended to 31 December 2020.



The Waiver

The waiver will be applied automatically as a credit in lieu of commercial rates for the nine month period to classes of occupied rateable property where the occupying business is not in the excluded categories. No application is required from those ratepayers to avail of the waiver.

Where a ratepayer who qualifies for the credit in lieu of rates has already paid their 2020 rates bill, a refund or a credit towards their 2021 rates bill will be arranged by the relevant Local Authority.

The waiver does not extend to BID contribution levies.

The Government has allocated a funding package of €900 million to fund the cost of the waiver for nine months.



Excluded categories

The Government has stated that the rationale for excluding certain categories of ratepayers from the waiver is that such businesses are not as negatively impacted by COVID-19, along with the need to limit resources to where they are needed most.

The excluded categories of businesses who will not automatically benefit from the commercial rates waiver include:

- Individual office or industrial premises with an annual rates bill of €100k or greater in 2020.
- Data centres.
- Vacant properties.
- Banks.
- Pharmaceutical manufacturing.
- Certain Supermarkets.
- Public service.
- Computer, technology or electronic manufacturing.

Any businesses in the excluded categories who are severely impacted by the pandemic can engage with their Local Authorities on a case by case basis to apply for the waiver. A fund is allocated for ratepayers in these excluded categories who can demonstrate that the pandemic has significantly impacted their business.



? How can Businesses in the Excluded Categories apply for the Waiver?

Any ratepayers in the excluded categories can contact their relevant local authority to apply for eligibility for the waiver.

Businesses in the excluded categories are expected to demonstrate severe impact and Local Authorities may request documentary evidence in order to support eligibility. The required documents are at the discretion of the Local Authority, however it appears such documents may include evidence of participation in the Temporary Wage Subsidy Scheme, evidence of employment ceasing and employees availing of the Pandemic Unemployment Payment and copies of documentation submitted to a financial institution as part of the negotiation of relief measures.

Please get in touch with your usual contact in the Matheson Commercial Real Estate department should you have any queries or wish to discuss further.

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