

# Household Charge

A new local Government charge known as the household charge has been introduced for the year 2012 onwards.

- The charge applies to the owners of residential property in Ireland, even if the owners are resident outside Ireland
- For 2012 the charge is EUR100 for each residential property owned at 1 January 2012. This includes main homes, second homes, holiday homes and rented properties
- It is important for landlords and owners of more than one home to note that the household charge is in addition to the NPPR charge (currently EUR200 per annum for each property)
- There is no cap on the household charge where there are multiple dwellings in one property. For example, if a house is divided into four apartments then a EUR100 household charge will apply in respect of each apartment i.e. a total household charge of EUR400.

## **Exemptions (there are few!)**

- (i) Property subject to commercial rates and wholly used as a dwelling
- (ii) Property which is part of the trading stock of a business, provided that the property has never produced any income and has never been used as a dwelling
- (iii) Property owned by certain charities
- (iv) Property held in a discretionary trust
- (v) Property where the owner has left due to long term (more than 12 months) illness or infirmity e.g. has moved into a nursing home
- (vi) Property located in certain unfinished housing estates (“ghost estates”).

## **Payment**

- The due date for payment for 2012 is 31 March 2012
- You can pay online through the website [www.householdcharge.ie](http://www.householdcharge.ie)
- There is an option to pay by direct debit in four instalments of EUR25. Direct debits must be set up by 1 March 2012
- Penalties and interest will apply where payments are made after the due date.

**Kennelly Tax Advisers Limited**  
**February 2012**