**MEETING OF South Dublin COUNTY COUNCIL**

**9TH October 2023**

**Consideration of variation of the basic rate of the Local Property Tax**

**Introduction:**

The Local Property Tax (LPT) became effective from 1 July 2013 and is an annual self-assessed tax which is applied to the market value of residential properties. The charge is administered by the Revenue Commissioners and the proceeds are accounted for as exchequer funding in the national Budget. An amount equivalent to annual LPT receipts is assigned to the Local Government Fund by the Minister for Finance and distributed to local authorities by the Minister for Housing, Local Government and Heritage.

**Role of elected members in relation to setting of local adjustment factor:**

Section 20 of the Finance (Local Property Tax) Act 2012 (*as amended)* and section 8(4) of The Local Property Tax (Local Adjustment Factor) Regulations 2022 provides each Local Authority with the power to vary the basic rate of the Local Property Tax within its administrative area (by a maximum of plus or minus 15% of the basic rate).

The Local Property Tax (Local Adjustment Factor) Regulations 2022 require that before determining whether to pass a resolution to vary the basic rate of local property tax, there are certain matters to which the local authority must have regard including:

1. **Estimation of Income and Expenditure**
2. **Financial position of the local authority**
3. **Estimation of Financial effect**
4. **Public consultation**

Reports have been prepared for each of these headings**.**

It is important to note that the Members can set a local adjustment factor for a period of their choosing as the regulations no longer refers to yearly decisions but instead to “a period as specified in the resolution”. It is recommended however that such a period should not exceed the lifetime of the present council. The 15% reduction to the basic rate of LPT, passed by the Members on 10th October 2022, applied for the period 1st November 2022 (liability date) to 31st October 2023. The rate reverts to the basic rate at the 1st November 2023, i.e., the pre-adjusted rate, and the Elected Members must now consider whether to reduce the basic rate, leave it unaltered or increase it, with effect from 1st November 2023.

**1. Estimation of Income and Expenditure:**

* 1. **Local Property Tax Income Allocation 2023**:

In 2023 100% of LPT income collected was retained locally unlike previous years when 20% was paid into an equalisation fund to ensure no local authority was worse off from local retention of LPT in 2023 compared to General Purpose Grant allocations in 2014.

Of the 100% retained locally (€32.2m) an amount of €7.2m was allocated as discretionary funding with the proviso that the cost of any local variation of the basic rate of LPT must be funded from this element of the allocation. A decision was taken by the Council to reduce LPT by 15% at a meeting of the Council held on 10th October 2022. The cost of funding this reduction amounted to €4.8m thereby reducing the discretionary element of the allocation to €2.4m.

The LPT baseline allocation for 2023 remained at €3,856,262, which is the same as 2022.

The remainder of the allocation amounting to €10.1m was assigned by the Department of Housing, Local Government and Heritage to self-fund some services in housing and roads.

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| **Analysis of Local Property Tax allocation 2023** |
| **Local Property Tax allocation 100%** | **€32,263,395** |
| **Less: LPT surrendered via 15% variation** | **€4,839,509** |
| ***Post variation allocation 2023*** | **€27,423,900** |
| ***Assigned to:*** |  |
| **Discretionary 2023 expenditure (Revenue Budget) \***  | **€6,276,000** |
| **Local roads maintenance and improvement (Revenue Budget)** | **€2,886,900** |
| **Housing Assoc./Vol. Body loan repayments (Revenue Budget)** | **€8,083,900** |
| ***(Total assigned to Revenue Budget)*** | **€17,246,800** |
| **Housing Capital Projects (Capital)** | **€10,177,100** |
| ***Post variation allocation 2023*** | **€27,423,900** |
| **\*€3,856,262 (Baseline) + €2,419,755 (Post variation discretionary Income)** |   |

**1.2 Local Property Tax Income Allocation 2024**:

Department of Housing, Local Government and Heritage circular Fin 07/2023 dated 6th September advised that the Council’s LPT allocation for 2024 is €34,447,779 pending any decision to locally vary the basic rate. The Department further advised that this income will be allocated as follows:

1. An amount of €8,926,059 is allocated as the 2024 Baseline LPT figure. This figure is significantly increased from the baseline figure of €3,856,262 which was applicable for the last number of years. The increase in the baseline allocation is the result of a review of LPT baselines concluded by the Department and the LPT Baseline working group which was created to review and establish a new model to determine LPT baseline funding levels. The increase in baseline funding is to assist the Council meet the growing costs of providing services within its administrative area.
2. 22.5% of the 2024 LPT income collection amounting to €7,750,750 is provided for allocation at the discretion of the Council. The net proceeds from this allocation are available as discretionary income to fund enhanced or additional services, develop community facilities or to reduce commercial rates. This is the element of LPT income which will reduce or increase if the Council decide to vary the basic rate of the LPT for 2024.
3. The balance of €17,770,970 will be allocated by the DHLGH to fund social housing and roads services.

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| **Analysis of Local Property Tax allocation 2024** |
| **2024 LPT Baseline Allocation**  | **€8,926,059** |
| **Discretionary LPT income (22.5% of anticipated LPT income) 2024** | **€7,750,750** |
| **To self-fund Housing and Roads transportation services** | **€17,770,970** |
| **Total LPT allocation 2024** | **€34,447,779** |

The following table sets out details of the Council’s LPT allocation 2024 compared with that for 2023 before any decision is taken on the local adjustment factor.

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| **South Dublin County Council Provisional LPT Allocation** |
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|   | **2024** | **2024** |  |
| Projected Gross LPT Income for County | €34,447,779 | €32,263,395 |  |
| **LPT 100% retained locally**  | **€34,447,779** | **€32,263,395** |  |
| Allocated as follows: |   |   |  |
| Assigned for discretionary purposes - including variation of basic rate | €7,750,750 | €7,259,264 |  |
| Baseline Allocation | €8,926,059 | €3,856,262 |  |
| Balance to self-fund Housing and Roads Services | €17,770,970 | €21,147,869 |  |
| **LPT allocation**  | **€34,447,779** | **€32,263,395** |  |
|   |   |   |  |
| Cost of Variation if 15% reduction is applied  | €5,167,167 | €4,839,509 |  |
| Discretionary alloc. if 15% reduction is applied | €2,583,583 | €2,419,755 |  |

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| **1.3 Cost/Gain from varying the basic rate of the LPT**: The estimated LPT collection in the South Dublin County administrative area in 2024 is €34,447,779 and the cost of funding or gain from each 1% reduction/increase to the basic rate amounts to €344,478. This will result in a total funding requirement of €5,167,167 if a decision is taken to apply the maximum reduction of 15%.  |
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| **Projected South Dublin Co. Co. LPT Income** | **2024** |
| ***Cost or Gain from:*** |
| 1% Variation | €344,478 | 9% Variation | €3,100,300 |
| 2% Variation | €688,956 | 10% Variation | €3,444,778 |
| 3% Variation | €1,033,433 | 11% Variation | €3,789,256 |
| 4% Variation | €1,377,911 | 12% Variation | €4,133,733 |
| 5% Variation | €1,722,389 | 13% Variation | €4,478,211 |
| 6% Variation | €2,066,867 | 14% Variation | €4,822,689 |
| 7% Variation | €2,411,345 | 15% Variation | €5,167,167 |
| 8% Variation | €2,755,822 |   |   |

A reduction to the basic rate of LPT will be funded through the discretionary element of the LPT allocation e.g. if the maximum reduction is applied, the discretionary element of the LPT funding will reduce from €7,750,750 to €2,583,583. Conversely an increase to the basic rate will be added to the discretionary element of LPT e.g. if the maximum increase is applied, the discretionary element of the LPT funding will increase to €12,917,917.**1.4 Preparation of Budget 2024:**The 2024 Budget is being prepared on a phased basis with input from the Corporate Policy Group (CPG), Members and Chief Executive at differing stages of the process. The Local Government Act 2001 (as amended), the Local Government (Financial and Audit Procedures) Regulations 2014, the Local Government (Financial and Audit Procedures) (Amendment) Regulations and Circular Fin 06/2023 made provision for an outline budget strategy prepared in consultation with the CPG and submitted to the DHLGH by 8th December 2023. The CPG discussed the 2024 Budget strategy and the variation of the Local Property Tax (LPT) on 3rd July 2023 and confirmed the basic assumptions and the broad parameters for Budget 2024. The CPG also discussed the budget at its meeting on the 4th September. Following DHLGH Circular Fin 07/2023 regarding increased Baseline allocation and the details of the LPT Allocation 2024, the CPG met again on 2nd October 2023 to review and agree an overview of Budget 2024. The strategic budgetary decisions were discussed on the basis of information known at the time of these meetings. Further details are awaited about the impact of the national budget on other aspects of the council’s income and expenditure for 2024.**1.5 National Budget**:The Estimated Income and Expenditure for 2024 is based on an assumption that State grants and subsidies will be continued at 2023 levels adjusted by known activity changes in 2024 (e.g. rental accommodation scheme payments, etc.) with the exception of the 2023 inflationary grant. An adjustment has also been made to account for the funding of some housing and road grants from LPT. It should be noted that adjustments could apply to schemes for which grants and subsidies are currently allocated to the Council as “*the specific detail of the level of Central Voted grants funding to be provided to local authorities is a matter that will be considered, as normal, as part of the Estimates process.”* Specific details from the National Budget 2024 are still awaited.**1.6 Key dates:*** The Revenue Commissioners and the Minister for Housing, Local Government and Heritage must be notified by **16th October 2023** if the council decides to vary the basic rate of the LPT for 2024.
* In addition, a preliminary estimation of Revenue and Capital Income and Expenditure 2024 was submitted to the DHLGH by **15th September** **2023** to meet EU budgetary timelines.
* Consultation with the CPG about the parameters and content of the 2024 Budget will continue as will its input into the budget strategy in the coming weeks.
* The 2024 National Budget is to be presented to Dáil Éireann on 10th October and we await details from the DHLGH and other funding bodies who contribute funds for specific operational and capital programmes.
* The 2024 Budget meeting for South Dublin County Council must be scheduled within the prescribed period of 1st November 2023 and 8th December 2023. Once commenced the meeting can be adjourned for up to 14 days from the date of the initial meeting (hence Budget 2024 must be adopted by 21st December). As the South Dublin County Council Budget meeting is scheduled for **Thursday 16th November 2023** the budget must be adopted by Thursday 30th November 2023 at latest.

**1.7 Basis of preparation of Report on Income and Expenditure:**This report is being prepared as the Council’s Budget for 2024 is still being drafted and several potential changes are expected but which are not quantified including: 1. The cost of Fire Service 2024
2. The cost towards the provision of Homeless Services
3. National Pay talks have yet to commence.
4. Implications from the National Budget 2024
5. General inflation is trending around 5% but many of the components required by the council to provide its services have inflation rates well in excess of this value.
6. Clarification regarding the income and expenditures associated with Uisce Eireann.
7. Clarification regarding costs and income related to Residential Zoned Land Tax.

The Report on Income and Expenditure is based on the current year’s budget adjusted to take account of changes affecting Local Property Tax income and any other anticipated changes impacting grants, subsidies, and activities. Preliminary work has been carried out to project payroll and loan charges for 2024. This work will continue for remaining expenditure and income provisions in the context of the budget strategy during the development of the draft budget in October and November 2023. This timing also allows for greater certainty in relation to anticipated changes in activity levels and other grant allocations.The table below sets out the Estimation of Income and Expenditure and is prepared in accordance with the Format prescribed in Schedule 1 of the Local Property Tax (Local Adjustment Factor) Regulations 2022.**1.8 Estimation of 2024 Income and Expenditure of South Dublin County Council** |
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| ***Estimation of Income and Expenditure South Dublin County Council - LPT Variation*** |
|   | **Budget 2023** | **Draft Budget 2024** |   |
| **Income** |  |  |   |
| Commercial Rates | -143,368,600  | -145,438,100  |   |
| Local Property Tax | -6,276,000  | -21,823,700  | \* |
| Grants and Subsidies | -89,686,700  | -105,663,300  |   |
| Other Income | -66,739,300  | -72,364,000  |   |
| **Total Income** | **-306,070,600**  | **-345,289,100**  |   |
| **Expenditure** |  |  |   |
| Payroll Expenses | 85,896,800  | 92,577,600  |   |
| Loan Interest and Principal Paid | 9,688,900  | 9,943,500  |   |
| Social benefits (transfer to households) | 59,649,600  | 76,686,800  |   |
| Capital Grants Paid | 4,514,200  | 4,273,600  |   |
| Other Expenditure | 146,321,100  | 161,807,600  |   |
| **Total Expenditure** | **306,070,600**  | **345,289,100**  |   |
| \* 2024 LPT income based on 2023 Revenue Allocation with no reduction in basic rate for 2024. Any decision to vary will be reflected in a corresponding change in 'Other Expenditure' |

It should be noted that the 2024 LPT income is based on the 2024 revenue budget allocation with no reduction in the basic rate. Any decision to vary will be reflected in a corresponding reduction of Other Expenditure.**Report on the Financial Position of South Dublin County Council****2.1 Report on the Financial Position of South Dublin County Council**The table below sets out the financial position of the Council in the format required in the Local Property Tax (Local Adjustment Factor) Regulations 2022 and is based on the financial position as at 30 June 2023. |
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| **Financial Position of South Dublin County Council** |
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|   | ***at 30/6/2023*** |
| **ASSETS** |  |
| Current Assets | **635,796,297** |
| General Revenue Reserve | **19,962,378** |
| Loans receivable | **195,561,643** |
|   |  |
| **LIABILITIES** |  |
| Current Liabilities | **143,191,318** |
| General Revenue Reserve (if Deficit) |  |
| *Loans Payable* |  |
|  Voluntary housing/mortgage loans | **113,439,801** |
|  Non-mortgage loans | **36,775,675** |
|   |  |
| **INDICATORS** |  |
| Ratio of loans payable to revenue income | **60%** |
| Ratio of current assets to current liabilities | **4.4:1** |

**2.2 Indicators:****Ratio of loans payable to revenue income: 60%**This ratio otherwise known as the gearing ratio reflects the Council’s ability to repay its loans with its revenue income and falls within an acceptable range.**Ratio of current assets to current liabilities: 4.4:1**This ratio also known as the liquidity ratio reflects the Council’s ability to pay its current liabilities and falls within the recommended range.Both indicators reflect that the Council’s stable financial position.**2.3 Current Assets:**The council’s current assets predominantly comprise of its debtors & prepayments and bank assets. These are important from a liquidity position and illustrates the strong financial position that council is in.

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| **Current assets @ 30/6/2023** | **€m** |
| **Trade debtors & prepayments (net of provisions)** | **148.8** |
| **Cash & Bank** | **485.7** |
| **Due within 1 Year** | **1.30** |
| **Total** | **635.8** |

**2.4 Current liabilities:** |
| The principal current assets the council has are its creditors and accruals. These liabilities are not significant in the context of the council’s liquidity position. |
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|  | **Current liabilities @ 30/6/2023** |
|  | **€’M** |
| **Creditors & Accruals** | **51.7** |
| **Comm. Rates (inc. 2nd Moiety 2023)** | **66.2** |
| **Deferred income** | **16.8** |
| **Due within 1 Year** | **8.4** |
| **Total** | **143.1** |

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| **2.5 General Revenue Reserve:**The general revenue reserve reflects the cumulative revenue account surplus or deficit. South Dublin is presently in surplus from Revenue Account operations over an extended period of time. A deficit on the revenue account balance would indicate that the council had incurred more expenditure than income earned over a previous period - if a deficit is not addressed the council would ultimately encounter cash flow problems, which would hinder future operations. The council has a General Reserve of €19.9m at 30th June 2023, which includes a €7.7m surplus for the period to 30th June 2023 plus the Revenue Reserve of €12.2m reported in the balance sheet to 31st December 2022. The surplus to 30th June 2023 does not take account of the seasonal nature of operations & services and is not reflective of the likely year end outturn.Since 2009, in common with all local authorities, the Council has been subject to the provisions of Circular Fin 03/2009 Control and Monitoring of Local Authority Contribution to General Government Balance. This circular requires local authorities to keep their capital, revenue, and bank accounts in balance each year and as a result revenue and capital expenditure can only be incurred by local authorities in any financial year to the extent that corresponding income is received.**3. Impact of variation of Basic Rate of LPT:**The Finance (Local Property Tax) (Amendment) Act 2021 introduced a new structure for LPT from 2022 onwards. LPT for the years 2022 to 2025 will be based on property values on 1 November 2021. Residential properties are valued for LPT purposes, by their owners under self-assessment, into one of 20 valuation bands.The following information was provided by the Revenue Commissioners in relation to property valuation bands in the South Dublin administrative area. It indicates that 60.28% of properties registered to the South Dublin administrative are in valuation bands less than €350,000. In 2024 60.28% of liable persons would have paid €268 or less based on the 15% reduction applied (i.e. an annual reduction of €47).

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| **Local Authority** | **South Dublin County Council** |
| **0-200,000** | 18.71% |
| **200,001-262,500** | 14.90% |
| **262,501-350,000** | 26.67% |
| **350,001-437,500** | 17.15% |
| **437,501-525,000** | 9.20% |
| **525,001-612,500** | 6.18% |
| **612,501-700,000** | 3.73% |
| **700,001-787,500** | 1.54% |
| **787,501-875,000** | 0.83% |
| **875,001-962,500** | 0.41% |
| **962,501-1,050,000** | 0.25% |
| **1,050,001-1,137,500** | 0.11% |
| **1,137,501-1,225,000** | 0.10% |
| **1,225,001-1,312,500** | 0.07% |
| **1,312,501-1,400,000** | 0.15% |
| **1,400,001-1,487,500** | 0.00% |
| **1,487,501-1,575,000** | 0.00% |
| **1,575,001-1,662,500** | 0.00% |
| **1,662,501-1,750,000** | 0.00% |
| **1,750,000+** | 0.00% |

**Economic impact of a 5%, 10% or 15% LPT reduction for the property owner**The table below illustrates the impact of a 5%, 10% or 15% reduction on the basic charge per band:

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| **LPT Valuation Band**  | **Charge**  | **If LPT Reduced by 5%:** | **If LPT Reduced by 10%:** | **If LPT Reduced by 15%:** |
|  |  | **Amended Charge** | **Savings** | **Amended Charge** | **Savings** | **Amended Charge** | **Savings** |
|  1 – 200,000  | €90 | €86 | -€4 | €81 | -€9 | €77 | -€14 |
|  200,000 – 262,500  | €225 | €214 | -€11 | €203 | -€23 | €191 | -€34 |
|  262,501 – 350,000  | €315 | €299 | -€16 | €284 | -€32 | €268 | -€47 |
|  350,001 – 437,500  | €405 | €385 | -€20 | €365 | -€41 | €344 | -€61 |
|  437,501 – 525,000  | €495 | €470 | -€25 | €446 | -€50 | €421 | -€74 |
|  525,001 – 612,500  | €585 | €556 | -€29 | €527 | -€59 | €497 | -€88 |
|  612,501 – 700,000  | €675 | €641 | -€34 | €608 | -€68 | €574 | -€101 |
|  700,001 – 787,500  | €765 | €727 | -€38 | €689 | -€77 | €650 | -€115 |
|  787,501 – 875,000  | €855 | €812 | -€43 | €770 | -€86 | €727 | -€128 |
|  875,001 – 962,500  | €945 | €898 | -€47 | €851 | -€95 | €803 | -€142 |
|  962,501 – 1,050,000  | €1,035 | €983 | -€52 | €932 | -€104 | €880 | -€155 |
|  1,050,001 – 1,137,500  | €1,190 | €1,131 | -€60 | €1,071 | -€119 | €1,012 | -€179 |
|  1,137,501 – 1,225,000  | €1,409 | €1,339 | -€70 | €1,268 | -€141 | €1,198 | -€211 |
|  1,225,001 – 1,312,000  | €1,627 | €1,546 | -€81 | €1,464 | -€163 | €1,383 | -€244 |
|  1,312,501 – 1,400,000  | €1,846 | €1,754 | -€92 | €1,661 | -€185 | €1,569 | -€277 |
|  1,400,001 – 1,487,500  | €2,065 | €1,962 | -€103 | €1,859 | -€207 | €1,755 | -€310 |
|  1,487,501 – 1,575,000  | €2,284 | €2,170 | -€114 | €2,056 | -€228 | €1,941 | -€343 |
|  1,575,001 – 1,662,500  | €2,502 | €2,377 | -€125 | €2,252 | -€250 | €2,127 | -€375 |
|  1,662,501 – 1,750,000  | €2,721 | €2,585 | -€136 | €2,449 | -€272 | €2,313 | -€408 |
| Rate = 0.1029 (fixed charge in first and second bands) |   |   |   |   |
| The LPT charge for properties with a market value greater than €1.75 million is calculated from the valuation of the property rather than from a valuation band. The LPT charge for these properties is calculated as the sum of: 0.1029% of the first €1.05 million of declared market value of the property, 0.25% of the portion of the declared market value between €1.05 million and €1.75 million, and 0.3% of the portion of the declared market value above €1.75 million. |

**Economic impact on South Dublin if the 2024 LPT is varied:**The following table sets out the overall impact of a 5%, 10% and 15% adjustment to the discretionary funding to South Dublin County Council for 2024

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|  | **South Dublin County Council** | **Discretionary LPT Allocation 2024** |
|   |   |   |
| **Local Property Tax 2024** | **€34,447,779** |   |
|   |   |   |
| Reduction to State funding for Housing & Roads Services | -€17,770,970 |   |
| Baseline allocation | -€8,926,059 |   |
| Available for local activities & projects if no change to the local property tax for 2024 | €7,750,750 | €7,750,750 |
|   |   |   |
| Projected cost of a 5% local adjustment factor reduction in 2024 | -€1,722,389 | €6,028,361 |
| Projected cost of a 10% local adjustment factor reduction in 2024 | -€3,444,778 | €4,305,972 |
| Projected cost of a 15% local adjustment factor reduction in 2024 | -€5,167,167 | €2,583,583 |
|   |   |   |
| Projected additional income from a 5% local adjustment factor increase in 2024 | €1,722,389 | €9,473,139 |
| Projected additional income from a 10% local adjustment factor increase in 2024 | €3,444,778 | €11,195,528 |
| Projected additional income from a 15% local adjustment factor increase in 2024 | €5,167,167 | €12,917,917 |

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| **4. Report on Outcome of Public Consultation Process**The Local Property Tax (Local Adjustment Factor) Regulations 2022 made provision for a consultation period of at least 30 days by a local authority with the public in its administrative area. The consultation process was initiated to facilitate members of the public to make known their views about the potential impact of varying the LPT on individuals, businesses, and local authority services.This Council commenced the public consultation process on the 4th July 2023 by the placing of a notice in the local and national newspapers and on the Council’s, website inviting submissions from the public with a closing date of 11th of August 2023 for receipt of submissions. An online submissions facility was provided on the Council’s website, and alerts were posted on Twitter and Facebook.A copy of the notice published is set out below: |

**NOTICE OF CONSIDERATION OF SETTING A LOCAL ADJUSTMENT FACTOR**

The Finance (Local Property Tax) Act 2012 (as amended) makes specific provision that elected members of a local authority may pass a formal resolution to vary the basic rate of the Local Property Tax for their administrative area by a percentage known as the local adjustment factor. At the meeting set by South Dublin County Council to consider this matter, the members may set a local adjustment factor within the range of +/- 15% of the basic rate, or, may decide not to adjust the basic rate.

South Dublin County Council will meet in October 2023 to consider the setting of a local adjustment factor.

South Dublin County Council welcomes written submissions from the public on this matter specifically covering the potential effects of varying the basic rate of the Local Property Tax on businesses, individuals and on local authority services.

Submissions must be received by **5 pm on 11th August 2023** and be sent to:

**LPT, Finance Department, South Dublin County Council, County Hall, Tallaght, Dublin 24**

**Or lpt@sdublincoco.ie**

**Signed: Colm Ward**

**Chief Executive**

**Dated: 4th July 2023**

**For further information go to www.sdcc.ie**

**Submissions:**

A total of 4 submissions were received by the closing date.

The submissions are summarised as follows:

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| **Ref** | **Received** | **Method** | **Location** | **Submission** |
| LPT01 | 14.07.23 | Online Portal | Clondalkin | Reduction |
| LPT02 | 17.07.23 | Online Portal | Lucan | Reduction |
| LPT03 | 21.07.23 | Online Portal | Rathfarnham | No Reduction |
| LPT04 | 06.07.23 | Email | Clondalkin | Reduction |

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| --- | --- | --- | --- | --- | --- |
| **Ref** | **Date** | **Method** | **Location** | **Submission** | **Text** |
| LPT01 | 14.07.23 | Online Portal | Clondalkin | Reduction | With the absolute crippling rise in the cost of living and utility bills the mere suggestion of any rise in the property tax would have a devastating effect on not only our physical ability to cope but also on our mental health. My husband is due to retire and the decrease in income is already causing stress. |
| LPT02 | 17.07.22 | Online Portal | Lucan | Reduction | For 2023, corporation tax receipts are projected at €24.3 billion, an annual increase of over 7 per cent. The government sound lower the amount it taxes residents who only own one house in Ireland, and inrease tax on residents who own more than one house in Ireland. |
| LPT03 | 21.07.23 | Online Portal | Adamstown | No Reduction | I agree with the keeping this rate as SDCC requires a lot of funding to carry out its many functions and this cannot be done without the the property tax. |
| LPT04 | 06.07.23 | Email | Lucan | Reduction | Dear Manager I wish to make a submission against the raising of the Local Property Tax , I continue to maintain that this is an unfair and unjust Tax and again I lobby and campaign that this unfair tax is kept at the 15% reduction allowed to elected representatives , we cannot again hit people that are struggling to live and meet the increasing demands of trying to meet the ever rising cost of living in Dublin especially in light of The war in Ukraine and the cost of living crisis.  Go raibh maith agat,  |

This report is submitted for consideration by the Members in accordance with Section 20 of the Finance (Local Property) Tax Act 2012 as amended and the Local Property Tax (Local Adjustment Factor) Regulations 2022. Under Section 21 of the Act a Local Authority that has varied the basic rate of the LPT must inform the Revenue Commissioners of that decision not later than the 16th of October in the year prior to which the LPT variation takes effect & Article 9, Part 4, of the Local Property Tax (Local Adjustment Factor) Regulations 2022 requires that notification of a variation must also be received by the Minister for Housing, Local Government & Heritage not later than that date. To comply with those requirements the adoption of the resolution by a Local Authority varying the basic rate of the LPT must be made prior to that date of 16th October.

As provided in the previous Local Property Tax (Local Adjustment Factor) Regulations, the varied rate of Local Property Tax applied for a period as specified in the resolution after which time the rate of LPT reverts to the initial (basic) rate as defined in the 2012 Act. The next local property liability period is from 1/11/23. A copy of Circular Fin 07/2023 is attached setting out the LPT allocation for SDCC.

In considering the determination of the local adjustment factor Members are asked to consider the contents of this report, including the public submissions, together with the need to retain and expand current levels of service to growing numbers of our citizens. There are ongoing demands on the Council’s revenue budget to meet operating costs, maintain front line services and maximise social investment opportunities.

At present, no provision has been made for potential and likely increased costs to contribute to regional fire and homeless services. There are also additional operational and other costs associated with new facilities provided by the Council such as libraries, parks, community facilities, playgrounds and sports pavilions. Maintaining our expanding housing stock as well as leasing and inspecting private rented accommodation further increases demands on our resources along with the need to deliver increasing service levels for road and footpath repair, tree management, litter management, public realm improvements and community supports.

Similarly, it should also be noted that there are vulnerabilities on the income side including ongoing receipt of central government funding and supports including recoupment of costs for new wage agreements.

While in recent years this Council has not had to rely on increased Local Property Tax rates, it is increasingly challenging to present a budget to meet continuously growing demands on service levels while simultaneously restricting income from LPT. As the Council continues to expand delivery of new housing, infrastructure, community and recreational facilities etc. it is vital that our financial strategies support increasing costs to e facilities to be maintained at an acceptable standard and meet the expectations of our citizens.

In the coming weeks as we finalise the budget, we will further evaluate potential financial scenarios for the year ahead. In this context and working with the Corporate Policy Group I intend to present a budget that builds on the positive developments we have achieved over the last number of years. As we move into a new era and a new Council in 2024, this Council can look back positively on what it has achieved while also preparing the way to address our future challenges, particularly climate change. The budget to be presented in November will endeavour to respond to the growing need for additional services and resources to ensure that South Dublin is an attractive County to work, live and do business. Accordingly, I advocate for the maximum LPT increase available to the Council to correspond with the enhanced service requirements and associated increased costs that will prevail in 2024.

Colm Ward

Chief Executive

28/09/2023