



02 July 2025

Circular Fin 09/2025

Chief Executive

cc. Director of Finance

Provisional Local Property Tax Allocations 2026 – South Dublin County Council

A Chara,

I am directed by the Minister for Housing, Local Government and Heritage to inform you that the provisional Local Property Tax (LPT) allocations from the Local Government Fund for 2026 have been agreed and South Dublin County Council's allocation is set out below and in **Appendix A** to this document. This approach differs from previous years given that a revaluation of LPT will take place later this year, which will lead to changes in both the overall LPT yield and to the yield in each local authority area.

LPT allocations have been calculated based on an estimated yield (pre variation) for the 2026 LPT liability year of €601.5m, based on data regarding 2025 LPT liabilities (including deferrals) as provided by the Revenue Commissioners, adjusted for newly liable properties in 2026 and including an estimated €42m arising from the 2026 revaluation process (as set out in **Appendix B** to this document).

LPT Baseline and Distribution Methodology

Under the current LPT allocation model, every local authority is entitled to receive a minimum amount of funding under the LPT allocation process, known as the Baseline. Following a review of LPT Baselines in 2023, local authority Baselines were increased overall to €428.4m for 2024 and 2025. Government has now agreed that LPT Baselines in 2026 be further increased from €428.4m to €470.4m; in line with the Government Agreement of 26th March last that any additional LPT generated as a result of the upcoming revaluation is to be retained by local authorities for discretionary spending.

As well as assisting local authorities to meet the costs of providing essential services, ensuring an increase in baseline funding to each local authority enables a level of flexibility and discretion for each authority to address priority resource demands arising.

LPT allocations for 2026 are set in line with the methodology whereby 100% of the estimated LPT yield is retained locally within the local authority area where it is collected.

South Dublin County Council's Baseline for 2026 is €11,426,059.

Equalisation.

As previously, all equalisation funding will be met by the Exchequer, to ensure that all authorities receive, at a minimum, an amount equivalent to their Baseline. The equalisation funding requirement will be based on the total expected level of LPT in each local authority area and will not be adjusted if the basic rate of LPT is varied.

Based on its surplus position when expected 2026 LPT receipts are compared to the 2026 Baseline, South Dublin County Council will not be in receipt of equalisation funding in 2026.

Self-Funding

The LPT allocation model for 2026 will also change from previous years for those authorities with a surplus LPT yield above their baseline, whereby those authorities shall now be entitled to retain an increased portion of that surplus (pre-variation) for their own use.

Those local authorities with a surplus LPT yield above their baseline, will have that surplus allocated in two ways:

- Part of the surplus, up to the equivalent of 31% (was 22.5% previously) of total expected LPT income (or the full amount of the surplus if that is less than 31%), can be used as additional income by local authorities for the authority's own use as part of their normal budgetary process; and that Government noted that any local authority who benefits from the move to 31% retention will be expected to use this additional funding towards urban regeneration programmes in their areas.
- The remainder of the surplus, if any, will then be available to the local authority to fund services in the housing and/or roads areas thereby replacing Central Government funding for some of these services. Authorities are expected to continue providing such services regardless of the changed approach to funding. Accordingly, all LPT collected locally will be spent on the provision of services in the local authority's area.
- The self-funding requirement will be based on the total expected level of LPT in each local authority area before any application of a local variation decision and will not be adjusted if the basic rate of LPT is varied.

Based on its surplus position when expected 2026 LPT receipts are compared to the 2026 Baseline, South Dublin County Council will be required to self-fund services in the Housing and/or Roads areas.

The specific detail of the level of Central Government Voted grants funding to be provided to local authorities is a matter that will be considered, as normal, as part of the Estimates process.

Provisional LPT allocation to South Dublin County Council in 2026

The LPT allocation for South Dublin County Council for 2026 (**pending any decision to locally vary the basic rate**) is **€40,331,285**. As a local authority that will be in receipt of 2026 LPT income in excess of its **€11,426,059 Baseline**, South Dublin County Council will be entitled to retain an amount of this surplus funding equivalent to 31% of the total expected LPT yield or **€12,502,698** for its own use. South Dublin County Council will be required to use the remainder of the surplus to self-fund some specified services in the Housing and/or Roads areas to the value of **€16,402,528**. Details of the self-funding breakdown between Housing (Capital and Revenue) and/or Roads will issue in a separate circular.

Please refer to the table in **Appendix A**, which sets out the basis for the allocation.

Variation

Every local authority has the power to vary the basic rate of LPT by up to 15%.

While recent changes to the LPT legislation will allow elected members to adjust the Local Adjustment Factor (LAF) upwards to a maximum of 25%; due to the timing of the legislation, commencement of this section will be delayed until the 2027 LPT liability year.

It should be noted that if a local authority decides to vary the LPT basic rate upwards in 2026; 100% of the resultant additional income will be available for the authorities' own use. Similarly, if an authority decides to vary the LPT basic rate downwards (by up to 15%) in 2026, the resultant loss in LPT income will be reflected in reduced LPT funding to the authority.

Local authorities are further reminded of their statutory obligations as set out in the Local Property Tax (Local Adjustment Factor) Regulations 2022 (S.I. 358 of 2022) which take account of relevant provisions in the Finance (Local Property Tax) Acts. These regulations provide the updated requirements for local authorities who may wish to vary their local property tax rates for a specified period, in accordance with section 20 of the Act.

Apart from the formal notification to the Minister of the passing of a resolution in accordance with the regulations, local authorities are requested, as a procedural matter, to confirm with the Department, the local adjustment factor (or the basic rate, as the case may be) that should apply for the 2026 LPT liability year, on or before 31 August 2025.

Previous guidance circular Fin 08/2014 and Fin 06/2022 also refers.

LPT Statistics and Property Valuation Bands

2025 LPT Preliminary Statistics and Property Valuation Bands are available on the Revenue Commissioners website at the following web link:


<https://www.revenue.ie/en/corporate/information-about-revenue/statistics/property-taxes/yearly-stats/2025/index.aspx>

LPT amounts set out in **Appendix B** to this document outline the following:

- Estimated Net LPT Liabilities for 2026 (before the application of any local adjustment factor variation).
- Estimated Newly Liable Properties in 2026 (before any local variation). Included in the Net LPT Liabilities column.
- Estimate of 2026 yield increase arising from revaluation. Included in the Net LPT Liabilities column.

The projected amounts for 2026 LPT do not reflect any local decision to lower/increase the basic rate by the local adjustment factor in 2026, i.e. data provided is pre-variation.

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Sinéad O'Gorman,
Principal,
Local Government Finance

Appendix A

South Dublin County Council - 2026 LPT Allocation (pending any decision to vary the basic rate)

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LPT Retained Locally 100%	40,331,285
2026 Baseline	<u>11,426,059</u>
2026 Surplus (LPT Retained Locally – 2026 Baseline)	<u>28,905,226</u>

Amount of Surplus to be retained for authority's own

use (31% of basic rate of LPT income) 12,502,698

Balance of Surplus to Self-Fund Housing and/or Roads Services 16,402,528

2026 Surplus 28,905,226

Amount of LPT Allocation to be retained for authority's own

use in 2026 (pending any decision to vary the basic rate) 23,928,757

Total LPT Funding to be provided in 2026 40,331,285

Value of potential increase or decrease in 2026 LPT Allocation

for every 1% of variation implemented +/- 403,313

Appendix B – Estimate of LPT yield in respect of the 2026 Liability Year, before the application of any Local Adjustment Factor

Local Authority	Estimated Net LPT Liabilities for 2026 (before the application of any local adjustment factor variation)*	Estimated Newly Liable Properties in 2026 (before any local variation). Included in the Net LPT Liabilities column *	Estimate of 2026 yield increase arising from revaluation. Included in the Net LPT Liabilities column.*
Carlow County Council	4,465,579	42,079	300,000
Cavan County Council	4,577,294	21,508	400,000
Clare County Council	10,758,169	69,183	700,000
Cork City Council	25,533,936	288,061	2,000,000
Cork County Council	38,054,530	479,829	2,700,000
Donegal County Council	10,210,636	57,371	800,000
Dublin City Council	109,447,019	1,090,579	7,800,000
Dún Laoghaire-Rathdown CC	69,230,246	1,268,229	4,500,000
Fingal County Council	49,735,680	661,610	3,600,000
Galway City Council	10,339,596	64,696	1,000,000
Galway County Council	17,212,255	112,909	1,300,000
Kerry County Council	14,631,136	55,241	900,000
Kildare County Council	29,353,465	477,609	2,000,000
Kilkenny County Council	8,635,683	121,105	600,000
Laois County Council	6,004,844	116,565	400,000
Leitrim County Council	2,144,959	7,478	200,000
Limerick City County Council	16,911,976	163,210	1,100,000
Longford County Council	2,404,409	4,344	200,000
Louth County Council	11,525,105	216,168	600,000
Mayo County Council	10,133,668	41,023	700,000
Meath County Council	23,137,604	339,823	1,400,000
Monaghan County Council	3,693,174	20,588	300,000
Offaly County Council	5,342,410	60,142	300,000
Roscommon County Council	4,278,065	24,194	300,000
Sligo County Council	5,546,051	24,214	600,000
South Dublin County Council	40,331,285	1,007,307	2,500,000
Tipperary County Council	12,022,702	43,063	800,000
Waterford City & Co Council	11,032,522	120,590	700,000
Westmeath County Council	7,482,726	106,698	500,000
Wexford County Council	13,900,236	160,306	900,000
Wicklow County Council	23,457,871	505,982	1,900,000
Total	601,534,831	7,771,705	42,000,000

*Note: The estimated €601.5m (pre-variation) yield for the 2026 LPT Liability year is based on the Revenue Commissioners' latest yield estimates of €552m (post-variation) for the 2025 liability year, including any deferrals. The 2026 estimated yield includes deferrals (based on 2025 liability data) and, in addition, newly liable properties in 2026 of €7.7m (based on the assumption that buoyancy will remain at 2025 levels). The 2026 yield estimate also includes an estimated €42m uplift arising from revaluation in November 2025.