

Oifig an Aire  
Office of the Minister  
16th April 2026  
RE: HPLG-MBO-01263-2026

Dear Ms. Shannon,

I have been asked by Mr. James Browne T.D., Minister for Housing, Local Government and Heritage to respond to your letter of 13 March 2026 in regard to South Dublin County Council's motion in relation to the publication of an annual report on the use of Local Property Tax (LPT).

At the outset it is important to note that LPT is administered and collected by the Revenue Commissioners and subsequently transferred into the Local Government Fund (LGF). The funds are redistributed, by the Department of Housing, Local Government and Heritage, to local authorities in accordance with the Government's allocation policies.

The accounts of the Local Government Fund, including income and expenditure, are audited by the Office of the Comptroller and Auditor General each year. The audited accounts for 2007 to 2024 which include LPT income and expenditure are available on my Department's website at the following link: <https://www.gov.ie/en/collection/128be-local-government-fund-accounts/>.

In overall terms, LPT broadens the tax base and reduces the level of central funding required by local government, freeing up resources for expenditure in other areas. Funding allocations are decided in advance of collection, based on estimates (from the Revenue Commissioners) of the LPT yield in individual local authority areas for the following liability year. The annual LPT allocation amounts to €767.1 million for 2026.

The LPT allocation mechanism was changed in 2023 to allow for 100% of the estimated LPT yield to be retained locally within the local authority area where it is collected. LPT has not been redistributed nationally since 2022. Every local authority has a minimum level of funding available to it, known as the baseline. Following a the LPT baseline review in 2023, baselines for each local authority were adjusted in accordance with five criteria: population, area, deprivation levels, an authority's locally raised income and achievement of National Policy Priorities, with every authority receiving a minimum increase of €1.5m. This led to an overall baseline increase of €75.4m in 2024.

In July 2025, local authority LPT baselines were raised again to ensure local authorities directly benefited from increased LPT yield following revaluation. The LPT allocation model was also changed for local authorities with LPT yield above their baselines. As a

result of both of these changes, local authorities were notified of a total increase in own-use funding of €85m in 2026.

Where expected LPT yield is significantly higher than its baseline, a local authority is required to spend a portion of that funding on housing and/or roads services ('self-funding'), in lieu of Exchequer funding for same. Due to changes to the allocation model mentioned above, this self-funding requirement for ten authorities reduced from €182m in 2025 to €144m in 2026.

Detailed information regarding LPT allocations for each year, is published by my Department at the following link: <https://www.gov.ie/en/collection/ea27d-local-property-tax-allocations/> .

As regards the publication of details of the services and expenditure supported by the LPT allocations; this is a matter for individual local authorities. As LPT helps fund local services, local authorities are encouraged to consider how best to communicate to the public regarding how funds are spent. This specific point is reiterated to local authorities as part of the LPT allocation circular on an annual basis.

It should be noted that the Local Democracy Taskforce was established in June 2025 as a key commitment in the Programme for Government. The Terms of Reference for the Taskforce set out an ambitious and detailed work programme, expected to give rise to a series of reforms in the local government sector. The Taskforce has submitted its report to the Ministers, who are considering the range of recommendations and intend to bring it to Government for consideration along with a high-level implementation plan shortly. The recommendations include improved transparency and better understanding around Local Authority expenditure, and how that information is made public within the sector.

Yours sincerely,

Megan Woods  
Private Secretary