



Chief Executive  
cc. Head of Finance

26 March 2021

**Circular Fin 5/2021  
Extension of Commercial Rates Waiver to Second Quarter 2021**

I am directed by the Minister of State at the Department of Housing, Local Government and Heritage to refer to Circular Fin 1/2021 concerning the Q1 2021 waiver of commercial rates due to COVID-19 restrictions.

An extension of the above waiver for a further period of three months has been agreed by Government. To continue to support both the local government sector and the ratepayers impacted, a further €160m has been allocated to fund the cost of a three-month extension of the commercial rates waiver for eligible businesses impacted by the COVID 19 pandemic.

The extended waiver will take the form of a credit in lieu of rates. The terms and conditions relating to eligibility and administration of the extended waiver remain the same as those outlined in Circular Fin 1/2021 Q1 2021 waiver of commercial rates due to COVID-19 restrictions. A 100% waiver will be applied to eligible properties, for a further three-month period to end June 2021.

**General Terms and Conditions**

A three month extension of the Q1 2021 waiver will apply to eligible businesses and will take the form of a credit in lieu of rates. The value of the waiver is the equivalent value of 25% of the annual rate bill for 2021. The waiver will apply to businesses closed by, or badly impacted by, Level 5 restrictions, subject to a maximum value of €160m.

In terms of funding, implementation and operation, there is no overlap between the 2021 rates waiver scheme outlined in Circular Fin 1/2021 and this Circular and the 2020 rates waiver scheme detailed in Circulars Fin 11 and 16 of 2020.

**Administration of Credit in Lieu of Commercial Rates by Local Authorities**

Credits in lieu of commercial rates applied to ratepayer accounts under this Circular shall be applied as credit on the rate accounts for 2021.

On receipt and processing of the Appendix E returns (which refer to automatically eligible categories), local authorities will be recouped of the amounts claimed and notified of same.

As it is not possible to estimate in advance the value of valid appeals from excluded categories, a different process will apply to Appendix F returns (which refer to excluded



categories). On receipt of Appendix F returns by the Department, local authorities will be notified of the treatment applying to Appendix F returns and the value under Appendix F that will be recouped to each local authority.

It is important that the waiver is not applied to rate accounts included in Appendix F returns until notification of the treatment of Appendix F has been received from the Department. The local authority has responsibility, within its area, for ensuring it does not allocate credit in lieu of commercial rates to businesses in the excepted categories, beyond the value of the allocation notified to it for this purpose.

### **Determination of eligibility for rate accounts in excluded categories listed in Appendix D of Circular Fin 1/2021**

If a rate account in an excluded category, listed in Appendix D of Circular Fin 1/2021, has been deemed to demonstrate serious impact from COVID-19 restrictions in accordance with Circular Fin 1/2021, there is no requirement to re-assess eligibility for the three month extension of the waiver in Q2 2021. Such accounts may be returned on Appendix F without re-assessment of eligibility by the local authority.

However, if a rate account in an excluded category, listed in Appendix D of Circular Fin 1/2021, has not been deemed to demonstrate serious impact in Q1, from COVID-19 restrictions in accordance with Circular Fin 1/2021, such a rate account should be permitted to demonstrate serious impact in Q2, and if deemed eligible in Q2, should be returned on Appendix F for the waiver in Q2 only.

### **Distribution of Funding**

As this is an exchequer funded measure, the usual requirements concerning exchequer funding, including DPER Circular 13/2014 apply.

### **Certification of Value of Credit in Lieu of Commercial Rates Applied**

Local authorities shall be required to provide details of credit in lieu of commercial rates applied in accordance with this Circular.

To this end, the form in **Appendix E**, referring to Credit in lieu of Commercial Rates applied by the local authority in Q2 2021 to **automatically eligible rate accounts in categories listed in Appendix C**, should be returned to [lgfinance@housing.gov.ie](mailto:lgfinance@housing.gov.ie) on or before **30 June 2021**.

**Appendix F** referring to Credit in lieu of Commercial Rates applied by the local authority in Q2 2021 to **rate accounts in excluded categories listed in Appendix D**, demonstrating serious impact from COVID-19 restrictions, should be returned to; [lgfinance@housing.gov.ie](mailto:lgfinance@housing.gov.ie) on or before **14 August 2021**.

Refer to the FAQ document, and additional FAQs accompanying Circular Fin 1/2020 for further information. Please refer any questions concerning this Circular, not addressed in the FAQ document to [lgfinance@housing.gov.ie](mailto:lgfinance@housing.gov.ie). If preferred, this email address may be used to request a call from the relevant officials.



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Lorraine O'Donoghue  
Principal  
Local Government Finance



**Appendix E**

**Please return by 30 June 2021.**  
**Waiver of Commercial Rates for Quarter 2 of 2021**

Further to the provisions outlined in Circular Fin 1/2021 and associated appendices,

\_\_\_\_\_ Council (insert name) estimates the amount of **Credit in lieu of Commercial Rates** applied by the local authority in Q2 2021, to automatically eligible rate accounts in categories listed in Appendix C as follows:

<b>Credit in Lieu of Rates Applied to Automatically Eligible Commercial Rates Accounts in Categories Listed in Appendix C</b>	Total
<b>Value of credit in lieu of rates applied to automatically eligible commercial rates accounts in categories listed in <u>Appendix C</u> *.</b>	€
<b>Total number of rated properties to which the credit in lieu of rates was applied*.</b>	

**\*Appendix F is the return form for waivers to excluded categories listed in Appendix D, and is due separately at a later date.**

I certify that the amounts above refer to credits in lieu of rates applied for the second quarter of 2021, to automatically eligible rate payers in categories listed **Appendix C** to Circular Fin 1/2021.

Signed: \_\_\_\_\_ Chief Executive      Date \_\_\_\_\_

Signed: \_\_\_\_\_ Director of Services      Date \_\_\_\_\_



**Appendix F**

**Please return by 13 August 2021.**

**Waiver of Commercial Rates for Quarter 2 of 2021**

Further to the provisions outlined in Circular Fin 1/2021 and associated appendices,

\_\_\_\_\_ Council (insert name) estimates the amount of **Credit in lieu of Commercial Rates** applied by the local authority in Q2 2021, to rate accounts in excluded categories listed in Appendix D, demonstrating serious impact from COVID-19 restrictions, as follows:

<b>Credit in Lieu of Rates Applied to Commercial Rates Accounts in Excluded Categories Listed in Appendix D, Demonstrating Serious Impact From COVID 19 Restrictions.</b>	Total
Value of credit in lieu of rates applied to rate accounts in excluded categories listed in <u>Appendix D</u> , that have demonstrated serious impact from COVID-19 restrictions*.	€
Total number of rated properties to which the credit in lieu of rates was applied*.	

**\*Appendix E is the return form for waivers to automatically eligible categories listed in Appendix C, and is due separately at an earlier date.**

I certify that the amounts above refer to credits in lieu of rates applied for the second quarter of 2021, to rate accounts in excluded categories listed in Appendix D to Circular Fin 1/2021, demonstrating serious impact from COVID-19 restrictions.

Signed: \_\_\_\_\_ Chief Executive      Date \_\_\_\_\_

Signed: \_\_\_\_\_ Director of Services      Date \_\_\_\_\_