



BALLYMUN

TAX INCENTIVES SPECIAL

August 2000



TAX INCENTIVES FOR EXISTING HOUSING IN BALLYMUN

The Integrated Area Plan (IAP) prepared by Ballymun Regeneration Limited identified the need to ensure that residents of existing houses in Ballymun were included in the regeneration programme.

Ballymun Regeneration Ltd. applied to the Government for residential tax incentives to give owner-occupiers an opportunity to refurbish their homes. This is also a means of improving the visual environment and existing housing

thereby providing for a more sustainable environment.

In responding to the Integrated Area Plan the Department of the Environment and Local Government decided to grant residential tax incentives for the refurbishment of all existing houses in the Ballymun regeneration area.

The Government has also agreed to fund the upgrading of the drainage in existing timber clad housing as part of the regeneration project. The

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first phase housing development at Balcurris will include drainage works in Balcurris Gardens and all the other timber clad areas will be upgraded on a phased basis. BRL will also continue to investigate the possibilities of environmental improvements to the existing two storey housing areas throughout the programme.

Tax incentives available under the Urban

Renewal Scheme for individual home owners is part of BRL's commitment to improving the environment and the standard of housing for all the residents of Ballymun.

Dublin Corporation is also committed to continuing its maintenance programme for rented housing.

How do I apply?

There are a number of steps to be followed in applying for tax incentives:

Before works commence apply to:

1. Ballymun Regeneration Limited for a Certificate of Consistency with the Integrated Area Plan. A "first stage" certification letter will be issued by BRL within one month from the date of receipt of the written application for certification.

2. The Department of the Environment and Local Government for a Certificate of Compliance or a Certificate of Reasonable Cost. A fee of £50 is payable in respect of an application for a Certificate of Reasonable Cost.

After work is completed:

1. Apply to both Ballymun Regeneration Ltd. and the Department of the Environment and Local Government for final inspections.

2. To claim the relief you should apply to your local tax office with:

- (i) A Certificate of Consistency
- (ii) A Certificate of Compliance or a Certificate of Reasonable Cost.

Assistance from BRL/Dublin Corporation

An inspection of your house will be carried out by both Ballymun Regeneration Limited and the Department of the Environment and Local Government. Inspections will be required both before and after works are completed.

Application forms for the *Certificate of Consistency* (BRL) and the *Certificates of Compliance and*

Reasonable Cost will be available at the front desk in Ballymun

Regeneration Limited,
Stormanstown
House, Ballymun
Road, Dublin 9.

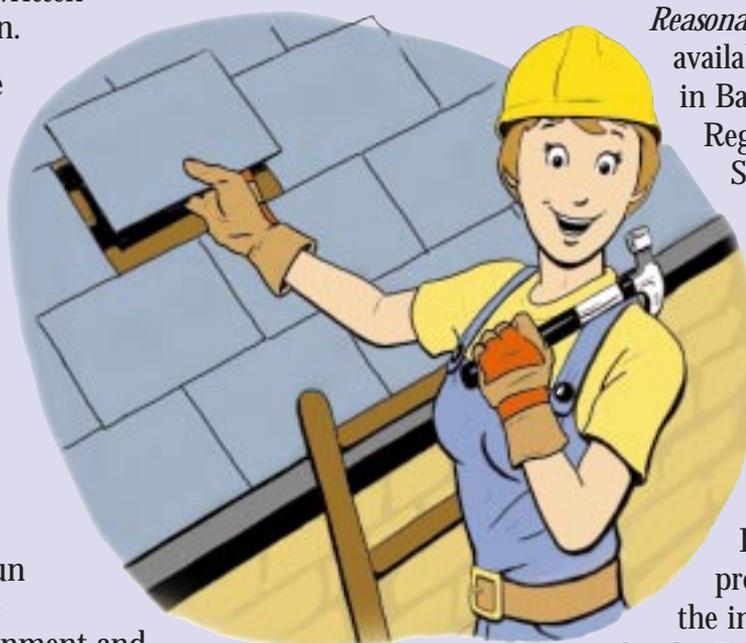
Ballymun
Regeneration
with the help of
the Dublin
Corporation
Maintenance
Department will

provide assistance with
the information required

by the Department of the

Environment and Local Government for the *Certificates of Compliance and Reasonable Cost*, i.e. provide location maps and house plans.

A design pack will also be available with information and advice on design, materials and construction to ensure that the works comply with the objectives of the Integrated Area Plan.



What works can be carried out under the urban renewal scheme?

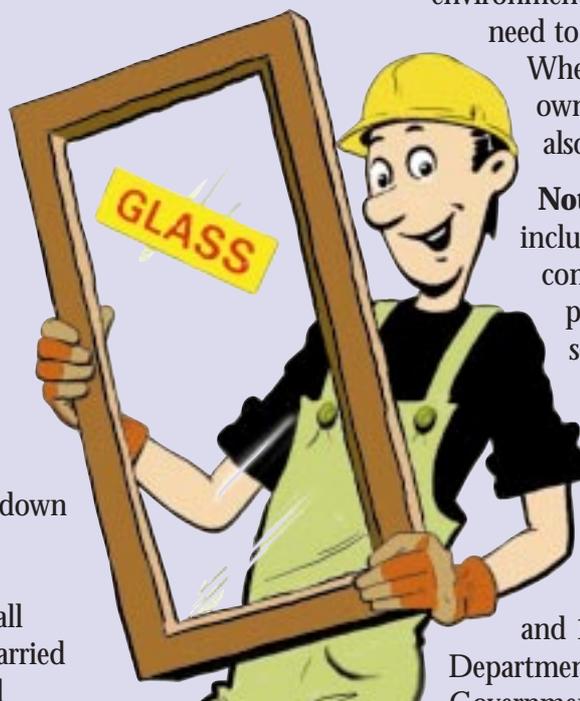
Refurbishment works include works necessary for the purposes to ensure the suitability of a house as a dwelling.

This includes all necessary structural works such as re-roofing, insulation of attic and walls, replacement of timber cladding to houses, rewiring, gutter replacement, etc.

It also includes works such as upgrading windows and central heating, as well as bathroom and kitchen refurbishment.

It should be noted that refurbishment of kitchens and bathrooms will not be permitted if other necessary works such as proper insulation are not included. The Department of the Environment and Local Government and BRL will be able to advise on individual cases.

Technical standards are laid down by the Department of the Environment and Local Government to ensure that all works are constructed and carried out in accordance with good building practice and are in



compliance with the requirements of the Department of the Environment and Local Government Housing Standards (HA1, HA2) and the Building Regulations 1997 (where they apply).

Certain design criteria may be specified by Ballymun Regeneration Limited to ensure works comply with the Integrated Area Plan Objectives of improving the visual environment, improving the standard of housing and providing for a more sustainable environment. Standards of construction will need to match those in the new dwellings.

When the works are completed you will own a more attractive home which is also more economical to run.

Note: The scheme of works must include all necessary works and be completed in one phase. It is not possible to have works certified in sections over the life-time of the scheme.

New construction works may include building extensions to houses. However it should be noted that dwellings must have a floor area between 38 sq.m. and 125 sq.m. in order to comply with Department of the Environment and Local Government requirements.

What tax incentives are available?

Tax relief is granted at the individual's highest rate of tax. The relief comprises a deduction of the amount of the qualifying expenditure from an individual's total income over a period of ten years. Where the individual is self-employed the tax relief will be given in the annual tax assessment.

Example

Ms Connolly has spent £5,000 refurbishing her house. Under the urban renewal scheme she is entitled to claim tax relief equal to 10% per annum against her total income for ten years. This means she will pay income tax on £500 (i.e. £5000 x 10%) less per year, for ten years.

TAX INCENTIVES FOR REFURBISHMENT WORKS

100% of eligible refurbishment expenditure allowed at the rate of 10% per annum over 10 years against total income.

TAX INCENTIVES FOR NEW CONSTRUCTION

50% of eligible construction costs allowed at the rate of 5% per annum over 10 years against total income.

Planning permission

If you propose to build an extension to the front of your house, apart from porches of a specified size, or an extension to the rear of your house which is larger than 40 square metres (431 sq.ft) planning permission is required from Dublin Corporation (extensions under 40 sq.m. must also comply with certain criteria to be exempt from planning permission).

Before applying for any certificates under the Urban Renewal Scheme you need to have received planning permission, if required.



Further information

If you want any further information please contact Dara McGuigan at BRL 842 1144.

Please note that it is your own responsibility to make your claim to the tax office. This document is for information only and is not a legal interpretation of the Taxation, or any other code.

Who can qualify for tax incentives?

Owner-occupiers in Ballymun (with or without a mortgage) who are paying income tax can avail of tax incentives under the scheme.

The house must be the main residence of the person claiming tax relief and must be used solely as a dwelling, i.e. it cannot be used for any business purposes.

People renting their home from Dublin Corporation cannot avail of tax incentives under the scheme, but a tenant purchaser is eligible. The availability of tax incentives will be likely to increase the value of your home.

Interested in a building co-operative?

BRL already has a database of residents interested in refurbishing their homes. A group of neighbours could come together to form a Co-op and carry out refurbishment works together. If you are interested in this idea BRL could help.

Time period

The closing date for the Urban Renewal Scheme is the 31st December 2002. That means the works must be completed by that date. Expenditure after this date is not allowable.

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A Dublin Corporation Initiative