

Covid Rates Waiver

Commercial Rates Waiver for First Quarter 2021

On 30 December 2020 the Government announced Level 5 restrictions including the closure of non-essential businesses from close of business on 31 December until 31 January 2021. Further restrictions were announced on 6 January 2021. In order to reflect these restrictions and to continue the supports available for ratepayers, and in recognition of the impact of the ongoing trajectory of COVID 19, a further waiver of commercial rates will apply to specified businesses in the first quarter of 2021.

This 3 month waiver has modified criteria and accordingly is a separate, standalone waiver scheme.

General Terms and Conditions

A three month 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.

In terms of funding, implementation and operation, there is no overlap between this rates waiver scheme and the 2020 rates waiver scheme.

Eligible Categories

The broad categories of businesses the credit in lieu of rates applies to are as follows:

- Hospitality;
- Leisure;
- Miscellaneous Entertainment;
- Non Essential Retail (Shops and Warehouse);
- Airports;
- Essential Retail (excluding Large Supermarkets, greater than 500M2);
- Health;
- Service Stations;
- Personal Care; and
- Childcare.

Excluded Categories

The broad categories of businesses the credit in lieu of rates does **not** apply to are as follows:

- Public Service;*
- Vacant Properties (all vacant property as is ordinarily understood for rates is excluded from the waiver, without exception);*
- Global Utility Networks on the Central Valuation List;
- Properties in the "Office" Valuation Category;
- Properties in the "Industrial Uses" Valuation Category;
- Properties in the "Miscellaneous" Valuation Category;
- Properties in the "Minerals" Valuation Category;
- Properties in the "Utility" Valuation Category;
- Supermarkets greater than 500M2 (Categories Supermarket 2 and Supermarket 3);

- Properties with the valuation category of “Department Store” but which are occupied either partially or wholly by a supermarket which sells food and/or groceries;
- Banks, Building Societies and Credit Unions;
- Pharmaceutical manufacturing; and
- Premises contracted to provide services related to the COVID 19 pandemic to/on behalf of the State, where the State is already compensating for rates as part of the contract between the occupier or service provider and the State.

*Neither application of the waiver to public service properties or vacant properties, no appeals in respect of same, are permitted under this scheme.

In recognition of the fact that there may be ratepayers excluded from the waiver that were severely impacted by the pandemic, up to 7.5% of the overall allocation is included for these ratepayers. In a similar manner to the 2020 waiver scheme, excluded ratepayers may engage with Dublin City Council to demonstrate severe impact, on a case by case basis.

Administration of Credit in Lieu of Commercial Rates by Local Authorities

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

An application process is not required. Dublin City Council automatically apply a 100% credit in lieu of commercial rates, for a three-month period, to classes and categories of occupied rateable property where the occupying business is not in an excluded category.

Excluded businesses are required to demonstrate severe impact to Dublin City Council. With regard to engagement by such businesses, examples of supporting proofs to demonstrate impact are listed below.

Supporting Proofs

In line with eligibility for the CRSS, ratepayers in excluded categories should demonstrate turnover from the relevant business activity in the claim period does not exceed **25%** of the average weekly turnover in 2019. **(Note the changed threshold of eligibility for the CRSS compared to the TWSS).**

In the event that eligibility by ratepayers in excluded categories is claimed, Dublin City Council may seek confirmation of eligibility via documentary evidence. If Dublin City Council is not satisfied that evidence provided by the ratepayer supports eligibility, the credit in lieu of rates may be withheld.

Proofs which may be requested in this context are listed below and are intended to be illustrative rather than exhaustive. Local authorities will be open to considering other relevant evidence that reasonably demonstrates eligibility for the credit in lieu of rates by those ratepayers in excluded categories.

- Evidence that the business undertaken at the rateable property was not considered an essential retail outlet or service under S.I. 701 of 2020 or S.I 4 of 2021, and thus was forced to close.
- Evidence of participation in the CRSS operated by Revenue.
- Evidence of employment ceasing and employees availing of the PUP.
- Copies of documentation submitted to a financial institution as part of the negotiation of relief measures with the financial institution.

- Copies of correspondence with Revenue to agree forbearance measures with regard to tax liabilities.
- Evidence of reliance on the Government Credit Guarantee Scheme or overdraft facilities or other borrowings for capital purposes.

In any assessment of ratepayer eligibility for the three-month credit in lieu of rates, local authorities should focus on the types of business records, having regard to the nature and scale of the business that would normally be readily available for such a business.

Business Improvement District (BID) Levy

While the levying and collection of BID contribution levies is facilitated by local authorities through rates collection powers, BID contribution levies are not rates. The relevant business community, rather than central or local government, is the sponsoring party for BID schemes. Accordingly, BID contribution levies are not entitled to receive a credit in lieu of commercial rates under this circular.