

Matheson Update: 2021 Commercial Rates Waiver extended for Q2

To assist the businesses that have been most affected by the on-going COVID-19 restrictions, the Irish Government announced a new, targeted commercial rates waiver intended to apply to qualifying businesses during the first quarter of 2021. The Government has announced an extension of this waiver to the end of the second quarter of 2021.

This waiver is separate to the 2020 commercial rates waiver discussed in our previous article available [here](#).

The Waiver

Qualifying businesses will be entitled to a 100% credit in lieu of their commercial rates liability in the first six months of 2021. Local authorities should automatically apply the credit in lieu to the accounts of businesses in the included business categories. Where a ratepayer who qualifies for the credit in lieu has already discharged its rates liability for 2021, a refund towards their 2022 rates liability will be arranged by the relevant local authority.

The waiver does not extend to Business Improvement District (BID) levies.

Included Business Categories

This new waiver will be available to those businesses that ordinarily provide employment and generate economic activity that have been closed or severely impacted by the Level 5 restrictions. A list of the included business categories and uses is set out at [Appendix C of Government's Circular](#), which includes:

- Hospitality, leisure, airports, childcare;
- Non-essential retail (shops and warehouses); and
- Essential retail (excluding large supermarkets with a floor area greater than 500 square meters).

Excluded Business Categories

There are certain businesses that are automatically excluded from the scheme. A list of the excluded business categories and uses is set out at [Appendix D of Government's Circular](#), which includes:

- Properties in the "Office", "Industrial Uses", "Minerals", "Utility" and "Miscellaneous" Valuation Categories;
- Banks, building societies and credit unions;
- Public service properties and vacant properties; and
- Pharmaceutical manufacturing.

Can an excluded business still apply for the waiver?

Yes. Ratepayers in the excluded business categories may apply to their local rates office for the waiver. The form of the application is not specified, however the ratepayer will need to demonstrate:

- closure of their business or significant negative economic disruption due to public health restrictions imposed in response to COVID-19; and that
- turnover from the relevant business activity in the claim period does not exceed 25% of the average weekly turnover in 2019 (or average weekly turnover in 2020 in the case of a new business).

Accepted proofs include:

- evidence of participation in the COVID Restriction Support Scheme (CRSS) operated by Revenue;
- continued participation in the Pandemic Unemployment Payment Subsidy Scheme;
- employment ceasing and evidence of employees availing of the Pandemic Unemployment Payment; and
- by providing copies of correspondence with lending institutions and Revenue to agree relief or forbearance measures.

In any assessment of ratepayer eligibility for this waiver, the Government has stated that the local authorities should focus on the types of business records available to the ratepayer, having regard to the nature and scale of the business that would normally be readily available for such a business.

Please get in touch with your usual contact in the Matheson Commercial Real Estate department should you have any queries or wish to discuss further.

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