SOCIETY OF CHARTERED SURVEYORS IRELAND

SCSI Professional Guidance

A Guide to Taxation for the Rural Surveyor

Information Paper

2nd Edition

RICS

the mark of property professionalism worldwide

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SOCIETY OF CHARTERED SURVEYORS IRELAND

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This Information Paper is provided in good faith and outlines the taxation measures of interest and relevance to the Rural Agency Surveyor.

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Foreword and acknowledgments

The area of taxation is quite diverse and complex and therefore I am delighted to introduce you to the 2nd edition of '*A Guide to Taxation for the Rural Surveyor*'.

This Information Paper (IP) offers the Rural Surveyor clarity surrounding this complex area by providing all relevant taxation information together in the one document.

As a practitioner in the industry, this taxation note will be a useful tool when engaging with your client and we strongly urge you to ensure that you are familiar with its contents.

We have no doubt that all those involved in rural agency surveying will find this publication an invaluable reference resource.

Acknowledgements;

The SCSI would like to take this opportunity to thank all those members and taxation consultants involved in the development of this IP including;

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SCSI Information Paper

This is an information paper (IP). Information papers are intended to provide information and explanation to SCSI members on specific topics of relevance to the profession. The function of this paper is not to recommend or advise on professional procedure to be followed by members.

It is, however, relevant to professional competence to the extent that members should be up to date and have knowledge of information papers within a reasonable time of their coming into effect.

Members should note that when an allegation of professional negligence is made against a surveyor, a court or tribunal may take account of any relevant information papers published by SCSI in deciding whether or not the member has acted with reasonable competence.

Document status defined

SCSI produce a range of standards products. These have been defined in the table below.

Document status defined

Type of document	Definition	Status
SCSI practice statement	Document that provides members with mandatory requirements of the Rules of Conduct for members	Mandatory
SCSI code of practice	Standard approved by SCSI that provides users with recommendations for accepted good practice as followed by conscientious surveyors	Mandatory or recommended good practice (will be confirmed in the document itself)
SCSI guidance note	Document that provides users with recommendations for accepted good practice as followed by competent and conscientious surveyors	Recommended good practice
SCSI information paper	Practice based information that provides users with the latest information and/or research	Information and/or explanatory commentary

A Guide to Taxation for the Rural Surveyor

Rates correct as at January 2015

1. Stamp Duty Rates

Mortgage

For instruments executed after 7/12/2006 Stamp Duty has been abolished.

Transfers between Spouses

There is no stamp duty payable on an instrument transferring property between spouses.

Transfer of Marketable Securities or Stocks

A transfer of stock or marketable securities is liable to stamp duty at 1% of the consideration paid. Any instrument executed on or after 24 December 2008 which transfers stock or marketable securities on sale where the amount or value of the consideration is €1,000 or less, is exempt from stamp duty. Where the amount or value of the consideration for the sale which relates to the stocks or marketable securities does not exceed €1,000 and the instrument does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration which is attributable to stocks or marketable securities exceeds €1,000, then the transfer of the shares would be exempt from stamp duty.

Conveyance or Transfer on Sale of Property (other than Residential Property)

A rate of 2% will apply to conveyances of property other than residential property executed on or after 7 December 2011.

Conveyance or Transfer on the Sale of Residential Property

The rates of stamp duty applicable for instruments executed on or after 8 December 2010 for residential property (whether new or second hand) are as follows;

Aggregate Consideration	Rate of Duty
First €1,000,000	1%
Excess over €1,000,000	2%

The following residential property reliefs were abolished with effect from 8 December 2010:

- Exemption for purchase of a new house/apartment not exceeding 125 square metres by an owner occupier;
- Exemption for purchase of a new house/apartment where the floor area exceeds 125 square metres by an owner-occupier;
- Exemption for purchase of a house/apartment by a first time buyer.

Mixed Residential Property Transactions

Where a transaction relates to a mixed property, the consideration must be apportioned between the residential and non-residential elements. The residential property is not aggregated with the non-residential portion for the purposes of determining the appropriate rate of stamp duty.

Consanguinity Relief

Consanguinity Relief is a relief which halves the normal stamp duty rate on the transfer of non-residential property between certain relatives. This relief was due to cease to apply to non-residential property for instruments executed after 31 December 2014. The relief is being extended for a further three years to apply to transfers or conveyances executed between 1 January 2015 and 1 January 2018 but is confined to a conveyance or transfer of land by a person who is less than 66 years of age. The transferee must be either a farmer who will, from the date of the transfer or conveyance, spend not less than 50 per cent of his or her normal working time farming with a view to the realisation of profits from the land and continue to do so for the following six years or the transferee must lease the farm for a period of 6 years to a farmer.

Consanguinity Relief does not apply on the transfer of shares or marketable securities. The relief no longer applies to instruments executed on or after 8 December 2010 in respect of the transfer of residential property.

Site to Child Relief

Stamp duty relief on the transfer of a site from a parent to a child has been abolished.

Stamp Duty Relief on Transfers of Land to Young Trained Farmers

This relief from stamp duty is to encourage the transfer of farmland to a new generation of farmers with relevant qualifications. For conveyances executed after 02 April 2007 and on or before 31 December 2015, the transfer will be exempt if the conditions of the relief are met.

The features of the relief are as follows:

(a) The relief applies in respect of stamp duty on the transfer of agricultural land including farm buildings, farm houses and mansion houses (together with the lands occupied therewith) to young trained farmers.

(b) The relief applies to sales and gifts where no power of revocation exists.

(c) A young trained farmer is a person under 35 years of age at the date of transfer who meets certain training requirements.

(d) The young trained farmer must furnish the Revenue Commissioners with his Personal Public Service (PPS) number on presentation of the instrument for stamping.

(e) The young trained farmer must furnish a written declaration to the Revenue Commissioners confirming that for a period of 5 years after the date of transfer he intends to spend not less than 50% of his normal working time farming the land and that he will retain ownership of the land. Depending on whether stamp duty was paid before or after the introduction of eStamping (30 December 2009), applicants are required to either complete a paper return (SDR1) and quote the original document ID number for the transaction (where stamp duty paid before the introduction of eStamping) or file an amended return under the eStamping system (where stamp duty paid after the introduction of eStamping).

(f) If the deed of transfer was executed prior to 7 July 2012 (introduction of self-assessment), the instrument must be submitted for adjudication and the application form SD2B should be completed and submitted together with the required supporting documentation. Also, in order to enable the Revenue Commissioners to obtain the deed of transfer from the Property Registration Authority (where the registration has taken place), a letter of consent, to include the relevant Property Registration Authority Dealing No., should be submitted to the Revenue Commissioners by the transferee or his/her solicitor.

(g) Adjudication is not required if the deed of transfer was executed on or after 7 July 2012 (introduction of self-assessment) and the refund claim will be processed on the basis of the amended return filed under the eStamping system. The Revenue Commissioners may require the production of supporting documentation in relation to the refund claim before the repayment is made.

(h) The Revenue Commissioners have power to claw back the relief if the land is disposed of within the 5-year period and is not replaced within 1 year with other agricultural land. If part of the land is disposed of then the clawback will relate only to the portion disposed of. In the event of a clawback, interest will be payable from the date of disposal of land to the date the clawback is remitted.

(i) If the land is transferred into joint ownership, whether the joint owners are tenants in common or joint tenants, then all the joint owners must be young trained farmers and all of them must meet the conditions set out above. The only exception to this rule is where the land is being transferred into the joint ownership of a husband and wife. In such cases only one of the spouses must be a young trained farmer and meet the qualifying conditions.

Young Trained Farmer

A "young trained farmer" is defined as a person in respect of whom it is shown to the satisfaction of the Commissioners that the person had not attained the age of 35 years on the date on which the instrument, in respect of which relief is being claimed was executed, and one of the conditions set out below are satisfied; "80 hours certificate" means a certificate awarded by the Further Education and Training Awards Council for achieving the minimum stipulated standard in assessments completed in a course of training, approved by Teagasc, in farm management, the aggregate duration of which exceeded 80 hours;

"180 hours certificate" means a certificate awarded by the Further Education and Training Awards Council for achieving the minimum stipulated standard in assessments completed in a course of training approved by Teagasc—

(a) in either or both agriculture and horticulture, the aggregate duration of which exceeded 100 hours, and

(b) in farm management, the aggregate duration of which exceeded 80 hours.

Conditions for Relief:

1. The condition required by this subsection is that the young trained farmer, is the holder of a Schedule 2B qualification as set out in the Appendix below or;
2. The young trained farmer, is the holder of a letter of confirmation from Teagasc, confirming satisfactory completion of a course of training, approved by Teagasc, for persons, who in the opinion of Teagasc, are restricted in their learning capacity due to physical, sensory or intellectual disability or to mental health or;

3. The conditions required by this subsection are that the young trained farmer, before 31 March 2008, is the holder of
   a) (i) a qualification set out in the Appendix in subparagraph (f) of paragraph 1, or subparagraph (h) of paragraph 2, of Schedule A, and (ii) a 180 hours certificate, or
   b) (i) a qualification set out in subparagraph (b), (c) or (d) of paragraph 3 of Schedule A, and (ii) an 80 hours certificate or;
4. The young trained farmer, before 31 March 2008 (a) has achieved the required standard for entry into the third year of a full-time course in any discipline of 3 or more years' duration at a third-level institution, and that has been confirmed by the institution, and is the holder of a 180 hours certificate.

Associated Companies Relief

An instrument affecting the transfer of property between associated companies may be entitled to the benefit of full relief from stamp duty provided certain conditions are met.

In order to qualify for the relief the transferor and transferee must at the time of execution of the instrument be associated must be 90% associated with one another to the following extent and the relationship may be direct or indirect through other bodies corporate:

One company must have in relation to the other:

(a) Beneficial ownership of 90% of its ordinary share capital (nominal value) and
(b) Beneficial entitlement to 90% of the profits available for distribution and
(c) Beneficial entitlement to 90% of the assets in a winding up or;
(d) A third company must have these rights in relation to both the companies in question.

The legislation does not impose any conditions as to the tax residence or place of incorporation of companies claiming relief. Foreign companies can qualify for the relief provided they correspond, under their domestic law, to a body corporate with ordinary share capital.

Reconstruction or Amalgamation

A conveyance or transfer of assets made in connection with a scheme of reconstruction of any company or companies in connection with an amalgamation of any companies may, provided certain conditions are met, be entitled to the benefit of relief from stamp duty.

In order to claim this relief it must first be determined whether a scheme for reconstruction or amalgamation exists and, secondly, whether the conveyance was entered into in connection with that scheme and thirdly, whether the conditions set out in s.80 of the Stamp Duty Consolidation Act 1999 are satisfied.

Stamp Duty on Leases

A lease is chargeable to stamp duty on both the premium (or fine) and the rent payable under the lease.

The duty chargeable on the premium is at the rate for residential or non-residential property as appropriate. The rate of stamp duty on the annual rent is as follows:

Residential or Non-Residential Property	Rate
Lease for a term not exceeding 35 years	1% of average annual rent
Lease of a term exceeding 35 years but not exceeding 100 years	6% of average annual rent
Lease for a term exceeding 100 years	12% of average annual rent

A lease of a house or apartment for a term not exceeding 35 years or for any indefinite term and where the rent does not exceed €30,000 per annum is exempt from stamp duty.

Stamp Duty on Agricultural Leases

The Finance Act 2014 introduced a relief from stamp duty to encourage the long-term leasing of land to active farmers however, this relief is subject to a commencement order by the Minister for Finance. The relief will apply if the following conditions are met:

- The term of a lease must be for a period of not less than 6 years and not more than 35 years;
- The land must be used exclusively for farming carried on by the lessee;
- The land must be farmed on a commercial basis and with a view to the realisation of profits;
- The lessee (be it an individual, partners or a main shareholder and working director) must also have an agricultural qualification or farm the land for not less than 50% of his or her normal working time;
- The section also provides that the stamp duty that would have been chargeable on the grant of the lease, becomes payable with interest in the event that the conditions of the relief are not fulfilled for the first 6 years of a lease;
- Failure to fulfil the conditions of the relief due to the death or incapacity of the lessee by reason of mental or physical infirmity, will not give rise to assessment;
- In accordance with self-assessment principles it is the taxpayer's duty to make any necessary amendment to returns / self-assessments to ensure relief is withdrawn where appropriate.

2. Capital Gains Tax

Introduction

Capital gains accruing on disposals of assets made on or after 6th April 1974 are chargeable to capital gains tax or, in the case of companies, to corporation tax on gains from disposals made on or after 6th April 1976. The taxation of capital gains is provided for by the Capital Gains Tax Act 1975 and the Corporation Tax Act 1976 as amended by the Capital Gains Tax (Amendment) Act 1978 and subsequent annual Finance Acts. The Capital Gains Tax Acts have been consolidated under the Taxes Consolidation Act, 1997.

Persons chargeable

Any person who is resident or ordinarily resident and domiciled in the State for a year of assessment is liable to tax on worldwide chargeable gains accruing on disposals of chargeable assets, made during that year.

If, however, the person is resident, but not also domiciled in the State, gains realised on disposals of assets situated outside the State are liable to tax only to the extent that the gains are remitted to this country and such gains are not chargeable to tax until so remitted. For disposals prior to 20 November 2008, gains on assets situated in the UK are chargeable in full.

A person, who is neither resident nor ordinarily resident in the State, is liable to tax only in respect of disposals of the following categories of assets:

(a) Land and buildings in the State,

(b) Minerals in the State or any rights, interests or other assets related to exploration for or exploitation of such minerals,

(c) Exploration or exploitation rights in a designated area of the Irish Continental Shelf,

(d) Shares, other than shares quoted on a Stock Exchange, deriving their value or the greater part of their value directly or indirectly from assets in (a), (b) or (c), and

(e) Assets in the State used for the purposes of a business carried on in the State.

Assets

All forms of property, wherever situated, are assets for the purposes of capital gains tax. Assets include incorporeal property (for example, goodwill or an option) and any interest in property (for example, a lease) but do not include Irish currency (including the euro).

Disposal

Disposal of an asset includes any transfer of ownership of the asset by way of sale, exchange, gift, or settlement on trustees. A part disposal occurs where less than the whole of an asset or an interest in an asset is transferred (for example, granting of a lease at a premium). The receipt of a capital sum derived from an asset is treated as a disposal or part disposal of the asset, for example, compensation or insurance money for the loss of an asset or compensation for forfeiture or surrender of rights in an asset. In the case of shares in a company or mutual society there is a disposal for CGT purposes where a person receives capital payments in respect of their shareholding/interest held in the paying company.

Losses

Where there is a loss on a disposal it will normally be allowable if a gain on the same transaction would have been chargeable. Any unused losses can usually be carried forward to utilise against any future gains. However, special provisions apply in relation to losses on certain disposals such as shares sold within four weeks of acquisition and on disposals of development land.

Special loss provisions also apply in respect of 'connect party' disposals. The definition of a connect party is quite broad and includes:

a) The individual's spouse/civil partner, relatives, including spouses/civil partners of relatives;
b) Relatives of the individual's spouse/civil partner and spouses of such relatives;
c) Trustees, if the person is a settlor of the trust and is an individual. Also, the trustees are connected with those who are connected to that individual;
d) A person with whom such a person is in partnership, and with the spouse or relatives of such persons;
e) A company, if that person has control of the company or if that person and persons connected with that person together have control of the company.

Therefore, where a loss arises on the disposal of an asset to a connected party, it may only be offset against a chargeable gain made on a disposal to the same person.

Death

Where assets pass on death there is generally no charge to capital gains tax and the person acquiring the assets is treated, in relation to a subsequent disposal of those assets, as if he had acquired them at their market value at the date of the death.

Calculation of Gain or Loss

Deductible expenditure

The amount of a chargeable gain or an allowable loss is determined by deducting any allowable expenditure from the consideration received for the disposal. The allowable expenditure may include:

(a) the cost of acquisition of the asset and any incidental cost of acquisition, such as agent's commission and costs of transfer or conveyance;
(b) expenditure incurred for the purpose of enhancing the value of the asset which is reflected in the state of the asset at the time of disposal; and
(c) the incidental costs of making the disposal, such as advertising costs.

Provided the asset has been owned for at least 12 months, the amounts under (a) or (b) may be adjusted to take account of inflation. The inflation adjustment cannot be used to turn a gain into a loss or to increase the measure of a loss. The inflation adjustment cannot be used for assets acquired after 2003.

If any part of the consideration received or the expenditure within (a), (b) or (c) is taken account of in computing any income or loss for the purposes of income tax or corporation tax on income, it must be excluded from the calculation of a chargeable gain or an allowable loss on the disposal. An exception is made in the case of expenditure on the acquisition of certain shares, which, even though the expenditure qualifies for relief from Income Tax, may be deducted in computing a chargeable gain (but not an allowable loss) on a disposal of the shares.

Acquisition or disposal not at arm's length

When an asset is acquired, or disposed of, otherwise than by way of a bargain made at arm's length, it is treated as an acquisition or a disposal of the asset for a consideration equal to its market value at that time. For example, disposals for less than market value can arise on sales to connected parties.

Debt Release

To the extent that any debt release occurs, this will have the effect of reducing or eliminating the capital loss. Where a person acquired assets, in particular land and buildings, financed by borrowed money – often amounting to the full cost of the asset – the amount of loss for CGT purposes was calculated without taking account of borrowings used to acquire the asset that were released by the lender in whole or in part.

Finance (No 2) Act 2013, introduced a new provision which applies restrictions on the amount of losses allowable, by taking into account the release from payment of debts in respect of money borrowed to acquire or enhance an asset. The restrictions apply to disposals made on or after 1 January 2014 whether the debt was released before, on or after that date.

The application of the restriction cannot apply so as to turn a loss into a chargeable gain.

The effect of this restriction is to ensure that a person cannot claim the benefit of a capital gains tax loss where no economic loss has been incurred.

Rates of tax

The current rate of Capital Gains Tax, including disposals of development land (not held as trading stock) is 33%.

For certain windfall gains up to 31 December 2014 the windfall gains tax rate was 80%. The windfall tax provisions were abolished in respect of disposals made on or after 1 January 2015. Thus, any chargeable gains arising from disposals of land post 1 January 2015 are subject to CGT at the standard rate i.e. 33%.

From the 8th April 2009 to 6th December 2011 the applicable capital gains tax rate was 25%. From 15th October 2008 to 7th April 2009 the applicable rate was 22%. From 1 December 1999 disposals of all land/property, held for investment purposes, regardless of whether it is development land were subject to the 20% rate. However, a rate of 40% applies to disposals of certain foreign life assurance policies and foreign investment products while rates of 12.5% and 15% apply to certain gains of venture capital fund managers.

Some assets are excluded from Capital Gains Tax and some gains are relieved from Capital Gains Tax.

3. Development Land

Scope of special provisions

Special provisions which are contained in Section 648 to 653 of the Taxes Consolidation Act 1997 apply to chargeable gains on the disposal of development land or shares deriving their value, or the greater part of their value, directly or indirectly, from such land, other than shares quoted on a Stock Exchange. Broadly, development land means land (including buildings) in the State, which is disposed of for a price higher than its current use value i.e. the value it would have if it were unlawful to carry out any development other than development of a minor nature. There are restrictions on indexation and rollover relief and relief for losses.

Consideration not exceeding €19,050

Where the total consideration receivable by an individual for disposals of development land in any year of assessment does not exceed €19,050, the gains on those disposals are not subject to the special provisions but are taxed as if they were gains on disposals of ordinary land. This provision does not apply to companies, trustees or other non-corporate bodies.

Restrictions of reliefs etc.

Other special provisions, which apply, are as follows:

(a) Indexation relief is confined to the amount of the current use value of the land at its time of acquisition or at 6th April 1974, if acquired prior to that date.

(b) There is a restriction as regards the set-off of losses. The only losses, which may be set off against gains on development land, are losses, which have been incurred on disposals of other development land.

(c) Gains accruing to companies on disposals of development land are charged to capital gains tax instead of corporation tax.

(d) Where an individual disposes of his private residence and/or its grounds and the consideration exceeds €19,050, the private residence relief is withdrawn or modified if the property is development land. The relief is confined to what it would be if the property did not have development value.

4. Windfall Gains Tax

The National Asset Management Agency Act introduced a “windfall gains tax” on certain capital gains in 2009. This tax applies a rate of 80% in respect of a disposal of development land where both a rezoning and a disposal took place on or after 30 October 2009. Finance Act 2014 abolished this rate of tax on any disposals made on or after 1 January 2015.

This means that any disposals of rezoned land, held as investment, made on or after 1 January 2015 will be subject to capital gains tax at the standard rate of 33% in line with other disposals of land. For those individuals and companies who are engaged in the trade of dealing in or developing land, they will be subject to income tax or corporation tax, where applicable.

In the cases of disposals made prior to 1 January 2015, the rates and conditions enacted under the National Asset Management Agency Act 2009 and subsequently the Finance Act 2010, which widened the scope of the provision by introducing a Relevant Planning Decision, which includes both a rezoning and a material contravention of a development plan, will remain.

A “relevant planning decision” will, in general terms, mean a change in the zoning of land from non-development land-use to development land-use or from one development land-use to another development land-use, including a mixture of such uses. It also applies to a decision to grant permission for a development that would materially contravene a development plan.

The 80% rate was charged on the amount by which the land increased in value as a result of the “relevant planning decision”. The remainder of the gain was be taxed at the 30% rate. This rate was effective from 7 December 2011 to 5 December 2012. For Capital Gains made between 8 April 2009 and 6 December 2011 inclusive, the standard rate of tax on Capital Gains was 25%.

The windfall tax did not apply in relation to gains derived from “relevant planning decisions” where:

(a) The disposal of land occurs as a result of a CPO.

(b) The disposal is by a company in which the National Asset Management Agency owns any part of the ordinary share capital, or by a company which is an effective 75% subsidiary of such a company.

(c) The disposal is of a site of 0.4047 hectares or less, whose market value at date of disposal does not exceed €250,000, other than where the disposal forms part of a larger transaction or series of transactions. This exemption applies regardless of whether planning permission has been granted for the disposal.

A windfall gain may only be relieved by a loss on development land to the extent to which the loss is attributable to a Relevant Planning Decision.

5. Main Exemptions and Reliefs

Indexation

The expenditure allowable in computing the chargeable gain arising on the disposal of an asset can be increased to take account of inflation. However, indexation factors have been frozen at the rates applicable for 2002 (see Multiplier below). An adjustment for inflation may not be taken into account in respect of expenditure incurred on or after 1 January 2003.

Personal exemption

The first €1,270 of an individual's net gain (i.e. gains less losses, including losses brought forward from earlier years) is not chargeable. This exemption is not transferable, either wholly or partly, between spouses or civil partners nor can it be carried forward.

For gains accruing to a married couple living together, the €1,270 exemption is available in respect of each spouse's disposal if the asset is jointly owned.

Where for a year of assessment there are gains which are chargeable at different rates of tax, the exemption is allowed against the gains attracting the highest rates of tax and then against the gains attracting the next highest rate of tax and so on.

The exemption applies to individuals only. It does not apply to companies, trustees or other non-corporate bodies.

Private Residence

A gain on the disposal by an individual of a dwelling house (including grounds of up to one acre) is exempt in certain circumstances. The exemption is available, if, during the individual's period of ownership, the house has been occupied as the only or main residence or, under certain circumstances, as the sole residence of a dependent relative.

In the case of a married couple living together, only one house can qualify as the only or main residence of both spouses.

Full exemption may not be due if only part of the house has been used as the individual's residence, in which case an apportionment is made to arrive at the exempt portion of the total gain. This may happen where the house is used partly for business purposes, where rooms in the house have been let or where for long periods the taxpayer has not lived in the house.

A period of up to twelve months immediately before the end of the period of ownership is treated as a period of occupation even though the owner is not living in it during that period. The following periods of absence from the house are also regarded as periods of occupation, provided that, before and after those periods, the house was occupied as the owner's only or main residence and that, throughout those periods, he had no other house eligible for exemption:

(i) Any period throughout which the individual was employed outside the State; and

(ii) A period of up to four years during which the individual was required by the conditions of his employment to reside elsewhere.

When the property comprises development land and the consideration exceeds €19,050, the relief will be restricted to the current use value of the property at the date of disposal i.e. the value of the property excluding any consideration of the rezoning element.

7 Year CGT Exemption

Finance No 2 Act 2013 introduced a new tax incentive for the acquisition of land and buildings. This incentive provided for an exemption from capital gains tax on the disposal of land and buildings, purchased in an EEA State, including Ireland, between 7 December 2011 and 31 December 2014 where the following conditions are met:

a) The asset was acquired for a consideration equal to its market value, or where the acquisition was from a relative, the asset was acquired for a consideration of not less than 75% of the market value of the land or buildings at the time it was acquired;
b) The purchaser continues to own the asset acquired for a minimum period of 7 years from the date it was acquired.

Where the relief applies and on a subsequent disposal of the asset, the portion of the gain that corresponds to the 7 year holding period immediately following acquisition shall not be regarded as a chargeable gain for Irish tax purposes. For example, where the land and buildings are held for 10 years following acquisition, 7/10ths of the gain will qualify for the relief.

Finance Act 2014 did not extend the relief for acquisitions made after 31 December 2014.

6. CGT Reliefs

Transfer of site to child, including a foster child

Disposals of land, having a market value of up to €500,000, to a child or foster child to enable the child to build his/her principal private residence on the land is exempt from capital gains tax. For transfers on or after 01 February 2007 the area of the site must not exceed 0.4047 hectares, i.e. 1 acre (exclusive of the area on which the house is built).

If the child or foster child does not construct a house and live in it for a period of three years, a subsequent disposal of the land or part of the land by the child or foster child will result in the chargeable gain, which would have accrued to the parent on the original transfer, accruing to the child or foster child.

A parent is restricted to a disposal of one site per child or foster child unless a claw back of relief has occurred in respect of a previous disposal, as outlined above.

Disposal of a business or farm (other than to one's child)

From 1 January 2014 the amount on which relief can be claimed may depend on whether or not the individual disposing of the asset has reached 66 years of age.

In respect of disposals made up to and including 31 December 2013, where the consideration does not exceed €750,000 relief is given in respect of the full amount of tax chargeable on the disposal. Where the consideration exceeds €750,000, marginal relief applies so as to limit the amount of tax chargeable to one-half of the difference between the amount of the consideration and €750,000.

In respect of disposals made on or after 1 January 2014, where the individual disposing of the asset(s) is between 55 and 65 years of age (inclusive) and the consideration does not exceed €750,000, relief is given in respect of the full amount of tax chargeable on the disposal. Where the individual disposing of the asset(s) is between 55 and 65 years of age (inclusive) and the consideration exceeds €750,000, marginal relief applies so as to limit the amount of tax chargeable to one-half of the difference between the amount of the consideration and €750,000.

Where the individual disposing of the asset(s) is 66 years of age or over and the consideration does not exceed €500,000 relief is given in respect of the full amount of tax chargeable. Where the individual disposing of the asset(s) is 66 years of age or over and the consideration exceeds €500,000 marginal relief applies so as to limit the amount of tax chargeable to one-half of the difference between the amount of the consideration and €500,000.

It should be noted that the threshold of €750,000 (€500,000 from 1 January 2014 for individuals of 66 years of age or over on disposals from that date) is a lifetime limit for disposals of qualifying assets on or after 6 April 1974 made at a time when the individual was at least 55 years of age.

Thus, relief for any year is to be computed as if all such disposals for that year and earlier years had all been made in the later year. Where the threshold is exceeded, any earlier relief given may be withdrawn by means of assessment or additional assessment.

Meaning of "Qualifying Assets"

The following are "qualifying assets":

(a) the chargeable business asset of the individual which (apart from tangible movable property) he/she has owned for a period of at least 10 years ending on the date of the disposal and which have been his or her chargeable business assets throughout that 10 year period,

(b) shares or securities held for at least the 10 year period ending with their disposal in a company which has been –

  a) trading or farming company and the individual's family company, or
  b) member of a trading group of which the holding company is the individual's family company during at least the 10 year period ending with the disposal, and the individual has been a working director of the company for at least 10 years during which he/she has been a full-time working director for at least 5 years,

(c) payment entitlements where they are disposed of at the same time and to the same person as land, to the extent that the land would support a claim to payment in respect of those payment entitlements,

(d) land and machinery or plant owned by the individual for at least 10 years ending with the disposal which land –

  a) was used throughout that period for the purposes of the individual's family company (or member of the trading group), and
  b) is disposed of at the same time and to the same person as the shares concerned,

(e) land leased under Scheme of Early Retirement from Farming, where for a period of not less than 10 years prior to the land being leased it was owned by the individual claiming relief and used by him or her for the purposes of farming throughout that period,

(f) land which was let during the 5 year period prior to its disposal under a compulsory purchase order for the purpose of road construction and certain related activities but, prior to its first letting, was farmed for 10 years by the person making the disposal, and

(g) land which was let at any time during the 25 year period prior to its disposal but prior to its first letting, was farmed for not less than 10 years by the individual making the disposal and the disposal is to:

  a) a child of the individual concerned;
  b) to an individual other than a child where that disposal occurs on or before 31 December 2016, or
  c) to an individual, other than a child provided the land was let to a person for the purposes of farming during the period of 25 years and each letting of the land was for a period of not less than 5 consecutive years.

The use of an asset by the deceased spouse of an individual can qualify for the purpose of ownership.

Where the consideration exceeds €750,000, (or €500,000 in the case of disposals of such assets from 1 January 2014 by persons aged 66 and over) marginal relief for capital gains tax will apply to restrict the tax payable to one half of the difference between the consideration received and the €750,000 limit.

Disposal within the family of a business or farm

Up to 31 December 2013, irrespective of the amount of consideration for the disposal, full relief may be claimed by an individual aged 55 years or over on the disposal to his/her child, of the whole or part of his/her qualifying assets. From 1 January 2014, where an individual (parent) disposing of the asset(s) is 66 years of age or over and the market value of the asset(s) disposed of to the child is more than €3,000,000 relief will be given as if the consideration was €3,000,000. This restriction does not apply where the individual is between 55 and 65 years of age (inclusive).

The Finance Act 2007 extended the definition of ‘child’ to include child of a deceased child. Where the asset disposed of is shares in a family company, the taxpayer must have been a working director in the company for the ten years immediately prior to disposal, of which five years must have been spent as a full time working director. A disposal to a niece or nephew, who has worked full-time in the business or on the farm for the previous five years, will similarly qualify for relief.

If the assets which have qualified for this relief are disposed of within six years of having been acquired, the tax which would have become payable but for the relief becomes payable by the child or foster child who acquired the business or farm in addition to any other capital gains tax which may be due on the disposal.

Restructuring of Capital Gains Tax retirement relief

A restructuring of the retirement relief on Capital Gains Tax to incentivise the earlier transfer of farm assets to the next generation will encourage the sale of land by those farmers with no successors. An upper limit of €3m will be introduced on family transfers where the individual transferring is aged over 66, compared to an unlimited amount currently. On non-family transfers, the current upper limit of €750,000 will be reduced to €500,000, where again the disposal is made by an individual over 66 years of age. These changes will apply from 2014 onwards, thereby allowing time for older farmers to plan for transfer. These changes will aid land mobility and improve the age profile of Irish farmers.

Rollover Relief

Previously, Rollover Relief was available in respect of gains made on the disposal of business assets, on certain compulsory acquisitions of property, sales of shares in unquoted trading companies and disposals of certain rented residential accommodation. This had the effect of deferring any gain on such disposals where the proceeds of sale were reinvested in similar assets. Finance Act 2003 abolished this relief. The relief is however available where it has already been claimed in respect of an asset, to the extent of the gain deferred.

Dissolution of farming partnerships

This applied to disposals made between 13 March 2008 and 31 December 2013. Relief from Capital Gains Tax may be due where partners in a farming partnership dispose of assets on the dissolution of the partnership. In general the assets must have been owned and used by the partnership for a period of 10 years prior to its dissolution.

Where relief applies, any gain on the disposal will be treated as not accruing and the person acquiring the asset will be treated as having acquired it at the same time and for the same consideration as it was acquired by the disponer.

The relief does not apply to trading stock.

7. Capital Gains Tax Multipliers

Tax Year Expenditure Incurred	Year End 05 April 1986	Year End 05 April 1987	Year End 05 April 1988	Year End 05 April 1989	Year End 05 April 1990	Year End 05 April 1991	Year End 05 April 1992	Year End 05 April 1993	Year End 05 April 1994	Year End 05 April 1995	Year End 05 April 1996	Year End 05 April 1997	Year End 05 April 1998	Year End 05 April 1999	Year End 05 April 2000	Short Y/E 05 April 2001	Year End 31-Dec 2001	Year End 31 Dec 2002	Year End 31 Dec 2003	Year End 31 Dec 2004etseq
1974/75	4.397	4.598	4.756	4.848	5.009	5.221	5.355	5.552	5.656	5.754	5.899	6.017	6.112	6.215	6.313	6.582	6.930	7.180	7.528	7.528
1975/76	3.551	3.714	3.842	3.916	4.046	4.217	4.326	4.484	4.568	4.647	4.764	4.860	4.936	5.020	5.099	5.316	5.597	5.799	6.080	6.080
1976/77	3.059	3.200	3.309	3.373	3.485	3.633	3.726	3.863	3.935	4.003	4.104	4.187	4.253	4.325	4.393	4.580	4.822	4.996	5.238	5.238
1977/78	2.623	2.743	2.837	2.892	2.988	3.114	3.194	3.312	3.373	3.432	3.518	3.589	3.646	3.707	3.766	3.926	4.133	4.283	4.490	4.490
1978/79	2.423	2.534	2.621	2.672	2.760	2.877	2.951	3.059	3.117	3.171	3.250	3.316	3.368	3.425	3.479	3.627	3.819	3.956	4.148	4.148
1979/80	2.186	2.286	2.365	2.410	2.490	2.596	2.663	2.760	2.812	2.861	2.933	2.992	3.039	3.090	3.139	3.272	3.445	3.570	3.742	3.742
1980/81	1.893	1.979	2.047	2.087	2.156	2.247	2.305	2.390	2.434	2.477	2.539	2.590	2.631	2.675	2.718	2.833	2.983	3.091	3.240	3.240
1981/82	1.564	1.636	1.692	1.725	1.782	1.857	1.905	1.975	2.012	2.047	2.099	2.141	2.174	2.211	2.246	2.342	2.465	2.554	2.678	2.678
1982/83	1.316	1.376	1.424	1.451	1.499	1.563	1.603	1.662	1.693	1.722	1.765	1.801	1.829	1.860	1.890	1.970	2.074	2.149	2.253	2.253
1983/84	1.170	1.224	1.266	1.290	1.333	1.390	1.425	1.478	1.505	1.531	1.570	1.601	1.627	1.654	1.680	1.752	1.844	1.911	2.003	2.003
1984/85	1.062	1.111	1.149	1.171	1.210	1.261	1.294	1.341	1.366	1.390	1.425	1.454	1.477	1.502	1.525	1.590	1.674	1.735	1.819	1.819
1985/86	-	1.046	1.082	1.103	1.140	1.188	1.218	1.263	1.287	1.309	1.342	1.369	1.390	1.414	1.436	1.497	1.577	1.633	1.713	1.713
1986/87	-	-	1.035	1.055	1.090	1.136	1.165	1.208	1.230	1.252	1.283	1.309	1.330	1.352	1.373	1.432	1.507	1.562	1.637	1.637
1987/88	-	-	-	1.020	1.054	1.098	1.126	1.168	1.190	1.210	1.241	1.266	1.285	1.307	1.328	1.384	1.457	1.510	1.583	1.583
1988/89	-	-	-	-	1.034	1.077	1.105	1.146	1.167	1.187	1.217	1.242	1.261	1.282	1.303	1.358	1.430	1.481	1.553	1.553
1989/90	-	-	-	-	-	1.043	1.070	1.109	1.130	1.149	1.178	1.202	1.221	1.241	1.261	1.314	1.384	1.434	1.503	1.503
1990/91	-	-	-	-	-	-	1.026	1.064	1.084	1.102	1.130	1.153	1.171	1.191	1.210	1.261	1.328	1.376	1.442	1.442
1991/92	-	-	-	-	-	-	-	1.037	1.056	1.075	1.102	1.124	1.142	1.161	1.179	1.229	1.294	1.341	1.406	1.406
1992/93	-	-	-	-	-	-	-	-	1.019	1.037	1.063	1.084	1.101	1.120	1.138	1.186	1.249	1.294	1.356	1.356
1993/94	-	-	-	-	-	-	-	-	-	1.018	1.043	1.064	1.081	1.099	1.117	1.164	1.226	1.270	1.331	1.331
1994/95	-	-	-	-	-	-	-	-	-	-	1.026	1.046	1.063	1.081	1.098	1.144	1.205	1.248	1.309	1.309
1995/96	-	-	-	-	-	-	-	-	-	-	-	1.021	1.037	1.054	1.071	1.116	1.175	1.218	1.277	1.277
1996/97	-	-	-	-	-	-	-	-	-	-	-	-	1.016	1.033	1.050	1.094	1.152	1.194	1.251	1.251
1997/98	-	-	-	-	-	-	-	-	-	-	-	-	-	1.017	1.033	1.077	1.134	1.175	1.232	1.232
1998/99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.016	1.059	1.115	1.156	1.212	1.212
1999/00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.043	1.098	1.138	1.193	1.193
2000/01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.053	1.091	1.144	1.144
2001	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.037	1.087	1.087
2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.049	1.049
2003 et seq	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.000

NOTE: In the “Year Expenditure Incurred“ column, for all years to 2000/2001 inclusive, a year means a 12 month period commencing on 6 April and ending on the following 5 April. The “Short Year” 2001 covers the period 6/4/2001 to 31/12/2001. With effect from 1/1/2002 the Income Tax year is the calendar year, i.e. 2002 refers to the year ended 31 December 2002.

Indexation is not available on expenditure incurred within 12 months prior to the date of disposal. Indexation relief will only apply for the period of ownership of the asset up to 31 December 2002 for any disposals made on or after 1 January 2003.

8. Returns, Appeals and Payment – Self Assessment

Returns

A statement of capital gains in each tax year and details of assets acquired during the year (by purchase, exchange or otherwise) should be given on the annual tax return form. There is no need to give details of acquisitions of assets, which are exempt from capital gains tax. The return should include gains of the taxpayer's spouse and acquisitions of assets by them, unless a separate return is being furnished by them.

Generally details of an individual's chargeable gains are returned on the Income Tax form but if a person is not obliged to file an Income tax return or is exempt from Income Tax a form CG1 can be obtained from any tax office.

Capital Gains Tax/Capital Acquisitions Tax Restriction Offset

Where a Capital Gains Tax (CGT) and a Capital Acquisitions Tax (CAT) charge arise on the same transaction such as a gift, the CGT paid can be used as a credit against the CAT arising on the same event.

This relief has been restricted by the Finance Act 2006 such that the relief will be clawed back if the property, the subject of the gift, is sold within two years. This new two year rule will place a restriction on beneficiaries disposing of assets received by way of gift.

Date of Payment of Capital Gains Tax

For the tax years 2009 onwards, payment of capital gains must be made in two periods as follows:

a) On or before 15 December in that tax year, in respect of gains arising in the period from 1 January to 30 November inclusive, and
b) On or before 31 January in the following year of assessment, in respect of chargeable gains arising in the period from 1 December to 31 December inclusive.

For the tax years 2003 to 2008 inclusive, payment of capital gains must be made in two instalments as follows:

a) On or before 31 October in that tax year, in respect of gains arising in the period from 1 January to 30 September, and
b) On or before 31 January in the following year of assessment in respect of chargeable gains arising in the period from 1 October to 31 December.

A refund may arise where, for example, a payment was made on a gain arising in the 'initial period' and a loss arises in the 'later period'. If a payment is late or inadequate, interest charges may arise.

A return of chargeable gains must be made on or before 31 October in the year following the year of assessment. This date can be extended to the ROS filing deadline date where the return of chargeable gains is included in the individual's income tax return. There is provision for a surcharge where the return is submitted after that date.

The surcharge is either:

a) 5% of the amount of the tax due subject to a maximum of €12,695 where the return is submitted from 1 November to 31 December inclusive,
or
b) 10% of the amount of the tax due subject to a maximum of €63,485 where the return is submitted after 31 December.

Companies are chargeable to Capital Gains Tax on chargeable gains from disposals of development land. They are chargeable to Corporation Tax in respect of all other chargeable gains. Form CT1 contains CGT panels for completion by companies. The form CG1 is required to be filed by 31 October in the year following the year of assessment.

Appeals

A taxpayer has the same right of appeal (within 30 days) against a capital gains tax assessment as he/she has against an income tax assessment.

9. VAT on Property

New Irish VAT rules for property transactions were introduced with effect from 1st July 2008. The rationale for the change was to simplify the VAT treatment of property transactions and to bring the Irish system more in line with our European counterparts. A number of transitional rules were also introduced to deal with properties which were acquired under the old regime pre 1 July 2008 and which may be sold, let or surrendered/assigned after this date.

The VAT treatment of various property transactions has always been a complicated area and it is not possible in the context of VAT legislation to safely provide guidance on all property transactions in this guide. The guidance in this section is by way of introduction to the new rules and concepts and should not be relied upon as a definitive source of reference. We strongly recommend that anyone dealing in property should seek professional advice for each proposed transaction.

The change in VAT legislation brought an end to a number of features under the old system, such as:

- The distinction between leases of less than 10 years and those in excess of 10 years
- The Economic Value Test ("EVT")
- The 3 methods of determining the capitalised value of a lease
- The 4A procedure
- New waivers of exemption commencing post 1 July 2008

As well as new rules for property sales and lettings, some new concepts were also introduced into Irish VAT on property and these include:

- Options to Tax
- Connected persons provisions
- Capital Goods Scheme

Transitional Measures

Special 'transitional' measures were introduced for freehold and leasehold interests exceeding 10 years which were acquired before 1 July 2008 and which are disposed of on or after this date. Although these measures are limited in scope and only apply in the following circumstances, they can prove to be quite complex.

Transitional Sale

This is where a completed property was acquired pre 1st July 2008 with no entitlement to recover VAT on the acquisition or development costs and it has not been significantly developed since. The sale of this property is exempt from VAT however the seller and purchaser can agree to 'opt' to tax the sale.

Transitional Letting

Again this is a property acquired pre 1July 2008 however in this instance there was an entitlement to recover VAT on the acquisition/development and the property is now being let. The duration of the lease being granted is no longer a factor (unless it is an ownership type lease) as leases are now prima facie exempt. As a result there may be a clawback of VAT previously recovered on acquisition/development. The clawback can be avoided by 'opting to tax' the letting under the new rules.

Transitional assignments and surrenders

This is the most complex area of the transitional rules and the treatment depends on a number of factors. In general, if you assign or surrender a lease which you acquired pre 1st July 2008 and which was created or acquired within the last 20 years, in circumstances in which you were entitled to recover VAT on acquisition/ development costs then the assignment/surrender is subject to VAT.

If all these conditions are not met then the assignment or surrender will be exempt. In certain circumstances both parties may agree to 'opt to tax' the transaction. The benefit of 'opting to tax' is that it retains the property in the VAT net and allows the person to recover VAT or to retain entitlement to recovery which would otherwise be lost if the property was used for a VAT exempt letting.

New rules for sales

The sale of property for VAT purposes includes the actual and the effective transfer of ownership; this includes sale of the freehold or the grant of a very long lease respectively. Revenue have issued written guidance that a lease of 75 years or longer is likely to be considered tantamount to a sale and will be treated as such for VAT purposes.

Generally residential property remains chargeable to VAT at 13.5% where it is sold by the developer or a person connected with the developer. This will apply even where the sale may come within one of five exempt categories as outlined below.

Non residential property is also subject to VAT at 13.5% unless it falls within specific exemptions provided for in the new VAT on property rules as follows:

Land not developed in 20 years

This is land that has not been developed in the last 20 years.

Old Property

Property which has not been completed or developed in the 5 years prior to sale is considered an 'old property'.

'Completed' means that the property had been developed to such an extent, with all required utilities connected, that it could be effectively used for its intended purpose.

It should be noted that 'property' in this context has a wider meaning than the term 'building' and could include for example roads, recreational facilities, etc.

Old Buildings

Similar to old property, an old building is one which has not been completed or developed in the 5 years prior to its sale. However, in contrast to old property, an old building will still fall within the exemption even where development of a minor nature has been carried out. To be considered minor the cost of the development work cannot exceed 25% of the current sale price and the works should not have been intended or in fact result in material alteration to the building.

Used Property

This is property which has been completed within 5 years prior to the current sale and no further development work has taken place since the completion. To be considered 'used' the property must have also been occupied for an aggregate of 24 months post completion and subject to a previous sale between unconnected parties upon which VAT was charged.

Used Buildings

This is similar to used property in that the building has been completed within 5 years prior to the current sale and no further development work has taken place since the completion. To be considered 'used' the property must have also been occupied for an aggregate of 24 months post completion and subject to a previous sale between unconnected parties upon which VAT was charged.

Joint option to tax

This is a feature of the new VAT on property regime whereby the seller and purchaser can agree to tax a property which falls into one of the exempt categories described previously. Where the option is exercised the agreement should be evidenced in writing within the required time limits and VAT is then chargeable at 13.5%.

However, where the option is exercised VAT will not be charged on any invoice as it is the purchaser who is responsible for accounting for the VAT due. This is done by way of the reverse charge mechanism which means the purchaser includes the amount of VAT due in his VAT return as 'Sales' or 'Output' VAT as if he had made the sale. A simultaneous VAT credit may also be claimed based on the purchasers VAT recovery position.

New rules for leases/lettings

Since 1st July 2008 there is no longer any distinction between leases according to their duration. All new lettings are now considered to be VAT exempt which means that no VAT is chargeable on the lease agreement or ongoing rents and the landlord no longer has any recovery of VAT incurred on the acquisition, development or maintenance of the property.

Under the old VAT on property rules, lettings of less than 10 years were exempt but the landlord could waive this exemption and charge VAT on the rents. Where the exemption was waived, the waiver extended to all short term let properties held by the landlord.

No new 'waivers of exemption' can commence after 1st July 2008. However, where an existing waiver was in place before this date it will continue to apply to all properties previously covered provided there has been no development since this date. An existing waiver may also apply in respect of short lettings in buildings completed after 1st July 2008 where the waiver was in place before 18th February 2008 and development work was underway on this date.

Landlords Option to tax- lettings

The option to tax is also available in respect of lettings; it is at the landlords' discretion on a letting by letting basis. When a landlord decides to exercise the option to tax the letting it can be achieved by including a provision in the letting/lease agreement or by issuing a document to the tenant to the effect that VAT is chargeable on the rents.

By opting to tax a letting the landlord is entitled to recover VAT incurred on the acquisition, development and maintenance of the property. VAT is chargeable at 23% on the ongoing rents (21.5% between 1/12/08 and 31/12/09 and 21% between 1/01/2010 and 31/12/2011). An option to tax may be terminated at any time by the landlord notifying the tenant in writing. However, the landlord may then have to repay some of the VAT previously recovered on acquisition, development and maintenance.

The option to tax a letting is not available and indeed an existing option will be cancelled if:

- the property is used for residential purposes, or
- you are or you become 'connected' (see below) to either the tenant or the occupant of the property and the connected party is not entitled to recover at least 90% of the VAT charged on the letting.

Connected persons

The definition of 'connected persons' is also a new feature in the revised VAT on property rules and is primarily an anti-avoidance measure. The legislation is complicated and very broad in its scope. We recommend that particular care is exercised and professional advice is sought when deciding if parties are connected for VAT purposes. Revenue have issued some guidance and stated the following are connected; however this is not an exhaustive list:

- Individuals are connected with their spouses,
- their relatives (siblings, ancestors, lineal descendants), relatives of their spouse,
- individual/spouses with whom they or their spouse is in partnership,
- settlor or beneficiary of a trust where the individual is a trustee of that trust and vice versa.

Companies and bodies of persons are connected with:

- persons who control that company,
- other companies that act in pursuit of a common purpose with the company, or
- a person or persons with a reasonable commonality of interests who have the power to determine the activities of two companies.

Capital Goods Scheme

The Capital Goods Scheme ("CGS") is the means of calculating the amount of VAT that can be recovered on the acquisition, development or refurbishment of a property. Most properties will have a VAT 'life' of 20 years for the purposes of CGS and the amount of VAT recoverable is determined by the percentage of VATable use to which the property is put when compared to 'exempt' use.

An initial percentage is calculated when the VAT costs are incurred and this is recovered in the initial VAT period. At the end of 12 months a review of the actual use to which the property was put should be undertaken and compared to the initial percentage claimed.

An adjustment may be necessary to the amount of VAT which was initially recovered; this adjustment should be made in the relevant VAT return.

The actual percentage of VATable use for the first year then becomes a bench mark for each of the remaining 19 years. Every year a review should be undertaken to compare the actual VATable use for that 12 month period to the bench mark percentage.

Any change in the VATable/exempt use to which the property is put will result in an adjustment. Where the percentage of VATable use has increased an additional input credit can be claimed and where it has decreased VAT will have to be repaid.

A complete and detailed record must be kept for the duration of the VAT life of the property. It should be noted that the VAT costs associated with 'refurbishment' of a property should be reviewed over a 10 year period rather than twenty. There are also special adjustments which may have to be made if the property is sold, let or surrendered/assigned.

Transfer of Business

The sale of a property will be subject to transfer of business relief where certain criteria are met. Where the relief applies the sale is deemed not to be a supply for VAT purposes and the purchaser cannot claim an input credit on the purchase price. There is no choice to disapply the relief where the criteria are met, it must be applied.

In order for the relief to apply the vendor must have used the property in the course of a business and the property must be sold to an accountable person for VAT purposes.

Examples of a 'transfer of business' in a property context would include a building being sold along with the entire of the assets of the business or where the property being sold has been let on a continuous basis in the past i.e. it would be a property letting business.

Conclusion

You will appreciate that the interaction of VAT and property was and still remains an area of considerable complexity. The purpose of this section is to provide an overview of the new VAT on property rules and explain some of the newly introduced features.

We have not attempted to explore any of these in detail and would advise that professional assistance is sought prior to entering into a property transaction.

10. The New Relevant Contract Tax System

Relevant Contracts Tax (RCT) is a withholding tax mechanism which applies in the construction, forestry and meat processing industries.

The legislation obliges the principal contractor to retain tax from the amount payable to contractors/sub-contractors engaged to carry out relevant operations in the absence of specific Revenue authorisations.

A principal contractor may include property developers, building companies and all associated building trades, as well as individuals who are connected with these businesses. All government bodies, local authorities, public utilities, boards and bodies established under statute are deemed to be principal contractors under current legislation. It also includes all gas, water, electric/hydraulic power (e.g. wind farms), dock, canal and railway activities. A person or company is also deemed to be a principal contractor where they sub-contract all or part of a relevant contract under which they are a sub-contractor for RCT purposes.

The definition of relevant operations for RCT purposes is very broad and includes the following;

- Design and build contracts
- Contracts providing installation services, e.g. power supply, wind farms, heat, light, air-con, telecom systems
- Repair, demolition, site preparation and clearance services (including skip hire)
- Haulage services, crane and scaffolding hire
- Agency services related to the provision of labour
- Operations preparatory, integral to, or rendering complete the exploration, extraction or exploitation of natural resources (minerals, oil, gas)

The Finance Act 2011 introduced significant changes to the operation of the RCT system in Ireland. From 1 January 2012, the paper based system was replaced with an electronic system through the Revenue Online Service (“ROS”). There are no changes to who should operate RCT or when it should be applied.

There are now three rates of RCT; the zero per cent rate will apply to subcontractors if they keep their tax affairs up to date. The 20% rate applies to subcontractors who are registered with Revenue and have an established compliance record, the 35% rate applies to subcontractors who are not registered with Revenue or who have a history of significant non-compliance.

Principals must use ROS to complete a contract notification in respect of each contract with a subcontractor. The Principal will receive a specific contract reference number in respect of each contract with each subcontractor.

Prior to making any payment a Principal must notify Revenue online of the amount of the payment. Revenue will issue a deduction authorisation electronically to the Principal detailing the rate of RCT applicable to the payment and the amount of RCT to be deducted. The Principal is obliged to give a copy or details of the deduction authorisation to the subcontractor.

Revenue will issue an electronic deduction summary detailing the payments that have been notified to Revenue. The Principal can add, cancel or defer payment notifications in a deduction summary. There will be a penalty for each payment notification added where the Principal failed to obtain a payment authorisation unless there was persistent technology failure. If the Principal has no amendments to make to the deduction summary, they do not need to take any action. The return will be automatically filed on the 23rd day of the month following the period end. If any amendments are to be made to the deduction summary they should be

made on ROS by the 23rd of the month following the period end. Any payment of RCT should also be made to Revenue by the 23rd of the month following the period end.

There are no longer any interim repayments of RCT. Once a payment notification has been notified to Revenue the subcontractor will receive credit on their ROS account. Although the credit may be used against any other taxes currently due, such as VAT/PAYE, no repayment will be made until the subcontractor's year end income tax/corporation tax position has been established.

Penalties

Finance Act 2014 introduced revised penalties where a principal fails to operate RCT on relevant payments to subcontractors. The revised penalties have effect from 1 January 2015. Where the principal fails to operate RCT they are required to submit an unreported payment notification to Revenue.

The revised penalties are as follows:

- Where the subcontractor is liable to a RCT deduction of zero, the principal is liable to a penalty of 3% of the relevant payment.
- Where the subcontractor is liable to a RCT deduction of 20%, the principal is liable to a penalty of 10% of the relevant payment.
- Where the subcontractor is liable to a RCT deduction of 35%, the principal is liable to a penalty of 20% of the relevant payment.

11. Auction and Margin Schemes

Introduction

The operation of the special scheme for auctioneers and the margin scheme are a constant source of confusion for auctioneers and dealers. The following information and examples sets out to describe simply and succinctly when these schemes need to be applied. For the purposes of the examples it is assumed that all of the goods have been acquired and sold in Ireland and all buyers, sellers and auctioneers are established in Ireland. Cross-border transactions involving the schemes are subject to complex rules and advice should be sought when dealing in such transactions.

Is your transaction covered by the Auction or Margin Schemes Provisions?

If the person for whom you are selling the goods or from whom you purchased the goods is entitled to give you a VAT invoice in respect of those goods then neither the auctioneer or margin scheme apply to the sale and none of the following is relevant.

Neither of the schemes apply to the sale of new or unused goods, immovable property, food or livestock and if your transaction involves such goods none of the following is relevant.

All goods other than the types just mentioned can be considered to be both auctioneer and margin scheme goods.

The auctioneer scheme applies to the transactions of auctioneers selling auction and margin scheme goods by public auction, for commission and for a principal and its use is compulsory for this type of sale.

The margin scheme applies to the selling of auction or margin scheme goods by auctioneers or dealers other than by public auction, for commission and for a principal. Use of the margin scheme is always optional.

If I can use the margin scheme, when should I use it?

VAT charges passed on to customers under the margin scheme cannot be deducted by the customer even if the customer is VAT registered and uses the goods for business purposes. Consequently, in the interests of your customer, the margin scheme should only be used if the customer to whom you are selling the goods is not entitled to recover the VAT, which you must charge him on the sale of the goods.

However, where the margin scheme is not applied, the real cost to you of the goods being sold increases by the VAT contained in the price paid by you to the supplier of the goods. You are not entitled to a credit in respect of this VAT unless you use the margin scheme when determining your VAT liability for the sale. Great care should be taken in determining the selling price in transactions in which the margin scheme is not applied to ensure that your margin is not completely eroded by the greater VAT charge, which arises in such transactions.

Examples

Scenario I

(1) Private individuals selling dining room suite because they have no further use for it and want €2,000.

Analysis

The sellers, as private individuals, will not normally be able to issue a VAT invoice, but should be asked if they can do so. It is conceivable that they could have used the suite in a reception area or office in their home and may well have been entitled to deduct some VAT in respect of the suite. Assuming that this is not the case the goods are auctioneer and margin goods (second hand goods). If the sale is by public auction on a commission basis VAT must be determined under the auctioneer scheme. If the sale is made other than by public auction the margin scheme may be applied to the sale but this is not compulsory.

Sale by public auction

The difference between the price actually paid over to the seller and that paid by the buyer is the Auctioneers Margin for VAT purposes. For example if the hammer price is €2,500 and the seller receives €2,000 the VAT treatment is as follows:

— €2,000 paid to seller is deemed to be VAT inclusive at 23%
— €2,500 paid by bidder is deemed to be VAT inclusive at 23%
— Auctioneer Scheme margin = €500 VAT inclusive at 23%
— VAT payable = 500/123 by 23 = €93.50

The auctioneer is required to issue documents to both the buyer and seller outlining the details of the transaction but is not permitted to identify VAT separately on either document. The purchaser of the goods is not entitled to a VAT credit in respect of goods purchased under the auctioneers scheme even where those goods are to be used for business purposes in a VAT registered business. The document issued to the purchaser should be endorsed to indicate that the auction scheme applies and no input credit of VAT is available in respect of the purchase. A VAT registered business must charge VAT on the goods if they subsequently sell them even though they are not entitled to a VAT input deduction in respect of the goods.

Sale other than by Public Auction

If the buyer of the goods is a VAT registered business and is going to use the goods for that business then the buyer will probably not want the margin scheme to be applied to the goods. This is because if the margin scheme is applied the VAT registered buyer will not be entitled to recover the VAT contained in the charge for the goods supplied. If the business is not VAT registered then the margin scheme can be used without affecting the purchaser. Where the margin scheme is applied an endorsement must be placed on the document issued to the purchaser by the dealer indicating that the margin scheme applies and no input credit of VAT is available.

Examples

Scenario I *continued*

Margin Scheme applied

The transaction is assumed to be an agreed selling price of €2,500, €2,000 of which must be paid to the person selling the suite.

- €2,000 paid to seller is deemed to be VAT inclusive at 23%
- €2,500 paid by purchaser is deemed to be VAT inclusive at 23%
- Margin Scheme margin = €500 VAT inclusive at 23%
- VAT payable = 500/123 by 23 = €93.50

As you can see the result of applying the margin scheme is the same as that of the auctioneer scheme. However there is no requirement under the margin scheme to issue any documentation to the seller or purchaser of the goods. If documentation is issued, VAT must not be shown separately on the documents.

Margin scheme not applied

- €2,000 is paid to the seller.
- €2,500 includes VAT at 23% (assuming that the sale price is agreed between the parties to be VAT inclusive.) VAT payable = €2,500/123 by 23 = €467.48
  OR
- €2,000 is paid to the seller.
- €2,500 + VAT at 23% (assuming that the sale price is agreed between the parties to be VAT exclusive.)
- VAT payable €2,500 /100 by 23 = €575

It may be possible to obtain a higher price for the goods from VAT registered persons who are entitled to reclaim the VAT charged to them. As you can see, however, it is critical when applying the margin scheme to agree the VAT status of the purchase and sale prices (i.e. whether they are VAT inclusive or not).

If the margin scheme is not applied the auctioneer or dealer must issue a valid VAT invoice to a VAT registered purchaser, which must include an analysis of the VAT charged, in relation to the sale.

Examples

Scenario II

Hotel has refurbished a wing and decides to sell some of the occasional furniture, i.e. dressing tables and armchairs. For the purposes of the examples the price which the hotel wants is €4,000 and the selling price is €5,000.

Analysis

It is most likely that the hotel will be able to provide a VAT invoice in respect of the furniture being sold in which case neither of the schemes can apply and normal treatment applies.

Sale by public auction

(Assuming price agreed between the parties to be VAT exclusive.)

Hotel invoices to auctioneer:

- €4,000 + VAT at 23% = €920
- Auctioneer invoices buyer:
  €5,000 + VAT at 23% = €1,150 (VAT must be shown separately if the purchaser is VAT registered).
  (Assuming price agreed between the parties to be VAT inclusive.)
- Hotel invoices to auctioneer:
  €4,000/123 by 23 VAT = €747.97
- Auctioneer invoices to buyer:
  €5,000/123 by 23 VAT = €934.96 (VAT must be shown separately if the purchaser is VAT registered).

The price actually paid over to the hotel is the purchase price of the goods in question and depending on the agreement between the parties to the auction in relation to VAT, the hotel must issue a VAT invoice to the auctioneer for the price paid to it.

The auctioneer is entitled to recover the VAT charged by the hotel and is liable to VAT at 23% on the hammer price. The auctioneer is required to issue a VAT invoice to the purchaser if he is registered for VAT.

Sale other than by Public Auction

A sale on commission or by purchase and onward sale follows the same or normal purchase and sale VAT invoicing rules. The margin scheme may not be applied.

Examples

Scenario III

Antique dealer has purchased a table from a private individual for €1,000 cash and then decides to sell it at auction where it makes €1,700.

Analysis

It is assumed that the table is not new and that it is being sold at public auction. The seller as a private individual, will not normally be able to issue a VAT invoice, but should be asked if he can do so. It is conceivable that he could have used the table in connection with a business or office and may have been entitled to deduct some VAT in respect of the purchase of the table.

Assuming that this is not the case the table qualifies as an auctioneer and margin good (second hand goods). Because in this instance the auctioneer is not acting for commission for a principal the auctioneer's scheme cannot be applied. The margin scheme may however be applied but this is not compulsory.

Sale by public auction or otherwise

Margin Scheme applied (optional)

- The transaction is assumed to be an agreed selling price of €1,700 and a purchase price of €1,000
- €1,000 paid on purchase of the antique is deemed to be VAT inclusive at 23%
- €1,700 paid by purchaser is deemed to be VAT inclusive at 23% Margin scheme margin = €700 VAT inclusive at 23%
- VAT payable = 700/123 by 23 = €130.89

There is no requirement under the Margin Scheme to issue any documentation to the seller or purchaser of the goods. If documentation is issued, VAT must not be shown separately on the documents.

Margin Scheme not applied

- €1,000 purchase price
- €1,700 sale price deemed to be VAT inclusive at 23% = €1,700 /123 by 23 = €317.89

You are required to issue a VAT invoice if the purchaser is VAT registered. No other documentation is required for VAT purposes.

Examples

Scenario IV

Firm goes into liquidation and liquidator instructs auctioneers to dispose of the office furniture, paintings and equipment such as filing cabinets.

Analysis

Assuming that the business, which went into liquidation, was a VAT registered business the liquidator must register for VAT and raise VAT invoices for any assets disposed of by him in relation to the liquidation.

The VAT treatment in this scenario would therefore be the same as for the hotel selling its furniture in Scenario II. Neither of the schemes applies and invoicing arrangements follow normal rules. If the business was not a VAT registered business then the arrangements set out in Scenario I would apply i.e. the sale would be treated as if it were goods being sold on behalf of a private individual.

Scenario V

A restaurant wishes to dispose of its stock of wine and asks an auctioneer to dispose of it by auction.

Analysis

Two elements of this scenario make it clear that neither scheme applies. Firstly assuming that the restaurant is registered for VAT it will be entitled to issue a VAT invoice to the auctioneer and is therefore outside the scope of the schemes, additionally the goods are not auctioneer or margin scheme goods because they are not second hand. The invoicing arrangements in Scenario II would apply.

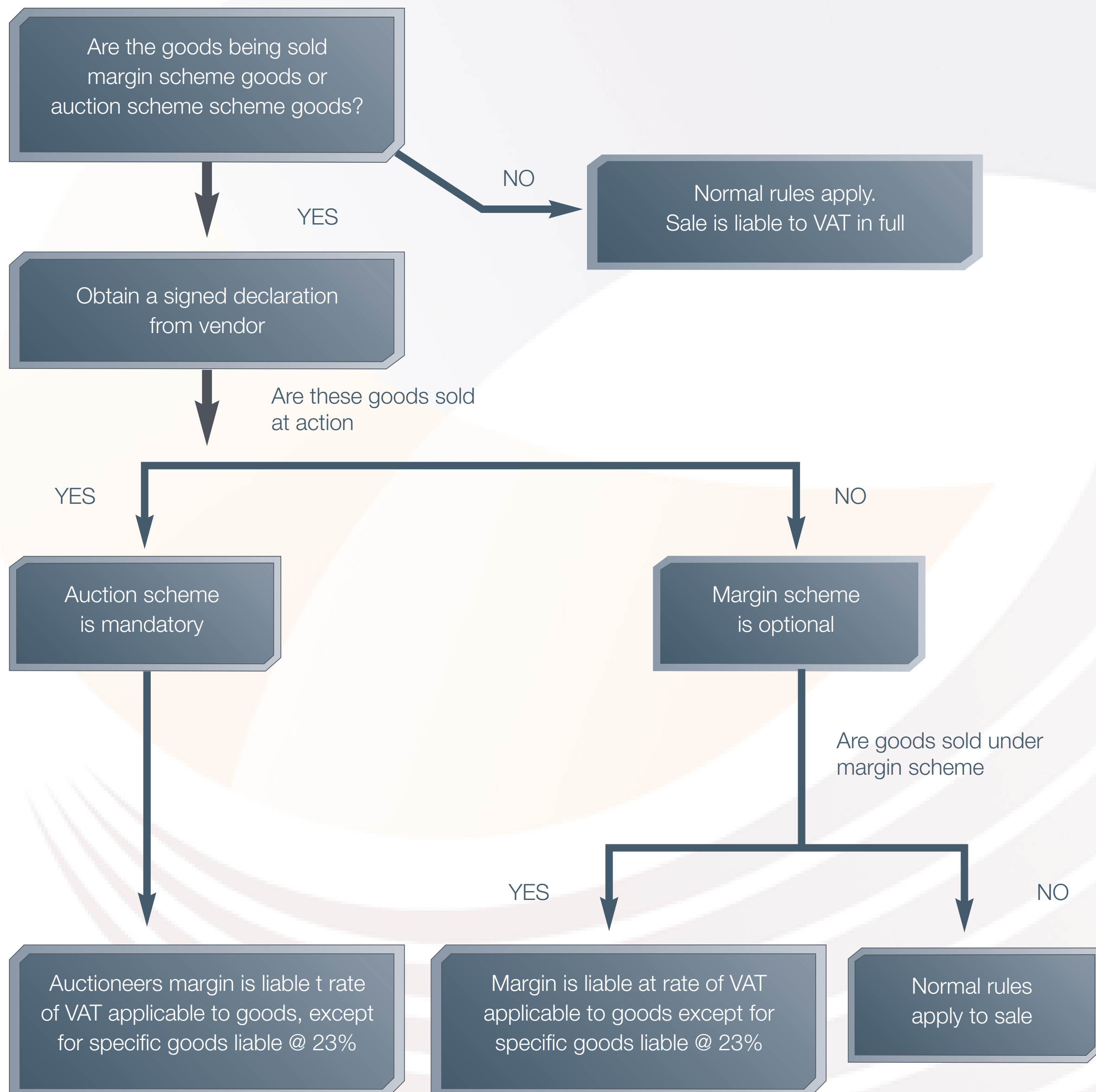
Scenario VI

A managing director gives a painting to an auctioneer, which was previously purchased by a company and was presented to him on his retirement.

Analysis

The MD was not entitled to a VAT input credit in relation to the acquisition of the painting in this scenario and would not be entitled to issue a VAT invoice on its disposal at auction or otherwise. The sale of the painting by the auctioneer would therefore be subject to the auctioneer's scheme if it is sold on a commission basis at public auction or could be subject to the margin scheme if it were sold otherwise. The treatment would be the same as that for the sale as outlined in Scenario I.

Flowchart to illustrate the correct VAT treatment of the sale of second-hand goods, works of art, collectors items and items by dealers and auctioneers



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12. Rights of Residence, Support and Maintenanace

An entitlement to a right (e.g. a right of residence, support or maintenance), constitutes a taxable benefit. A right to reside is an ongoing benefit in property and can also be given as a right of residence, support, and maintenance on the lands in question. A right to reside is a right to live in the property only. It may be even further limited to a right to reside in a particular room and a right to use other rooms such as the kitchen, bathroom and living room, in common with others.

This right is not an exclusive right and gives the holder no ownership in the property. The right can be a charge on the property. Where a farm is charged with a right to reside, that right to reside affects the farmhouse only, not the farmland. A right to residence, support, and maintenance is a right to reside along with a right to be supported and maintained on or out of the lands. This is a right charged on the land and is enforceable against the entire property and any income derived from it.

In both cases (i.e. the right to reside and the right to residence, support and maintenance), it is possible to reserve an exclusive right to reside. However, an exclusive right to reside is considered by the Revenue Commissioners to be equivalent to a life interest and consequently is valued differently.

Calculation of value of rights

Section 5(2) of CATCA states that a gift shall be deemed to consist of the appropriate part of the property in which the done takes a benefit or on which the benefit is charged or secured or on which the done is entitled to have it charged or secured and s 10(2) provides that the same principles apply to an inheritance. The phrase 'appropriate part' is defined in the legislation and means that part of the entire property in which the benefit subsists which bears the same proportion to the entire property as the gross annual value of the benefit bears to the gross annual value of the entire property. The 'appropriate part' or the 'slice' is arrived at by using the following formula:

$$\frac{\text{Gross annual value of rights}}{\text{Gross annual value of the property charged with those rights}} \times \text{market value of the property charged with those rights}$$

When rights come to an end, e.g. when a person, having a right of residence, support and maintenance, dies then the original beneficiary i.e. the person who took the property subject to the rights, takes an inheritance of the cessor of those rights from the original disponer. In order to calculate the market value of the benefit, the above formula is used and the values used are as at the date the rights ceased to exist.

The Revenue guidance notes state that the Revenue Commissioners will allow a deduction of one-tenth of the market value of the dwelling-house where there is a right of residence and a deduction of one-fifth of the market value of the property where there is a right of residence, support and maintenance. Note however that whatever method is used for calculating the deduction for the rights, the same method must be used for calculating the value of the cessor of these rights.

13. Valuation of a Life Interest in a Property

Gift / Inheritance Tax

Members will find the following rules and tables of interest when from time to time they are called upon to provide a valuation of a life interest in a property. Rules relating to the valuation of limited interests utilising Tables A and B in Parts 11 and 111 of the First Schedule of the Capital Acquisitions Tax Consolidation Act 2003 (CATCA 2003).

1. The value of an interest for a single life in a capital sum shall be that sum multiplied by the factor, contained in column 3 or 4 respectively of Table A, which is appropriate to the age and sex of the person in respect of the duration of whose life the interest is to be valued.
2. The value of an interest in a capital sum for the joint continuance of two lives shall be the value of an interest in that sum for the older life, ascertained in accordance with rule1, multiplied by the joint factor in column 2 of Table A (overleaf) which is appropriate to the younger life.
3. The value of an interest in a capital sum for the joint continuance of three or more lives shall be the value of an interest in that sum for the joint continuance of the two oldest of those lives, ascertained in accordance with rule 2, multiplied by the joint factor of the youngest of those lives.
4. The value of an interest in a capital sum for the longer of two lives shall be ascertained by deducting from the total of the values of an interest in that sum for each of those lives, ascertained in accordance with rule 1, the value of an interest in the capital sum for the joint continuance of the same two lives, ascertained in accordance with rule 2.
5. Where an interest is given for the longest of more than two lives, it shall be valued, in accordance with rule 4, as if it were for the longer of the two youngest of those lives.
6. The value of an interest in a capital sum for a period certain shall be the aggregate of -
   (a) the value of the capital sum, multiplied by the factor in Table B which is appropriate to the number of whole years in that period (or zero if that period is less than a whole year); and
   (b) where the period is not an integral number of years, a fraction (of which the numerator is the number of days in excess of the number of whole years, if any, in that period and the denominator is 365) of the difference between –
      (i) the value of an interest in the capital sum for one year longer than the number of whole years, if any, in the period; and
      (ii) the value ascertained under the provisions of paragraph (a) (or zero, where so provided in the said paragraph).
7. In the case of a limited interest where the interest is for a life or lives, but is guaranteed for a period certain, the value shall be the higher of –
   (a) the value of an interest for such life or lives, ascertained in accordance with the appropriate rule in this part of this Schedule; and
   (b) the value of an interest for the period certain, ascertained in accordance with rule 6.
8. The value of a limited interest for which the other rules in this Part of this Schedule provide no method of valuing shall be ascertained as if the interest taken were a series of absolute interests in the property applied in satisfaction of the interest from time to time, taken as separate gifts or inheritances as the case may be.

First Schedule Catca 2003 – Valuation Of Limited Interests – Part II, Table A

1 Years of age	2 Joint Factor	3 Male Age Factor Value of an interest in a capital of €1 for a male life aged as in column 1	4 Female Age Factor Value of an interest in a capital of €1 for a female life aged as in column 1	1 Years of age	2 Joint Factor	3 Male Age Factor Value of an interest in a capital of €1 for a male life aged as in column 1	4 Female Age Factor Value of an interest in a capital of €1 for a female life aged as in column 1
0	.99	.9519	.9624	51	.91	.7156	.7683
1	.99	.9767	.9817	52	.90	.7024	.7572
2	.99	.9767	.9819	53	.89	.6887	.7456
3	.99	.9762	.9817	54	.89	.6745	.7335
4	.99	.9753	.9811	55	.88	.6598	.7206
5	.99	.9742	.9805	56	.88	.6445	.7069
6	.99	.9730	.9797	57	.88	.6288	.6926
7	.99	.9717	.9787	58	.87	.6129	.6778
8	.99	.9703	.9777	59	.86	.5969	.6628
9	.99	.9688	.9765	60	.86	.5809	.6475
10	.99	.9671	.9753	61	.86	.5650	.6320
11	.98	.9653	.9740	62	.86	.5492	.6162
12	.98	.9634	.9726	63	.85	.5332	.6000
13	.98	.9614	.9710	64	.85	.5171	.5830
14	.98	.9592	.9693	65	.85	.5007	.5650
15	.98	.9569	.9676	66	.85	.4841	.5462
16	.98	.9546	.9657	67	.84	.4673	.5266
17	.98	.9522	.9638	68	.84	.4506	.5070
18	.98	.9497	.9617	69	.84	.4339	.4873
19	.98	.9471	.9596	70	.83	.4173	.4679
20	.97	.9444	.9572	71	.83	.4009	.4488
21	.97	.9416	.9547	72	.82	.3846	.4301
22	.97	.9387	.9521	73	.82	.3683	.4114
23	.97	.9356	.9493	74	.81	.3519	.3928
24	.97	.9323	.9464	75	.80	.3352	.3743
25	.97	.9288	.9432	76	.79	.3181	.3559
26	.97	.9250	.9399	77	.78	.3009	.3377
27	.97	.9209	.9364	78	.76	.2838	.3198
28	.97	.9165	.9328	79	.74	.2671	.3023
29	.97	.9119	.9289	80	.72	.2509	.2855
30	.96	.9068	.9248	81	.71	.2353	.2693
31	.96	.9015	.9205	82	.70	.2203	.2538
32	.96	.8958	.9159	83	.69	.2057	.2387
33	.96	.8899	.9111	84	.68	.1916	.2242
34	.96	.8836	.9059	85	.67	.1783	.2104
35	.96	.8770	.9005	86	.66	.1657	.1973
36	.96	.8699	.8947	87	.65	.1537	.1849
37	.96	.8626	.8886	88	.64	.1423	.1730
38	.95	.8549	.8821	89	.62	.1315	.1616
39	.95	.8469	.8753	90	.60	.1212	.1509
40	.95	.8384	.8683	91	.58	.1116	.1407
41	.95	.8296	.8610	92	.56	.1025	.1310
42	.95	.8204	.8534	93	.54	.0939	.1218
43	.95	.8107	.8454	94	.52	.0858	.1132
44	.94	.8005	.8370	95	.50	.0781	.1050
45	.94	.7897	.8283	96	.49	.0710	.0972
46	.94	.7783	.8192	97	.48	.0642	.0898
47	.94	.7663	.8096	98	.47	.0578	.0828
48	.93	.7541	.7997	99	.45	.0517	.0762
49	.93	.7415	.7896	100 or over	.43	.0458	.0698
50	.92	.7287	.7791				

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First Schedule Catca 2003 – Valuation of Limited Interests – Part III, Table B

Column 2 shows the value of an interest in a capital of €1 for the number of years shown in Column 1.

1 No. of years	2 Value	1 No. of years	2 Value	1 No. of years	2 Value	1 No. of years	2 Value
1	.0654	14	.6116	27	.8375	40	.9360
2	.1265	15	.6369	28	.8480	41	.9425
3	.1836	16	.6605	29	.8578	42	.9490
4	.2370	17	.6826	30	.8669	43	.9555
5	.2869	18	.7032	31	.8754	44	.9620
6	.3335	19	.7225	32	.8834	45	.9685
7	.3720	20	.7405	33	.8908	46	.9750
8	.4177	21	.7574	34	.8978	47	.9815
9	.4557	22	.7731	35	.9043	48	.9880
10	.4913	23	.7878	36	.9100	49	.9945
11	.5245	24	.8015	37	.9165	50 and over	1.0000
12	.5555	25	.8144	38	.9230		
13	.5845	26	.8263	39	.9295		

APPENDIX

Schedule A

Qualifications For Applying For Relief From Stamp Duty In Respect Of Transfers To Young Trained Farmers

1. Qualifications awarded by the Further Education and Training Awards Council:

(a) Vocational Certificate in Agriculture — Level 3;
(b) Advanced Certificate in Agriculture;
(c) Vocational Certificate in Horticulture — Level 3;
(d) Vocational Certificate in Horse Breeding and Training — Level 3;
(e) Vocational Certificate in Forestry — Level 3;
(f) Awards other than those referred to in subparagraphs (a) to (e) of this paragraph which are at a standard equivalent to the standard of an award under subparagraph (a) of this paragraph.

2. Qualifications awarded by the Higher Education and Training Awards Council:

(a) National Certificate in Agriculture;
(b) National Diploma in Agriculture;
(c) National Certificate in Science in Agricultural Science;
(d) National Certificate in Business Studies in Agri-Business;
(e) National Certificate in Technology in Agricultural Mechanisation;
(f) National Diploma in Horticulture;
(g) National Certificate in Business Studies in Equine Studies;
(h) National Certificate or Diploma awards other than those referred to in subparagraphs (a) to (g) of this paragraph.

3. Qualifications awarded by other third-level institutions:

(a) Primary degrees awarded by the faculties of General Agriculture and Veterinary Medicine at University College Dublin;
(b) Bachelor of Science (Education) in Biological Sciences awarded by the University of Limerick;
(c) Bachelor of Science in Equine Science awarded by the University of Limerick;
(d) Diploma or Certificate in Science (Equine Science) awarded by the University of Limerick.

Schedule B

Qualifications For Applying For Relief From Stamp Duty In Respect Of Transfers To Young Trained Farmers

1. Qualifications awarded by the Further Education and Training Awards Council:

(a) Level 6 Advanced Certificate in Farming;
(b) Level 6 Advanced Certificate in Agriculture;
(c) Level 6 Advanced Certificate in Dairy Herd Management;
(d) Level 6 Advanced Certificate in Drystock Management;
(e) Level 6 Advanced Certificate in Agricultural Mechanisation;
(f) Level 6 Advanced Certificate in Farm Management;
(g) Level 6 Advanced Certificate in Machinery and Crop Management;
(h) Level 6 Advanced Certificate in Horticulture;
(i) Level 6 Advanced Certificate in Forestry;
(j) Level 6 Advanced Certificate in Stud Management;
(k) Level 6 Advanced Certificate in Horsemanship;
(l) Level 6 Specific Purpose Certificate in Farm Administration.

2. Qualifications awarded by the Higher Education and Training Awards Council:

(a) Higher Certificate in Agriculture;
(b) Bachelor of Science in Agriculture;
(c) Higher Certificate in Agricultural Science;
(d) Bachelor of Science in Agricultural Science;
(e) Bachelor of Science (Honours) in Land Management, Agriculture;
(f) Bachelor of Science (Honours) in Land Management, Horticulture;
(g) Bachelor of Science (Honours) in Land Management, Forestry;
(h) Higher Certificate in Engineering in Agricultural Mechanisation;
(i) Bachelor of Business in Rural Enterprise and Agri-Business;
(j) Bachelor of Science in Agriculture and Environmental Management;
(k) Bachelor of Science in Horticulture;
(l) Bachelor of Arts (Honours) in Horticultural Management;
(m) Bachelor of Science in Forestry;
(n) Higher Certificate in Business in Equine Studies;
(o) Bachelor of Business in Equine Studies;
(p) Higher Certificate in Science Applied Agriculture;
(q) Bachelor of Science (Honours) in Sustainable Agriculture.

3. Qualifications awarded by other third-level institutions:

(a) Bachelor of Agricultural Science — Animal Crop Production awarded by University College Dublin;

(b) Bachelor of Agricultural Science — Agri-Environmental Science awarded by University College Dublin;

(c) Bachelor of Agricultural Science — Animal Science awarded by University College Dublin;

(d) Bachelor of Agricultural Science — Food and Agribusiness Management awarded by University College Dublin;

(e) Bachelor of Agricultural Science — Forestry awarded by University College Dublin;

(f) Bachelor of Agricultural Science — Horticulture, Landscape and Sportsturf Management awarded by University College Dublin;

(g) Bachelor of Veterinary Medicine awarded by University College Dublin;

(h) Bachelor of Science in Equine Science awarded by the University of Limerick;

(i) Diploma in Equine Science awarded by the University of Limerick.

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Working in **partnership with RICS**, the pre-eminent Chartered professional body for the **construction, land** and **property** sectors around the world, the Society and RICS act in the public interest: setting and maintaining the **highest standards of competence and integrity** among the profession; and providing **impartial, authoritative** advice on key issues for business, society and governments worldwide.

Advancing standards in construction, land and property, the Chartered Surveyor professional qualification is the **world's leading qualification** when it comes to professional standards. In a world where more and more people, governments, banks and commercial organisations demand greater certainty of professional standards and ethics, attaining the Chartered Surveyor qualification is the recognised mark of **property professionalism.**

Members of the profession are typically employed in the construction, land and property markets through private practice, in central and local government, in state agencies, in academic institutions, in business organisations and in non-governmental organisations.

Members' services are diverse and can include offering strategic advice on the economics, valuation, law, technology, finance and management in all aspects of the construction, land and property industry.

All aspects of the profession, from **education** through to **qualification** and the continuing **maintenance of the highest professional standards** are **regulated** and overseen through the partnership of the Society of Chartered Surveyors Ireland and RICS, in the public interest.

This valuable partnership with RICS enables access to a worldwide network of **research, experience** and **advice.**

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