

Local Property Tax – Setting the Local Adjustment Factor.

The Local Property Tax (LPT) is an annual self-assessed tax charged on all residential properties in the State. The LPT is administered and collected by the Revenue Commissioners.

A local authority may resolve to vary the basic rate of the Local Property Tax within its functional area by a maximum of +/-15%. The local adjustment factor is the % specified in a resolution by the Council by which the basic rate of local property tax should stand varied. This means that Kerry County Council can either increase or decrease the rate of LPT in County Kerry by up to 15% of the basic rate.

Kerry County Council would like to hear your views and opinions in relation to this and how any adjustment to the rate may affect you, your household, your business and your local Council services.

Below you will find the **Statutory Notice of Consideration of Setting a Local Adjustment Factor** along with a set of **Frequently Asked Questions** to provide you with more information on the setting of the Local Adjustment Factor and the public consultation process.

Frequently Asked Questions

What is Local Property Tax (LPT)?

Local Property Tax (LPT) is an annual tax charged on all residential properties in the State and came into effect in 2013. The LPT is collected by the Revenue Commissioners.

What is the Local Adjustment Factor?

A local authority may vary the basic rate of the Local Property Tax within its own area by a maximum of 15%. This means that Kerry County Council can either increase or decrease the rate of Local Property Tax in County Kerry in 2019 by up to 15% of the basic rate.

What does this mean for the average household?

The table below gives an indication of the rate of Local Property Tax for an average household in Kerry following a 15% decrease or increase on the basic rate.

LPT Valuation Band	LPT Basic Rate 2014 rate	-15%	+15%
€0 – 100,000	€90	€76.50	€103.50
€100,001 - 150,000	€225	€191.25	€258.75
€150,001 - 200,000	€315	€267.75	€362.25
€200,001 - 250,000	€405	€344.25	€465.75
€250,001 - 300,000	€495	€420.75	€569.25

For example, if your house is valued under €100,000, and the Local Property Tax rate is increased by 15% you will pay €103.50 Local Property Tax in 2019 and if this rate is decreased by 15%, you will pay €76.50 Local Property Tax in 2019.

Please note that for 2018 the basic rate of LPT was increased by 5% by Kerry County Council.

Does the Council have to vary the rate of LPT for 2019?

No, the Council could, having considered a range of issues, decide not to vary the rate of LPT for 2019.

What is the money collected under the Local Property Tax used for in the Council?

This money contributes towards the cost of providing a range of local Council services including libraries, public lighting, road maintenance, housing services, fire services, supporting community initiatives, recreational facilities, planning services, pollution control, dealing with illegal dumping and littering, beach management and tourism development initiatives etc.

What will an adjustment in the Local Property Tax mean in terms of Council services?

If the rate is reduced and if funding is not available to replace this reduction, then a reduced level of income available to the Council will limit the range and extent of services and supports that can be provided in 2019.

If the rate is increased, then an increased level of income available to the Council will increase the capacity to deliver services and supports in 2019.

When will the Council make a decision on varying the rate of Local Property Tax in Kerry?

This decision will be made at a Council meeting to be held in September 2018.

Can I give my views and opinions on any proposal to increase or decrease the rate of Local Property Tax?

Yes, Kerry County Council would like to hear your views and opinions on any proposal to increase or decrease the rate of Local Property Tax in Kerry. We would like to hear your thoughts on the potential effects of varying the basic rate of the Local Property Tax on households, individuals, businesses and on Council services.

How do I make my submission?

Submissions must be made in writing and can be sent to:

Finance Department,
Kerry County Council,
Áras An Chontae,
Tralee,
Co. Kerry.

or emailed to: lptcon@kerrycoco.ie

Submissions must be received by **5.00 p.m. on 29 August 2018**. There is no prescribed format for a submission.

What will the Council do with the submissions that are received?

The elected members of Kerry County Council will consider the feedback received from this public consultation as part of the decision-making process. The Chief Executive will provide a summary of the written submissions received in a report to the elected members.

In making their decision on whether or not to vary the rate, the elected members will consider the following:

- Estimated Income and Expenditure for the Council in 2019
- Financial Position of Kerry County Council at present
- Estimated Financial effect of the varied rate in 2019
- Feedback from the Public Consultation

The Council must notify the Revenue Commissioners and the Department of Housing, Planning and Local Government by the 30th September of its decision. Within 14 days of the passing of a resolution by the Elected Members to vary the Local Property Tax a notice must be placed on the Council's website and in one newspaper circulating in the Council's administrative area.