

An Roinn Airgeadais
Department of Finance
Oifig an Aire
Office of the Minister



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9
March, 2021

Clr Séamas McGrattan
Chairperson
Finance Strategic Policy Committee
Dublin City Council
City Hall
Dublin 2

Dear Chairperson

I wish to acknowledge receipt of your recent correspondence concerning reform of the Local Property Tax (LPT).

As you are probably aware, the Programme for Government "Our Shared Future" includes a number of commitments in relation to LPT, specifically –

- a. to bring forward legislation for the LPT on the basis of fairness and that most homeowners will face no increase.
- b. to bring new homes, which are currently exempt from the LPT, into the taxation system, and that
- c. all money collected locally will be retained within the county. This is to be done on the basis that those counties with a lower LPT base are adjusted via an annual national equalisation fund paid from the Exchequer.

I am currently examining options for the reform of the tax in the light of the 2019 Interdepartmental LPT Review Report, the views of the Budgetary Oversight Committee on that report and the above Programme for Government commitments. I hope to be in a position to bring proposals for amending legislation to Government soon. You will appreciate that it would not be appropriate to comment further at this stage before the Government has had an opportunity to consider the matter fully.

As your correspondence touches on issues to do with local government funding I am copying your letter to my colleagues, Minister for Housing, Local Government and Heritage, Darragh O'Brien TD, and Minister for Public Expenditure and Reform, Michael McGrath TD.

I hope the foregoing is of assistance.

Yours sincerely

Paschal Donohoe T.D.
Minister for Finance

The Minister is a Designated Public Official under the Regulation of Lobbying Act, 2015 (details available on www.lobbying.ie).

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