

Proposed Valuation Certificates - Frequently Asked Questions

1. What will my rates liability be?

An estimate of your 2020 rates liability can be calculated by multiplying the valuation on your Proposed Valuation Certificate by the indicative Annual Rate on Valuation for 2020, estimated by your Local Authority. The estimated Annual Rate on Valuation may change by the time the rates bill is issued in 2020

2. Is the figure on the Proposed Certificate my new Rates Liability?

No, the Proposed Valuation on your Proposed Valuation Certificate is *not* your rates liability. You can estimate your 2020 rates liability by multiplying valuation on your Proposed Valuation Certificate by the indicative Annual Rate on Valuation for 2020, estimated by your Local Authority.

3. What do I do if I have received a Proposed Valuation Certificate for a property I no longer occupy?

If you receive a Proposed Valuation Certificate for a property you no longer occupy please return the hardcopy Proposed Valuation Certificate to the Valuation Office stating that you are no longer the occupier of the property in question.

4. The property description / use / address etc. is incorrect, how do I change it?

If any of the details on the Proposed Valuation Certificate are incorrect, you should amend the details using the online representations form and submit it to the Valuation Office. Supporting evidence should also be provided where possible.

5. Why is there a Revaluation taking place?

Having a modern valuation base is very important for the levying of commercial rates on a fair and equitable basis across all property sectors. The Valuation Acts provide for the revaluation of all rateable property within a rating authority area so as to reflect changes in value due to economic factors such as differential movements in property values or other external factors and changes in the local business environment.

A revaluation will bring more equity, uniformity, fairness and transparency into the local authority rating system resulting in a more equitable distribution of commercial rates among ratepayers.

6. Will the total amount of rates collected by the Local Authority increase due to the Revaluation?

No. Revaluation is essentially a revenue neutral exercise. The total amount of rates liable to be collected by the local authority in 2020 compared with 2019 will not increase by virtue of the revaluation. There will however be an allowance for inflation.

7. What is the Valuation based on?

A valuation for commercial rates purposes is arrived at by estimating the *Net Annual Value* of the property in question, at a specified valuation date. For Reval 2019 this is 15th September 2017. The term “net annual value” has a legal definition and is set out in section 48 of the Valuation Act 2001 as “the rent for which, one year with another, the property might, in its actual state, be reasonably expected to let from year to year, on the assumption that the probable average annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes payable in respect of the property, are borne by the tenant”. This definition of Net Annual Value is applied to all rateable properties and classes of business on a nationwide basis.

Estimating the Net Annual Value of a rateable property is an evidence-based exercise. During a revaluation, the Valuation Office analyses relevant market rental transactions for all rateable properties in accordance with the legislation, best practice internationally as set out in published Practice Guidance Notes, well-established valuation principles and case law arising from the independent Valuation Tribunal and the Higher Courts. The conclusions drawn from that analysis is applied to similarly circumstanced property using the “comparative” method of valuation which, as the name implies, employs direct comparison with other similar properties.

8. Where do you get rental information from?

All ratepayers were issued with a Revaluation Information Form, in which the Valuation Office requested rental information/lease details. Rental information was also received from the Revenue Commissioners and the Property Services Regulatory Authority rental database. All this information was analysed and the conclusions drawn from the analysis is applied to similarly circumstanced property.

9. What are Retail Zones?

Zoning is a technique used by the Valuers to calculate the valuation of a retail property. ‘Zone A’ refers to the first 6.1m from the front of property into the shop, ‘Zone B’ refers to the next 6.1m and ‘Zone C’ refers to the next 6.1m. The front area of your shop is the most valuable and the value per metre squared halves as you move back through the Zones.

10. I did not return Revaluation Information Form, where did you get the size of my property from?

The floor area used to value your property is derived from survey data already held by the Valuation Office. Where the floor area on your returned Revaluation Information Form differed from that held by the Valuation Office the correct floor area would have been established using a range of techniques/sources including inspection and survey.

11. What do I do if the rent I paid in October 2017 is considerably less than the Proposed Valuation?

The proposed valuation is based on *open market rental values*. Your rent may not necessarily have been based on open market values. However, if it was, you should submit a Representation and also upload a copy of your lease as supporting information.

12. Can my property be valued as I own it and it has never been leased for rent?

A revaluation requires both rented and owner occupier properties to be valued for rating purposes. If there is no direct rental information available for your particular property, the valuation is therefore based on rental evidence derived from comparable properties in the Local Authority area.

13. How do I submit a Representation?

You can submit your Representation online at www.valoff.ie. In doing this you should also upload any supporting information you wish to submit here too. If you are unable to upload the supporting information, you should send it by post to the Valuation Office and ensure you quote your Property Number on all correspondence.

If you do not have access to the internet, or are unable to complete the form online, you may request a hardcopy form. You should note that the statutory deadline will not be extended for hardcopy Representations and therefore you should request this form and complete and return it as soon as possible.

Letters/emails submitted as Representations may not be accepted as they are not on the required statutory form.

14. What do I do if my property is no longer in commercial use/derelict?

If your property is no longer in commercial use or is derelict you should submit a Representation stating that your property is no longer in commercial use/is derelict. You must also submit supporting evidence such as photographs or details of a grant of planning permission for a change of use from commercial to domestic. For a property to be considered domestic all signage, furniture, fixtures and fittings (of a commercial nature, eg. shelving, counter, fitted furniture, till area etc.) should be removed from the property.

15. What do I do if my property is vacant?

Vacant commercial properties are rateable and valued for rating purposes. An owner of vacant property can apply to their Local Authority for vacancy relief. You should speak to your Local Authority regarding this matter.

16. What areas of my property are included in the valuation?

The breakdown of your valuation, showing the areas included in your valuation and the price per square metre applied can be found on page 2 of your Proposed Valuation Certificate.

17. Why is my property valued as a shop when it is used as an office (or other use, not 'retailing')?

The valuation of a property is based on the *most likely use* of that property. While your property may now be an office, if you were to vacate that property tomorrow, its most likely use is expected to be retail.

18. Our property should be exempt from rates, what should we do?

You should submit a representation online stating that your property should be exempt, outlining the reasons why, providing a comprehensive statement of what the property is used for and by whom and details of ownership/tenure such as a copy of a lease. If you are a charity, you must quote your Charity Registration Number and you must also submit a copy of your Memorandum and Articles of Association. You should note that charity shops are not exempt from rates as the nature of their business, retailing, is not deemed to be a 'charitable purpose'.

19. What should I do if I have not received a Proposed Valuation Certificate?

If you occupy a commercial property and have not received a Proposed Valuation Certificate by mid April 2019 you should contact the Valuation Office by telephone on (01) 817100 or by e-mail to reval2019@valoff.ie. Please have your Valuation Office property number to hand.

20. I am the owner of the property, should I have received a Proposed Valuation Certificate?

It is the occupier of the property who will receive the Proposed and Final Valuation Certificates, which may not necessarily be the owner of the property. As the owner of the property, you are entitled to a copy of the Final Valuation Certificate. To request a copy, please email reval2019@valoff.ie and attach supporting documentation that verifies you are the owner of the property in question. Note: Final Valuation Certificates for Reval 2019 counties are expected to issue in September 2019.

21. I am happy with my Proposed Valuation; do I need to do anything further?

No, if you are satisfied with the Proposed Valuation, you do not need to do anything further. A Final Valuation Certificate will issue later this year and this figure will be used to calculate the rates liability for 2020.

22. If I don't make a Representation at this stage of the Revaluation, can I make an appeal later?

Yes. Once the new Valuation Lists are published, on 17th September 2019 for Reval 2019 counties, you may, within 28 days of the publication of the new list, make an appeal to an independent body called the Valuation Tribunal. You should note that there is a fee incurred when submitting an appeal to the Tribunal and the process of appeal is more formal than the representation stage.

23. Is there a fee for submitting a Representation?

There is no fee incurred for submitting a Representation.