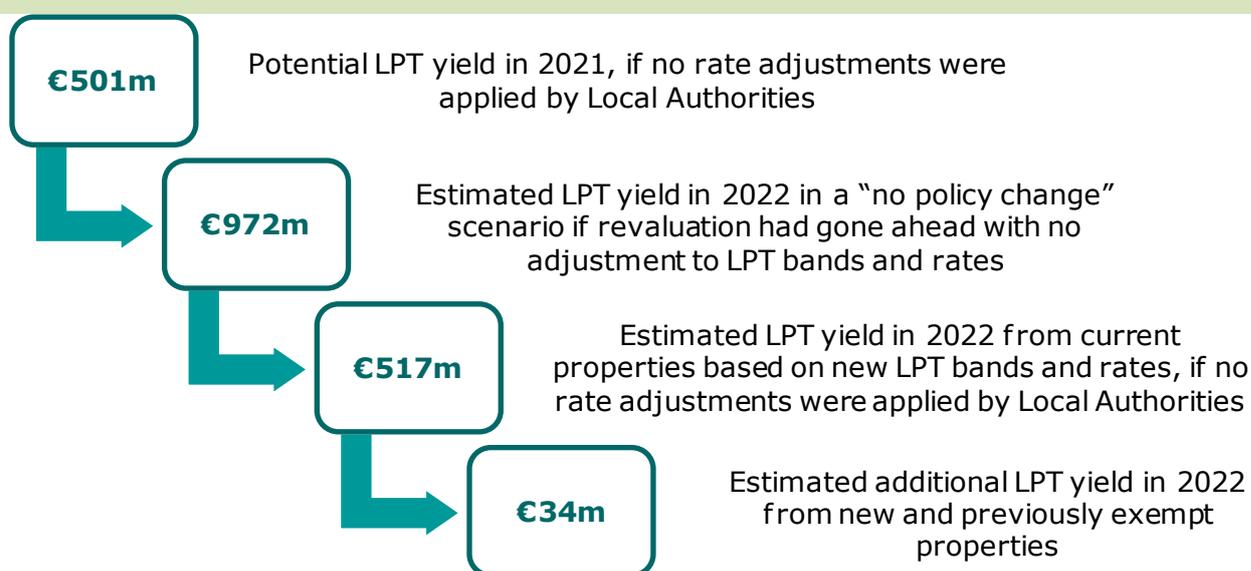


Local Property Tax (LPT) Valuation for 2022 to 2025 – Technical Paper

Local Property Tax (LPT) was introduced in 2013. The Finance (Local Property Tax) (Amendment) Act 2021 introduces a new structure for LPT from 2022 onwards. LPT for the years 2022 to 2025 will be based on 1 November 2021 property values.

LPT is a self-assessed tax charged on the market value of residential properties in the State and is collected by Revenue. Revenue produces online valuation guidance to assist property owners to value their properties. This report presents the methodology used to create this guidance as well as key trends in property valuations and other LPT related information.

Reported Average Valuation Band 2013	Band 2: €100,001 to €150,000	Projected Average Valuation Band 2021	Band 2: €200,001 to €262,500
1.90 million Total LPT Properties	44,100 Properties Currently with Deferral	52,700 Currently Exempt Properties	137,800 Local Authority Owned Properties
Estimated Number of "New" or Previously Exempt Properties	100,700 properties	Estimated Number of Properties Valued Over €1.75m in 2021	4,800 properties



These estimates are based on Revenue's projection forward of property values to November 2021. The actual LPT yield will depend on the self-assessed valuations of property owners, the rate decisions of Local Authorities and the number of new or previously exempt properties becoming liable as well as the uptake of deferrals and exemptions for future years.

Revenue is committed to assisting property owners to value their property as accurately and as easily as possible. The [online valuation guidance tool](#) is the primary method for this. In 2013, 79% of owners returned the same valuation or just one band higher or lower than the Revenue guidance. It is expected that 2021 should follow a similar pattern.

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1 Introduction

Local Property Tax (LPT) was introduced in 2013. LPT is a self-assessed tax charged on the market value of residential properties in the State and is collected by Revenue.

LPT property values are organised into 20 valuation bands. The LPT rate (0.18% until end 2021) applies on the midpoint value of each band. For property values over €1 million, owners declared an actual valuation for these properties which was assessed at 0.18% on the first €1 million in value and 0.25% on the portion of the value above €1 million.

Properties were valued for LPT purposes, by their owners under self-assessment, on 1 May 2013. This value formed the basis for the LPT charge for the years 2013 to 2021 inclusive.

The [Finance \(Local Property Tax\) \(Amendment\) Act 2021](#) introduces a new structure and rates for LPT from 2022 onwards. LPT for the years 2022 to 2025 will be based on 1 November 2021 self-assessed values. For each consecutive four year period after 2025, 1 November in the year preceding the first year of the particular four year period will be the valuation date.

The number of bands will remain at 20 for 2022 onwards but with some alterations:

- Band 1 is expanded from €1 to €200,000 and Band 2 €200,000 to €262,500. The LPT charge is fixed at the current charge for Bands 1 and 2 (€90 and €225 respectively).
- The other bands are widened by 75% to create band intervals of €87,500 (increased from the current intervals of €50,000).
- For properties in bands 3-11, a mid-point rate of 0.1029% will be charged.
- Properties in bands 12-19 (valued between €1.05 million and €1.75 million) are charged a mid-point rate of 0.1029% on the first €1.05 million and 0.25% on the balance over €1.05 million.
- Properties in Band 20 are charged on individual property values as before (0.1029% on first €1.05 million and 0.25% between €1.05 million and €1.75 million, and 0.3% on balance).

The formulae below show the calculation of LPT liability for bands 3 and above, as set out in the Act.

Where a relevant residential property falls into any of the bands 3 to 11, the amount of the LPT to be charged in respect of the chargeable value of that property shall be the amount represented by A in the Formula (i).

$$A=B*C \quad (i)$$

where

B is the mid-point of the valuation band into which the chargeable value (rounded down to the nearest euro) of the property falls, and

C is 0.001029.

Where a relevant residential property falls into any of the bands 12 to 19, the amount of the LPT to be charged in respect of the chargeable value of that property shall be the amount represented by A in the Formula (ii).

$$A=(B*C)+[(D-B)*E] \quad (ii)$$

where

B is €1,050,000,

C is 0.001029,

D is the mid-point of the valuation band specified into which the chargeable value (rounded down to the nearest euro) of the property falls, and

E is 0.0025.

Where the chargeable value of a relevant residential property exceeds €1,750,000 (i.e., it falls into band 20) the amount of the LPT to be charged in respect of the chargeable value of that property shall be the amount represented by A in the Formula (iii).

$$A=(B*C)+[(D-B)*E]+(F*G) \quad (iii)$$

where

B is €1,050,000,

C is 0.001029,

D is €1,750,000,

E is 0.0025,

F is that part of the chargeable value of the property that exceeds €1,750,000, and

G is 0.003.

This report focuses on the valuation aspects of LPT: valuations returned in 2013, property price trends since then and Revenue's approach to modelling valuations for November 2021. The potential impact on LPT yield is also considered.¹

¹ A similar report, outlining the approach adopted in 2013, is available at <https://www.revenue.ie/en/corporate/documents/research/property-valuation-technical-paper.pdf>.

2 2013 Valuations

Table 1 shows the distribution of the 1.9 million properties currently on Revenue's LPT register based on their 2013 valuation band. The average (median) liable property is in the second valuation band (€100,001 to €150,000).

Table 1: LPT 2013-2021

LPT Valuation Band €	Total Properties Count	Number of Properties LPT Exempt	Number of Properties LPT Deferred	Total Liable Properties Count
0-100,000	640,720	24,600	14,700	601,410
100,001-150,000	482,440	9,740	14,170	458,530
150,001-200,000	365,760	7,280	8,760	349,720
200,001-250,000	173,270	3,740	3,350	166,190
250,001-300,000	83,700	2,160	1,380	80,160
300,001-350,000	49,060	1,340	650	47,070
350,001-400,000	31,270	930	340	29,990
400,001-450,000	20,940	620	230	20,100
450,001-500,000	14,930	530	210	14,190
500,001-550,000	10,040	340	80	9,610
550,001-600,000	6,650	240	60	6,360
600,001-650,000	5,320	220	40	5,060
650,001-700,000	3,850	150	30	3,670
700,001-750,000	3,190	120	30	3,050
750,001-800,000	2,350	120	10	2,210
800,001-850,000	1,780	70	20	1,690
850,001-900,000	1,510	90	10	1,420
900,001-950,000	1,120	60	10	1,060
950,001-1,000,000	1,330	80	10	1,230
Over 1 million	3,970	300	20	3,650
Total	1,903,180	52,710	44,090	1,806,370

Source: Revenue. Note: Valuation of exempt properties may not be fully reflective of actual values.

Full statistics on the operation of LPT are published quarterly and at year end on Revenue.ie for 2013 to present.²

² See <https://www.revenue.ie/en/corporate/information-about-revenue/statistics/local-property-tax/index.aspx>.

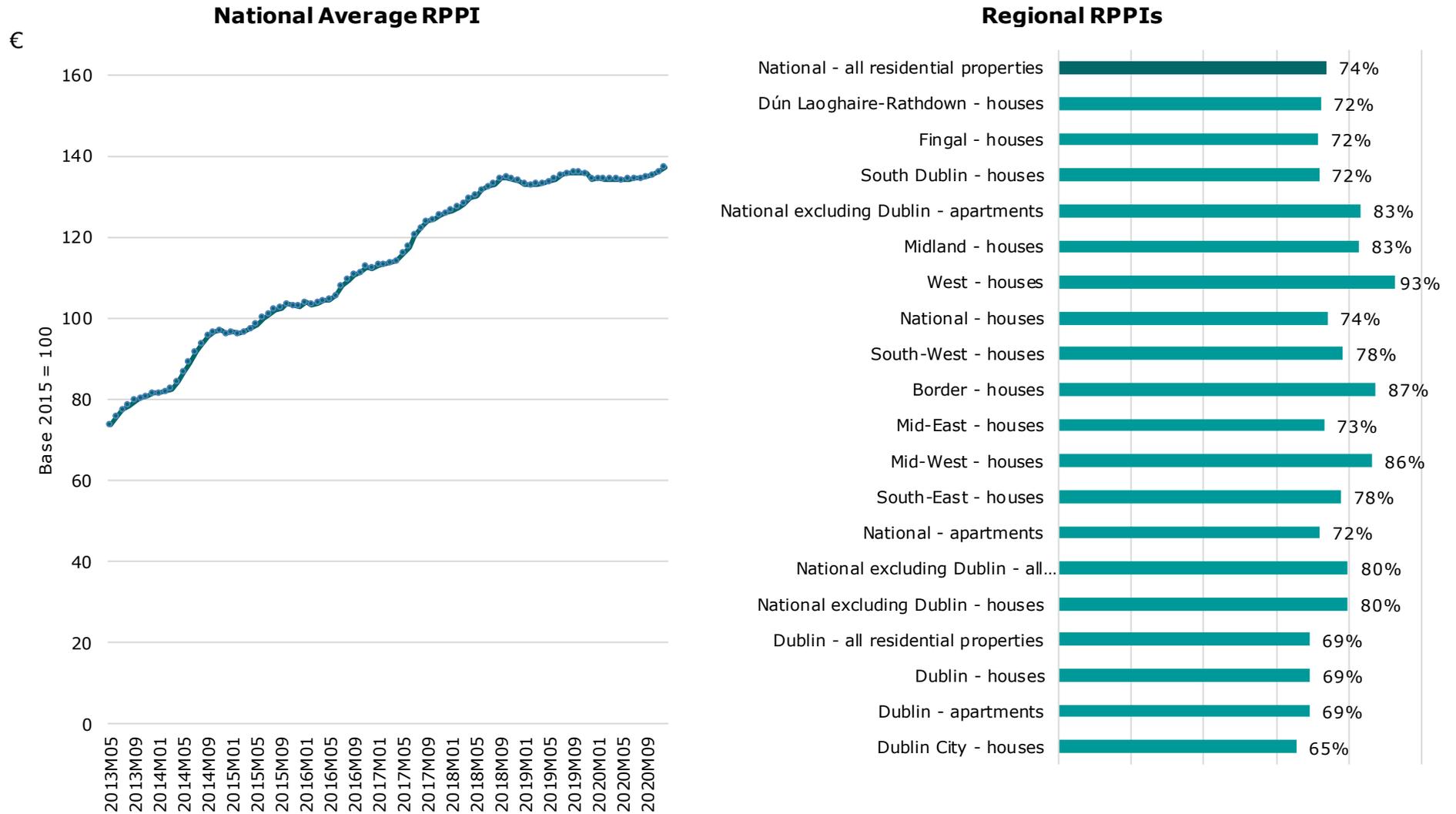
3 Property Price Trends

Property prices have increased since May 2013, with significant variations in this growth across the country. According to the CSO Residential Property Price Index (RPPI), the national average increase from May 2013 to December 2020 was 74%. As Figure 1 shows, this increase was fairly steady over the period overall.

The CSO also produce a series of regional RPPIs for different areas and property types, as shown in Figure 1. A further illustration of the regional disparity in property price changes is shown in the price changes by Eircode routing key (first three digits of an Eircode) area in Figure 2.

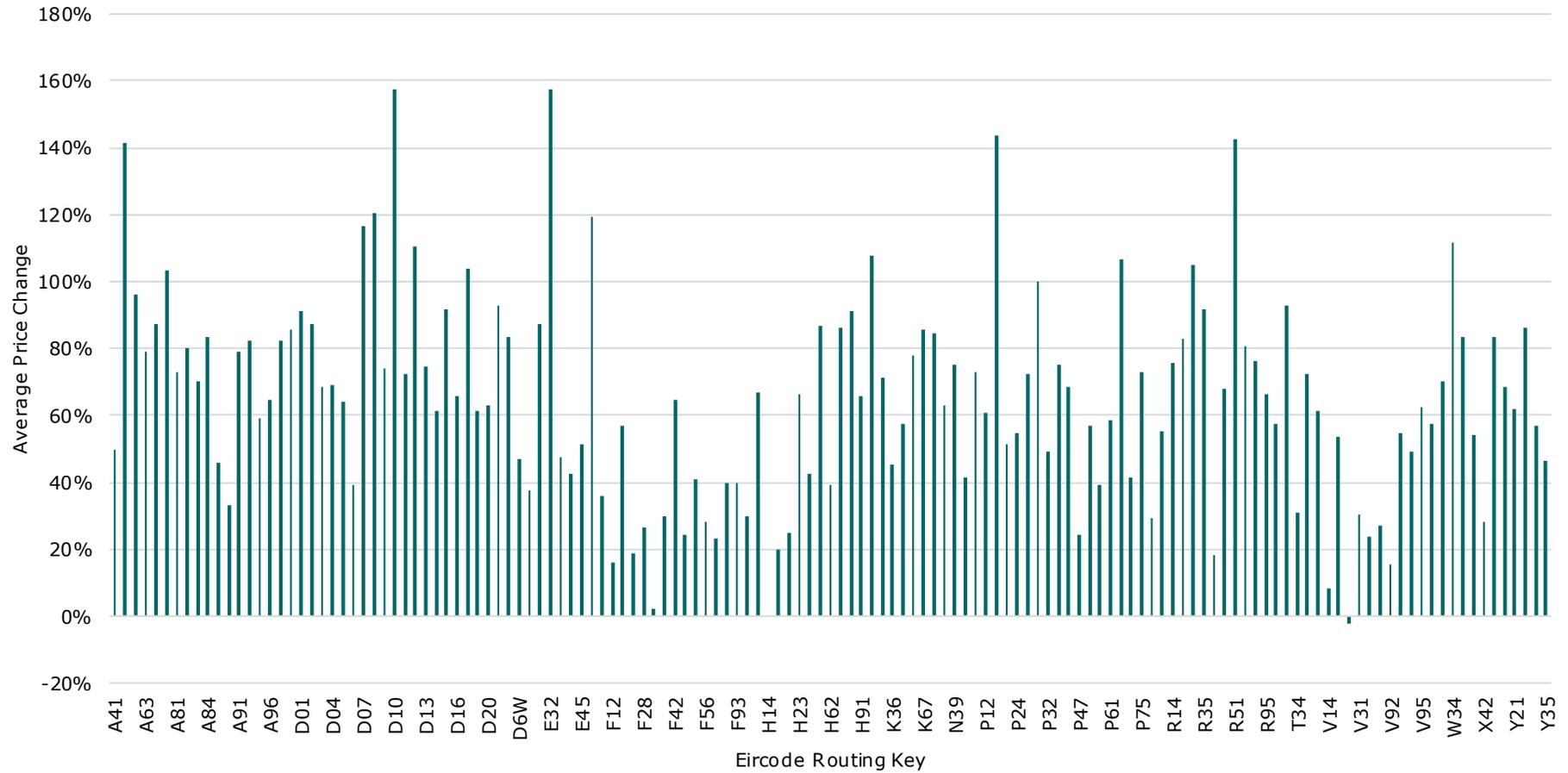
The widening of LPT valuation bands by 75% for 2022 onwards (noted in the Introduction) is based on the average price increase between 2013 and 2020 and the expectation of some moderate property price growth in the first ten months of 2021. All of the following analysis is based on property price data to end 2020 (unless otherwise indicated). Property price developments during 2021 are discussed further in Section 11.

Figure 1: Property Price Changes 2013 to 2020



Source: CSO.

Figure 2: Property Price Changes 2013 to 2020 by Eircode Routing Key



Source: CSO. Note: Price is Rolling 12 Month Market-based Household Purchases of Residential Dwellings.

4 2021 Valuations

LPT for 2022 will be based on self-assessed valuations of properties at 1 November 2021. Revenue has applied a series of steps to estimate valuation bands for the main LPT register of properties as at November 2021. Previously exempt and newly liable properties are dealt with separately further down.

The values of properties on the main LPT register (the 1.9 million properties in Table 1) are rolled forward from May 2013 to November 2021 using the CSO RPPIs. These 13 RPPIs and the share of LPT properties in each are shown in Table 2. Following consideration, it was decided to drop the 2 RPPIs related to apartments, as LPT data do not fully distinguish by property type.

LPT data record the valuation band, rather than an actual value (except for properties over €1 million). To roll forward 2013 values, a precise value (rather than valuation band) is required. One option would be to use the midpoint for each band. As a more accurate alternative, an average price in May 2013 by band and by RPPI region was calculated from Revenue Stamp Duty data, which is shown in Table 3.³

The appropriate RPPI is then applied to each median value to roll forward the values to 2021 as indicated in Formula (iv).

$$A=B*(1+C) \quad (iv)$$

where

A is the rolled forward (projected) 2021 value,

B is the average (median) price in May 2013 by band, and

C is the % increase in relevant regional RPPI from May 2013 to December 2020

Table 4 and Table 5 respectively show the estimated shares of properties and median prices by band and RPPI region based on the newly projected 2021 prices. The outcome is shown against current LPT valuation bands, rather than the new band, for comparison purposes.

The average (median) liable property is valued in the fifth valuation band (€250,001 to €300,000) following this roll forward to November 2021 values.

³ All residential property transactions from 2010 to 2020 were gathered, the market price at the date of sale extracted (classified by month and year), as was the Local Authority (LA) location of the property, and the relevant CSO RPPI applied to month/year and LA to estimate the market price in May 2013. The properties were allocated to LPT band based on their estimated 2013 valuation and the median in each band and RPPI region calculated.

Table 2: Share of LPT Properties by Valuation Band and CSO RPPI Region – 2013 Valuations

	Dublin City	D/LR	Fingal	South Dublin	Border	Midlands	West	Mid East	Mid West	South East	South West	Dublin Apartments	Non-Dublin Apartments	All RPPIs
0-100,000	2.4%	0.3%	0.7%	0.9%	5.8%	2.8%	4.1%	2.1%	4.1%	3.6%	4.7%	0.6%	1.5%	33.7%
100,001-150,000	1.8%	0.1%	0.9%	0.8%	3.9%	2.0%	3.2%	2.2%	3.2%	2.8%	3.8%	0.5%	0.3%	25.3%
150,001-200,000	1.9%	0.4%	1.2%	1.2%	1.3%	0.7%	1.7%	2.7%	1.9%	1.8%	3.7%	0.4%	0.1%	19.2%
200,001-250,000	1.7%	0.5%	0.9%	0.9%	0.4%	0.2%	0.5%	1.6%	0.5%	0.4%	1.5%	0.2%	0.0%	9.1%
250,001-300,000	0.9%	0.5%	0.6%	0.4%	0.1%	0.1%	0.2%	0.7%	0.2%	0.1%	0.5%	0.1%	0.0%	4.4%
300,001-350,000	0.5%	0.5%	0.3%	0.3%	0.1%	0.0%	0.1%	0.3%	0.1%	0.1%	0.2%	0.0%	0.0%	2.6%
350,001-400,000	0.3%	0.5%	0.2%	0.2%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.1%	0.0%	0.0%	1.6%
400,001-450,000	0.2%	0.4%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	1.1%
450,001-500,000	0.2%	0.3%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%
500,001-550,000	0.1%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
550,001-600,000	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
600,001-650,000	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
650,001-700,000	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
700,001-750,000	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
750,001-800,000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
800,001-850,000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
850,001-900,000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
900,001-950,000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
950,001-1,000,000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Over 1 million	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
All Bands	10.7%	4.1%	5.2%	5.0%	11.6%	5.7%	9.9%	10.1%	10.1%	9.0%	14.7%	1.9%	1.9%	100%

Source: Revenue.

Table 3: Estimated Average Price by Valuation Band and CSO RPPI Region – 2013 Valuations

	Dublin City	D/LR	Fingal	South Dublin	Border	Midlands	West	Mid East	Mid West	South East	South West	All RPPIs
0-100,000	€69,000	€48,900	€76,900	€77,200	€54,600	€60,400	€56,600	€69,000	€58,100	€63,000	€63,400	€66,700
100,001-150,000	€125,200	€133,300	€129,100	€128,300	€120,000	€119,500	€124,500	€127,900	€122,400	€121,700	€125,600	€124,000
150,001-200,000	€173,900	€180,100	€173,400	€175,700	€170,500	€169,300	€173,400	€175,500	€169,900	€170,000	€173,300	€173,000
200,001-250,000	€214,100	€215,700	€215,600	€213,900	€213,500	€214,800	€215,600	€215,100	€213,500	€215,400	€215,100	€213,800
250,001-300,000	€258,500	€265,300	€257,500	€258,700	€255,200	€257,100	€258,400	€260,100	€254,500	€259,000	€258,800	€258,200
300,001-350,000	€323,100	€323,200	€321,500	€321,600	€321,700	€325,300	€323,500	€324,100	€318,100	€324,100	€322,100	€322,100
350,001-400,000	€371,600	€373,200	€372,300	€371,400	€377,400	€379,500	€374,900	€374,400	€369,700	€377,400	€374,500	€372,500
400,001-450,000	€422,800	€426,800	€424,200	€421,100	€425,200	€434,800	€424,200	€424,100	€420,300	€426,200	€424,300	€422,600
450,001-500,000	€473,200	€472,600	€474,400	€469,300	€460,000	€492,700	€478,800	€474,400	€475,700	€475,400	€473,200	€472,200
500,001-550,000	€524,800	€520,900	€521,400	€522,400	€532,500	€524,800	€528,500	€528,400	€521,500	€521,100	€523,600	€522,500
550,001-600,000	€574,100	€572,100	€573,100	€569,200	€562,000	€580,400	€586,300	€587,900	€567,100	€576,300	€580,500	€572,800
600,001-650,000	€626,000	€623,900	€621,500	€626,500	€635,900	€627,500	€626,200	€630,400	€620,100	€643,000	€622,300	€624,500
650,001-700,000	€672,600	€674,900	€673,100	€675,400	€672,700	€691,500	€671,800	€684,900	€664,500	€687,000	€680,500	€674,700
700,001-750,000	€722,700	€722,600	€719,100	€721,700	€734,700	€747,800	€724,900	€733,100	€715,500	€733,300	€725,100	€724,200
750,001-800,000	€774,700	€772,000	€771,300	€772,400	€782,700	€776,700	€767,100	€788,000	€770,000	€766,000	€759,400	€773,300
800,001-850,000	€826,500	€824,100	€824,600	€822,300	€809,400		€814,800	€831,300	€823,500	€838,900	€820,900	€826,500
850,001-900,000	€875,800	€871,000	€876,100	€877,200	€876,600	€878,900	€883,400	€873,000	€869,600	€873,200	€883,500	€873,300
900,001-950,000	€924,600	€924,100	€934,800	€926,800		€913,400	€946,400	€920,000	€913,600	€907,700	€926,200	€924,900
950,001-1,000,000	€974,100	€979,400	€970,900	€967,200	€954,400	€959,900	€970,200	€992,600	€978,600	€987,900	€968,200	€975,000
Over 1 million	€1,432,600	€1,296,100	€1,232,800	€1,529,600	€1,271,800	€1,345,500	€1,553,000	€1,452,300	€1,481,500	€1,322,300	€1,453,700	€1,360,200
All Bands	€175,100	€300,900	€189,900	€188,300	€74,300	€82,100	€96,800	€151,300	€123,100	€95,000	€119,000	

Note: in some RPPI regions at higher property values, the numbers of transactions are low and consequently the averages may be less robust; in two cases, there are no properties in a valuation band in an RPPI region.

Table 4: Share of LPT Properties by Valuation Band and CSO RPPI Region – 2021 Estimated Valuations

	Dublin City	D/LR	Fingal	South Dublin	Border	Midlands	West	Mid East	Mid West	South East	South West	All RPPIs
0-100,000	1.6%	0.3%	0.3%	0.6%	5.0%	0.5%	0.6%	0.9%	0.8%	0.9%	1.3%	12.8%
100,001-150,000	1.3%	0.0%	0.4%	0.3%	0.1%	2.3%	3.7%	2.4%	3.5%	3.0%	3.7%	20.7%
150,001-200,000	0.0%	0.0%	0.0%	0.0%	3.2%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	3.6%
200,001-250,000	2.1%	0.1%	0.9%	0.8%	0.0%	2.0%	3.2%	2.9%	3.2%	2.8%	3.9%	21.9%
250,001-300,000	0.1%	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	1.1%
300,001-350,000	2.2%	0.4%	1.2%	1.2%	0.0%	0.7%	1.7%	3.3%	1.9%	1.8%	3.7%	18.2%
350,001-400,000	0.0%	0.5%	0.9%	0.9%	0.2%	0.0%	0.5%	0.0%	0.5%	0.0%	0.0%	3.5%
400,001-450,000	1.8%	0.5%	0.0%	0.0%	0.1%	0.2%	0.0%	1.7%	0.0%	0.4%	1.5%	6.1%
450,001-500,000	1.0%	0.0%	0.6%	0.4%	0.0%	0.0%	0.2%	0.7%	0.2%	0.1%	0.5%	3.7%
500,001-550,000	0.0%	0.5%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%
550,001-600,000	0.0%	0.0%	0.3%	0.3%	0.0%	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%	0.9%
600,001-650,000	0.5%	0.5%	0.0%	0.2%	0.0%	0.0%	0.0%	0.3%	0.0%	0.1%	0.2%	1.9%
650,001-700,000	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
700,001-750,000	0.3%	0.4%	0.1%	0.1%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.1%	1.3%
750,001-800,000	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
800,001-850,000	0.2%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.6%
850,001-900,000	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.5%
900,001-950,000	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
950,001-1,000,000	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
Over 1 million	0.6%	0.5%	0.2%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	1.5%
All Bands	12.1%	4.4%	5.3%	5.1%	9.3%	5.9%	10.2%	13.0%	10.4%	9.2%	15.2%	100%

Note: most properties remaining in band 1 (up to €100,000) are LA owned properties – fixed to band 1 by design.

Table 5: Estimated Average Price by Valuation Band and CSO RPPI Region – Estimated 2021 Valuations

	Dublin City	D/LR	Fingal	South Dublin	Border	Midlands	West	Mid East	Mid West	South East	South West	All RPPIs
0-100,000	€73,000	€81,900	€87,500	€60,000	€90,900	€72,500	€65,000	€80,000	€70,000	€77,000	€72,000	€90,900
100,001-150,000	€131,100	€125,000	€134,400	€134,600	€130,000	€117,700	€103,900	€130,600	€104,900	€121,100	€121,400	€117,700
150,001-200,000	€185,000	€189,100	€182,200	€180,000	€199,700	€175,000	€175,000	€180,000	€175,000	€175,000	€176,000	€199,700
200,001-250,000	€237,800	€223,100	€225,600	€223,600	€225,000	€232,900	€228,500	€241,900	€218,000	€233,900	€240,600	€232,900
250,001-300,000	€279,000	€285,000	€275,000	€275,000	€283,800	€274,500	€275,500	€275,000	€275,000	€275,000	€275,000	€283,800
300,001-350,000	€330,300	€301,500	€303,200	€306,100	€325,000	€330,100	€318,200	€332,000	€302,500	€326,800	€331,900	€330,100
350,001-400,000	€375,000	€361,200	€376,900	€372,700	€355,300	€375,000	€395,600	€375,000	€380,300	€380,000	€375,000	€376,900
400,001-450,000	€406,600	€444,200	€426,800	€425,800	€424,800	€418,700	€425,000	€407,000	€425,000	€414,100	€412,100	€407,000
450,001-500,000	€490,800	€475,000	€450,100	€450,700	€475,000	€486,500	€474,100	€492,100	€453,300	€497,900	€495,900	€490,800
500,001-550,000	€530,000	€541,300	€525,000	€530,000	€535,400	€501,100	€528,000	€526,000	€530,000	€523,500	€527,300	€541,300
550,001-600,000	€580,000	€575,000	€562,000	€560,300	€585,000	€577,500	€593,500	€575,000	€566,600	€580,000	€585,000	€562,000
600,001-650,000	€613,600	€625,000	€627,500	€646,900	€628,100	€634,100	€625,000	€613,200	€645,000	€623,100	€617,100	€617,100
650,001-700,000	€680,000	€675,000	€651,000	€680,000	€700,000	€700,000	€687,900	€680,000	€658,400	€690,000	€680,000	€651,000
700,001-750,000	€705,700	€714,700	€741,500	€733,600	€707,600	€739,800	€729,200	€708,300	€748,500	€725,800	€717,400	€714,700
750,001-800,000	€780,000	€791,300	€777,800	€785,000	€765,600	€780,000	€778,300	€780,000	€780,000	€784,500	€783,900	€791,300
800,001-850,000	€802,900	€825,000	€829,400	€817,400		€847,500	€834,500	€802,400	€847,200	€819,600	€812,800	€802,900
850,001-900,000	€898,700	€872,200	€875,000	€875,500	€886,300	€895,000	€878,400	€897,500	€885,000	€900,000	€880,000	€897,500
900,001-950,000	€928,000	€930,000	€911,600	€910,000	€935,400		€912,500	€940,000	€928,800	€914,100	€906,500	€911,600
950,001-1,000,000	€996,600	€957,900	€983,100	€991,600		€960,400	€969,700	€999,800	€975,000	€975,000	€980,000	€996,600
Over 1 million	€1,372,500	€1,210,000	€1,176,700	€1,176,500	€1,302,600	€1,223,100	€1,232,700	€1,295,800	€1,274,300	€1,236,500	€1,192,200	€1,277,400
All Bands	€330,300	€541,300	€303,200	€306,100	€128,000	€232,900	€228,500	€322,600	€218,000	€233,900	€240,600	

Note: in some RPPI regions at higher property values, the numbers of properties are low and consequently the averages may be less robust; in several cases there are no properties in a valuation band in an RPPI region.

5 New and Previously Exempt Properties

“New” properties, those built since 1 May 2013, are currently outside the charge of LPT (non-liable) until 2022. These are separate from properties currently exempt (for example, purchased as a home in 2013 or held as stock by a builder/developer).

A listing of new properties (currently outside the charge of LPT until the next valuation period) has been assembled by Revenue, primarily from Stamp Duty records. This currently contains around 79,000 properties. This is likely an underestimate of the actual number, which is not known as non-liable owners have not been required to file LPT returns with Revenue to date. As such, their LPT valuation band is not known.

The exemptions for certain properties (namely for certain properties purchased in 2013 and for trading stock of builder/developer unsold at 1/5/2013 or sold since 2013) will be ended for 2022 onward.⁴ Around 22,000 such exemptions were claimed in 2020, with their valuation band. However, given they are exempt, the valuations returned should be treated with some caution.

Table 6 shows the shares of these properties (total of 100,700) by valuation band at (notional) 2013 values and at projected 2021 values. They account for just over 5% of LPT properties. The roll forward is based on the same RPPI method as discussed in Section 4.⁵

Table 6: New and Expiring Exemption Properties

LPT Valuation Band €	Share of Properties 2013	Share of Properties 2021
0-100,000	1.7%	1.0%
100,001-150,000	0.8%	0.4%
150,001-200,000	1.1%	0.1%
200,001-250,000	0.8%	0.2%
250,001-300,000	0.4%	0.5%
300,001-350,000	0.2%	0.5%
350,001-400,000	0.1%	0.5%
400,001-450,000	0.1%	0.3%
450,001-500,000	0.0%	0.2%
500,001-550,000	0.0%	0.2%
550,001-600,000	0.0%	0.1%
600,001-650,000	0.0%	0.1%
650,001-700,000	0.0%	0.1%
700,001-750,000	0.0%	0.1%
750,001-800,000	0.0%	0.1%
800,001-850,000	0.0%	0.1%
850,001-900,000	0.0%	0.0%
900,001-950,000	0.0%	0.0%
950,001-1,000,000	0.0%	0.0%
Over 1 million	0.0%	0.1%
Total	5.3%	5.1%

Source: Revenue.

⁴ The exemption for certain properties situated in unfinished housing estates will also lapse.

⁵ LPT returns values are used for the exempt properties; Stamp Duty market values used for the new properties where available, or extrapolated from those that are where a market value was not available.

6 Properties over €1 million

Based on 2013 valuations, there are approximately 3,400 properties in band 20 (valued over €1 million) currently.

Using the roll forward of LPT valuations as discussed above, there would be an estimated 27,100 properties valued at over €1 million for 2021: 80% are located in Dublin City, Dun Laoghaire/Rathdown and Fingal; 4.3% of properties are in Wicklow; five Local Authorities (Cavan, Leitrim, Longford, Monaghan, Roscommon) have less than ten properties in band 20. The average LPT charge for these properties is €2,900.

Of the 27,100 properties, 4,800 are valued at over €1.75 million (the new band 20 in the updated LPT structure) and 3,600 over €2 million.

Table 7: Properties over €1 million (Estimated 2021 Values)

Local Authority	Over €1m	Over €1.75m	Over €2m
Carlow	0.07%	0.1%	0.0%
Cavan	0.02%	0.0%	0.0%
Clare	0.25%	0.1%	0.2%
Cork	2.84%	1.5%	0.8%
Cork	2.46%	1.8%	1.3%
Donegal	0.08%	0.1%	0.1%
Dublin City	36.82%	52.5%	45.1%
Dun Laoghaire/Rathdown	30.29%	27.7%	35.1%
Fingal	13.57%	7.6%	9.6%
Galway City	0.89%	0.4%	0.4%
Galway County	0.38%	0.3%	0.2%
Kerry	0.50%	0.3%	0.2%
Kildare	1.61%	1.2%	1.0%
Kilkenny	0.49%	0.2%	0.2%
Laois	0.10%	0.1%	0.1%
Leitrim	0.02%	0.0%	0.0%
Limerick	0.59%	0.3%	0.4%
Longford	0.01%	0.0%	0.0%
Louth	0.32%	0.2%	0.2%
Mayo	0.13%	0.1%	0.1%
Meath	0.85%	0.6%	0.4%
Monaghan	0.03%	0.0%	0.0%
Offaly	0.09%	0.0%	0.0%
Roscommon	0.02%	0.0%	0.0%
Sligo	0.09%	0.1%	0.1%
South Dublin	1.95%	0.6%	0.7%
Tipperary	0.32%	0.3%	0.4%
Waterford	0.47%	0.2%	0.3%
Westmeath	0.14%	0.0%	0.1%
Wexford	0.29%	0.1%	0.1%
Wicklow	4.33%	3.4%	2.8%
Total	100%	100%	100%
Number of Properties	27,100	4,800	3,600

Source: Revenue.

7 Revenue Estimates

LPT is a self-assessment tax, with each property owner responsible for valuing their property. However, a “Notice of Estimate” is an estimated valuation band for each property that is applied by Revenue until displaced by an owner’s valuation when a return is filed.

These Revenue estimates for the vast majority of properties are consistent with the roll forward of 2013 LPT valuation bands to projected 2021 values based on the process outlined in Section 4.

Exceptions to this approach include the following:

- For a new property, with no current LPT valuation band, the Revenue Estimate is based on the average valuation for the area in which the property is located. The level of granularity of the area (“Small Area” or Local Authority/County) will depend on the available data and the address information for each property. These area averages are discussed further in the next section.
- The consideration (actual sales value) according to Stamp Duty returns is used for properties sold between 2018 and 2020.⁶ There are 56,200 such properties. Analysis of the roll forward valuations compared with actual sales values shows that 28,500 are valued at around the same level (+ or - €50,000), 8,700 are valued at less and 19,000 are valued more highly.
- Larger multi-unit sales under a single Stamp Duty conveyance, where these are identifiable as such, are excluded from this approach. Their 2021 valuations are instead based on the roll forward approach noted above.
- No estimate is raised for Local Authority owned properties as these are automatically applied to band 1. The same applies to properties owned by Approved Housing Bodies that are readily identifiable within the LPT register.

⁶ This is applied for sales where no relationship is indicated between the purchaser and seller and where the transaction is for a single property. Approximately half of new properties have a Stamp Duty record with a price that can be used.

8 Valuation Guidance

LPT is a self-assessment tax. Property owners are best placed to determine the value of their own property. There are a number of information sources available to assist owners in determining the valuation band of their property. These include the [property price register](#), information from estate agents, average sale prices from the CSO, average asking prices such as from daft.ie or myhome.ie and the [CSO's House Prices by Eircode](#) routing key application.⁷ Owners also have the option to seek a professional valuation.

To supplement these sources and to assist property owners, in 2013 Revenue provided an online interactive guide to average property values. This was based on the estimated average valuation bands by electoral divisions derived from the valuation model in use at the time (as used for the Revenue Notice of Estimates also).

This valuation guidance map was widely accessed and proved very useful to property owners. For 2013 valuations returned to Revenue, 43% of property owners self-assessed the same LPT valuation band as the Revenue guidance. Of the 57% of property owners who self-assessed a different valuation band, 41% returned a lower valuation band (28% reduced by 1 band, 9% by 2 bands and 4% by 3 or more bands) and 16% returned a higher valuation band (8% increased by 1 band, 4% by 2 bands and 4% by 3 or more bands). Therefore in total, 79% owners returned the same valuation or one band higher or lower than the Revenue guidance.

To continue to support property owners in LPT valuation, an updated valuation guidance map has been prepared based on the updated 2021 valuations as described in Section 4 (which will again be consistent with the new Revenue estimates discussed in Section 7).

The 2013 online guidance gave averages for the 3,440 electoral divisions in Ireland (these usually each have between 500 and 1,000 properties). The 2021 online guidance uses the more granular "Small Areas".⁸ There are around 18,600 Small Areas in Ireland, usually with 50 to 200 properties (dwellings) in each.

The guidance is based on gathering all the properties identified within a Small Area and calculating their average valuation band, using the estimated 2021 valuations (Section 4). To identify a property's location with accuracy requires an exact location from either an Eircode or a geo-code (longitude / latitude coordinates). Due to the nature of address records in Ireland, this

⁷ The CSO Eircode application was not available at the time of the first LPT valuation 2013. Revenue does not endorse the valuations or services of any third party.

⁸ Small Areas are a relatively recent geographic concept compiled by the National Institute of Regional and Spatial Analysis (NIRSA) on behalf of the Ordnance Survey Ireland (OSi) and in consultation with the CSO. They were designed as the lowest level of geography for the compilation of statistics in line with data protection guidelines. A further constraint imposed when creating these new areas, was that they nested within Electoral Division boundaries. Finally, they are generally comprised either of complete townlands or neighbourhoods.

is not available for all properties. 55% of properties in Revenue's LPT register have either an Eircode or geo-code (or both). This increases to 87% in Dublin.

For properties with an Eircode or geo-code, when these properties are allocated to their Small Area, there are 13,900 of the 18,600 Small Areas with 10 or more observations (valuations). Where there are less than 10 observations, this means a statistically robust average cannot be calculated from these valuations.

For the Small Areas with less than 10 observations, the valuation guidance is based on the average for the Local Authority in which the Small Area is located.

The average valuations by Small Area are based on valuations from 2013 rolled forward to 2021. While this is a reasonable and appropriate basis to use, consideration was given to the impact of new properties (built since 2013) as well as other recent sales. To include these factors, sales (from Stamp Duty records) from 2018 to 2020 inclusive are grouped by their relevant Small Area and, for the 5,900 Small Areas where more than 5 properties sold were identified, the average valuation calculated. In most cases, the rolled forward LPT and sales based averages are the same (3,200 Small Areas). The guidance has been supplemented using the sales based averages where the latter are higher (700 Small Areas) or indicate a markedly lower valuation band (300).

This is the basis for the online valuation guidance provided by Revenue. The valuation guidance for 2021 values is available on Revenue.ie at: <https://lpt.revenue.ie/lpt-web/valuation-guide/index.htm>.⁹ This guidance is provided to assist property owners in their self-assessment of the valuation band for their property on 1 November 2021. As the above methodology lays out, this guidance is based on LPT valuations for 2013, property price trends over the period 2013 to 2020 and information on recent sales. Valuation in the context of 2021 property price developments is discussed further in Section 11.

⁹ The data presented in the interactive map are published in open data format on the Government's Open Data portal.

9 Yield

Table 8 shows the “current” LPT yield, on the basis of 2013 valuations but with no Local Adjustment Factor (LAF) changes.¹⁰ The estimated yield would be €501 million.

Table 9 shows projected yields based on 2021 valuations estimated as outlined above. This presents a “No Policy Change” or NPC scenario whereby property values increase as a result of revaluation (to November 2021) and no other adjustments are made to LPT rates or thresholds. In this NPC option, the main 1.7 million LPT properties are estimated to yield €897 million, LA owned properties €12 million and the new and previously exempt properties €63 million.

Table 10 shows the estimated yield from the new structure for LPT introduced by the Finance (Local Property Tax) (Amendment) Act 2021, based on the projected 2021 valuations as outlined in Section 4. The main 1.7 million LPT properties are estimated to yield €505 million, LA properties owned €12 million and the new and previously exempt properties €34 million.

The 75% widening of the LPT valuations bands is calibrated to the national average increase in property prices since 2013. The closer a property’s change to the 75% average, the less likely the property will see an increase or decrease in LPT charge. Table 11 gives an indication of possible increases or decreases in LPT charge, based on the new structure compared to the current.

The [2019 Interdepartmental Review Report on LPT](#) and the [June 2021 Government announcements](#) featured projections based on a dataset assembled from Stamp Duty records of sales in recent years. Using this Stamp Duty dataset, a yield of €560 million was estimated. It was also estimated that 53% of properties would see no change, 11% a decrease and 36% an increase.¹¹ The results in Tables 10 and 11, based on the roll forward of LPT valuations and using a larger and more recent dataset, give updated estimated yield and increase/decrease outcomes.

Tables 11 and 12 are based on a more recent, larger and more granular dataset. However, it should be noted that the analysis to roll forward property values to estimated November 2021 levels uses highly aggregated data (regional RPPIs, single value for all properties within a band, etc). With the available data, it is not possible to capture the full complexity of the property stock in Ireland or the full extent of price changes since 2013 (as outlined in Section 2). Rather this analysis is intended to give a broad indication of possible outcomes. As a self-assessment tax, the actual LPT yield will be determined by the valuations returned by property owners, the additional properties becoming liable (the estimates here are based on projections in Section 5) and the LAF decisions of Local Authorities (all projections above are before any LAFs are applied).

¹⁰ From 2015 onwards, Local Authorities can vary the LPT base rate (0.18%). The Local Authority can increase or decrease the rate by up to 15% from the base rate. This is referred to as the “Local Adjustment Factor” or LAF.

¹¹ These figures include new and previously exempt properties which, as they will be chargeable to LPT, automatically fall into the “increase” categories.

Table 8: "Current" Yield (2013 Valuations)

LPT Valuation Band €	LPT Charge €	All Liable Properties		Liable Less LA Owned		LA Owned	
		Total Liable Properties Count*	LPT Yield** €m	Total Liable less LA Owned Properties Count	LPT Yield** €m	LA Owned Properties Only Count	LPT Yield** €m
0-100,000	90	601,410	54.1	463,610	42	137,800	12.4
100,001-150,000	225	458,530	103.2	458,530	103.2		
150,001-200,000	315	349,720	110.2	349,720	110.2		
200,001-250,000	405	166,190	67.3	166,190	67.3		
250,001-300,000	495	80,160	39.7	80,160	39.7		
300,001-350,000	585	47,070	27.5	47,070	27.5		
350,001-400,000	675	29,990	20.2	29,990	20.2		
400,001-450,000	765	20,100	15.4	20,100	15.4		
450,001-500,000	855	14,190	12.1	14,190	12.1		
500,001-550,000	945	9,610	9.1	9,610	9.1		
550,001-600,000	1,035	6,360	6.6	6,360	6.6		
600,001-650,000	1,125	5,060	5.7	5,060	5.7		
650,001-700,000	1,215	3,670	4.5	3,670	4.5		
700,001-750,000	1,305	3,050	4.0	3,050	4.0		
750,001-800,000	1,395	2,210	3.1	2,210	3.1		
800,001-850,000	1,485	1,690	2.5	1,690	2.5		
850,001-900,000	1,575	1,420	2.2	1,420	2.2		
900,001-950,000	1,665	1,060	1.8	1,060	1.8		
950,001-1,000,000	1,755	1,230	2.2	1,230	2.2		
Over 1 million	1,800+	3,650	9.9	3,650	9.9		
Total		1,806,370	501.2	1,668,570	488.8	137,800	12.4

Source: Revenue. *Excludes exempt and deferred, includes Local Authority owned; **Yield at 2013 valuations with no LAF; LA owned includes AHB properties where identifiable.

Table 9: Estimated No Policy Change Yield (2021 Valuations)

LPT Valuation Band €	LPT Charge €	All Liable Properties		Liable Less LA Owned		LA Owned		New/Prev. Exempt	
		Total Liable Properties Count*	LPT Yield** €m	Total Liable less LA Owned Properties Count*	LPT Yield** €m	LA Owned Properties Only Count	LPT Yield*** €m	New and Previously Exempt Properties Count	LPT Yield** €m
0-100,000	90	252,770	23	94,460	9	137,800	12.4	20,510	1.9
100,001-150,000	225	373,520	84	365,380	82			8,140	1.8
150,001-200,000	315	68,020	21	65,450	21			2,580	0.8
200,001-250,000	405	400,010	162	396,450	161			3,550	1.4
250,001-300,000	495	29,630	15	20,610	10			9,030	4.5
300,001-350,000	585	340,600	199	330,420	193			10,180	6.0
350,001-400,000	675	74,050	50	64,420	43			9,630	6.5
400,001-450,000	765	121,480	93	112,000	86			9,480	7.3
450,001-500,000	855	74,180	63	68,160	58			6,010	5.1
500,001-550,000	945	16,140	15	11,650	11			4,490	4.2
550,001-600,000	1,035	18,950	20	15,570	16			3,380	3.5
600,001-650,000	1,125	36,830	41	34,070	38			2,760	3.1
650,001-700,000	1,215	7,230	9	5,340	6			1,900	2.3
700,001-750,000	1,305	25,010	33	23,540	31			1,470	1.9
750,001-800,000	1,395	6,810	10	5,690	8			1,130	1.6
800,001-850,000	1,485	11,910	18	10,760	16			1,150	1.7
850,001-900,000	1,575	9,830	15	8,520	13			1,310	2.1
900,001-950,000	1,665	3,560	6	2,900	5			660	1.1
950,001-1,000,000	1,755	6,930	12	6,130	11			810	1.4
Over 1 million	1,800+	29,630	83	27,070	79			2,570	4.6
Total		1,907,100	972	1,668,570	897.1	137,800	12.4	100,700	62.8

Source: Revenue. *Excludes exempt and deferred; **No LAF applied; ***Charge of €90 per property remains regardless of new valuation.

Table 10: Estimated New Projected Yield (2021 Valuations)

LPT Valuation Band €	LPT Charge €	All Liable Properties		Liable Less LA Owned		LA Owned		New/Prev. Exempt	
		Total Liable Properties Count*	LPT Yield** €m	Total Liable less LA Owned Properties Count*	LPT Yield** €m	LA Owned Properties Only Count	LPT Yield*** €m	New and Previously Exempt Properties Count	LPT Yield** €m
0-200,000	90	701,670	63	528,330	47.2	137,800	12.4	35,540	3.5
200,001-262,500	225	410,580	92	395,760	89.7			14,830	3.7
262,501-350,000	315	369,000	115	349,670	110.0			19,330	6.8
350,001-437,500	405	181,550	74	166,700	67.8			14,850	6.7
437,501-525,000	495	85,530	44	78,950	39.0			6,580	3.6
525,501-612,500	585	28,130	18	26,460	15.4			1,660	1.1
612,501-700,000	675	43,190	28	38,930	26.2			4,260	3.2
700,001-787,500	765	25,250	20	24,030	18.6			1,220	1.0
787,501-875,000	855	19,720	18	19,030	16.5			690	0.7
875,001-962,500	945	10,660	11	10,230	9.7			430	0.5
962,501-1,050,000	1,035	7,260	8	6,990	7.3			270	0.3
1,050,001-1,137,500	1,190	5,170	7	4,980	6.0			200	0.3
1,137,501-1,225,000	1,409	3,890	6	3,750	5.3			150	0.2
1,225,001-1,312,500	1,627	3,200	5	2,970	4.9			230	0.4
1,312,501-1,400,000	1,846	2,520	5	2,440	4.5			80	0.2
1,400,001-1,487,500	2,065	1,660	4	1,580	3.4			80	0.2
1,487,501-1,575,000	2,284	1,620	4	1,550	3.5			70	0.2
1,575,001-1,662,500	2,502	770	2	740	1.8			30	0.1
1,662,501-1,750,000	2,721	960	3	910	2.5			40	0.1
Over 1.75 million	2,830+	4,780	27	4,600	25.7			180	1.6
Total		1,907,100	552	1,668,570	505.1	137,800	12.4	100,700	34.2

Source: Revenue. *Excludes exempt and deferred; **No LAF applied; ***Charge of €90 per property remains regardless of new valuation.

Table 11: Estimated Number of Properties with Change in LPT Charge by Local Authority and 2013 Band

	Number of Properties*	Number with Decrease	Number with Increase
Carlow	21,600	240	240
Cavan	29,100	10,390	60
Clare	50,500	440	130
Cork City	79,800	740	4,590
Cork County	129,100	1,310	4,600
Donegal	70,900	25,780	60
Dublin City	219,000	1,780	37,800
Dun L/Rathdown	79,600	10,020	5,550
Fingal	96,200	1,290	3,550
Galway City	31,100	310	680
Galway County	69,100	500	500
Kerry	66,500	680	1,070
Kildare	73,700	740	4,700
Kilkenny	34,500	290	830
Laois	28,500	240	300
Leitrim	15,600	4,930	20
Limerick	74,500	850	250
Longford	16,300	70	40
Louth	46,800	420	530
Mayo	57,800	470	160
Meath	63,500	520	3,340
Monaghan	22,100	8,690	20
Offaly	27,100	250	280
Roscommon	27,000	180	50
Sligo	29,200	8,930	60
South Dublin	92,300	960	1,370
Tipperary	62,300	590	130
Waterford	47,800	470	1,040
Westmeath	33,700	350	470
Wexford	61,100	690	860
Wicklow	50,000	540	6,680
Total	1,806,400	83,660	79,960

LPT 2013 Valuation Band	Number of Properties*	Number with Decrease	Number with Increase
0-100,000	601,400	0	2,770
100,001-150,000	458,500	62,740	2,190
150,001-200,000	349,700	4,050	1,320
200,001-250,000	166,200	2,220	650
250,001-300,000	80,200	2,550	360
300,001-350,000	47,100	930	20,880
350,001-400,000	30,000	620	11,920
400,001-450,000	20,100	440	7,720
450,001-500,000	14,200	410	5,870
500,001-550,000	9,600	3,670	4,060
550,001-600,000	6,400	2,490	2,720
600,001-650,000	5,100	1,900	3,160
650,001-700,000	3,700	1,420	2,240
700,001-750,000	3,000	60	2,980
750,001-800,000	2,200	40	2,180
800,001-850,000	1,700	30	1,660
850,001-900,000	1,400	20	1,400
900,001-950,000	1,100	10	1,050
950,001-1,000,000	1,200	20	1,220
Over 1 million	3,600	40	3,600
Total	1,806,400	83,660	79,960

Source: Revenue. Notes: no LAF applied; *this table excludes new and previously exempt properties.

10 Testing and Further Work

A series of testing exercises was applied to the valuations to ensure the modelling approach had worked as intended. Testing was done before finalised files for Revenue Estimates and valuation guidance were shared with Revenue's ICT and LPT areas and with GIS mapping partners (OSI and Esri Ireland).

- A random selection of 150 rolled forward valuations were individually spot checked.
- A further 50 or so Small Area averages across Ireland were reviewed to sense check their results for properties within them.
- Comparing 2013 valuations against 2021 projected values, cases with changes of more than 1 band (either direction) under the new structure were identified and 20 were reviewed at random.
- For properties that have an Eircode and can be assigned to a Small Area, the properties that have a 2021 valuation that is 2 bands or more above or below their Small Area average were identified and 20 were reviewed at random.
- Examining side by side Small Areas with big variations (4 bands or more), samples of these were checked.
- Of the Small Areas with the highest average valuations, 10 of these were reviewed at random.
- Small Areas averages where recent Stamp Duty sales suggest a higher or lower value may be appropriate, compared to the rolled forward value, were also reviewed. This was only feasible where a reasonable number of Stamp Duty records appear in a Small Area.

The testing confirmed that, in all cases reviewed, the model logic appeared to be working as intended.

Going forward, it will be necessary to periodically provide Revenue Estimates for additional properties added to the LPT Register over the coming months and for new properties coming into LPT over the next valuation period.¹² Where a property has an Eircode (the majority, it is hoped), the Small Area of the property will be identified and the Small Area average used for the Estimate. Where an Eircode is not available and a Small Area cannot be identified, the average for the Local Authority of the property will be used.

¹² All new residential properties built between valuation dates will be retrospectively valued as if they had existed on the preceding valuation date. New properties becoming liable for the LPT charge at the next liability date (the following 1 November) will be valued at the previous valuation date (1 November 2021).

11 Property Price Developments in 2021

For 2022 LPT, property owners are required to self-assess the chargeable value of their property on the valuation date (1 November 2021):

Chargeable value, in relation to a relevant residential property, means the price which the unencumbered fee simple of the property might reasonably be expected to fetch on a sale in the open market were that property to be sold on the valuation date in such manner and subject to such conditions as might reasonably be calculated to obtain for the vendor the best price for the property and with the benefit of any easement necessary to afford the same access to the property as would have existed prior to that sale.¹³

Revenue's valuation guidance is provided to assist owners in self-assessing of the valuation band for their property on 1 November 2021. As the earlier Sections lay out, this guidance is based on LPT valuations for 2013 and property price trends over the period 2013 to 2020.

In 2020, the Department of Finance forecast a 2% increase in new house prices (this is usually a reasonable proxy for the change in overall house prices) in 2021. However, the current property market is quite volatile and, as indicated in Figure 3, property prices are increasing at a slightly faster rate than previous forecasts. Properties selling in 2021 are in some cases showing large increases well above asking prices. The property market has been significantly impacted by the COVID-19 pandemic, with limited supply and high demand putting upward pressure on prices.

Figure 3: Property Prices in 2021

Month	CSO Monthly Change in Sales Prices	CSO RPPI Change in Sales Prices January to June 2021	Daft.ie Change in Asking Prices January to June 2021	MyHome.ie Change in Asking Prices January to June 2021
Jan	0.4%	4.6%		
Feb	0.4%		4.3%	
Mar	0.5%			3.4%
Apr	0.9%			
May	0.9%			
Jun	1.5%			
Jul	1.7%			

Source: CSO, Daft.ie House Price Report Q2 2021 and MyHome.ie Q2 2021 Property Report in association with Davy.

Because of the current market conditions and uncertainty for price developments in the remainder of 2021 (as well as the data limitations implied by both these factors), the Revenue guidance reflects prices to end 2020.

Property owners will have to give consideration, in arriving at their valuations for 1 November, to the impact of recent property market developments. In many cases, it is likely that the LPT banding system means that price increases during 2021 will not increase a property's value sufficiently to move into the next band up. Care should always be taken by owners not to rely on a single sale (for example, the most recent) in an area when assessing likely valuation bands. Owners should consider area averages (such as the Revenue guidance) and any recent sales for an area as a whole, over a number of months as well as the specifics of their own property.

¹³ Finance (Local Property Tax) Act 2012 (section 2).

12 Conclusion

This report summarises the process being used to project LPT valuations for November 2021. These valuations are being used to create the Revenue Estimates (for LPT returns) and averages by Small Area (for the valuation guidance to assist property owners in self-assessing the valuation band of their property).

As LPT remains a self-assessment tax, the valuation for each property (as well as the overall LPT yield arising) will be determined by property owners. The valuations of owners and the LAF decisions of Local Authorities will determine the LPT charge for each individual property. The overall yield for LPT will also be dependent on the actual number of additional properties (new or previously exempt becoming liable) as well as the level of uptake of deferral and exemptions (for modelling purposes here, these levels were assumed to be the same as current figures).

Revenue is committed to assisting property owners to value their property as accurately and as easily as possible. Guidance on [valuing your property](#) is available on Revenue.ie. The [online valuation guidance tool](#) is the primary method for this. It is prepared based on the best available data, reflecting property price developments since 2013 and, for the reasons discussed, takes care to not overly rely on recent transactions. In 2013, 79% of owners returned the same valuation or just one band higher or lower than the Revenue guidance. It is expected that 2021 should follow a similar pattern.