

Help to Buy – Summary guide for Lending Institutes

The [Help to Buy \(HTB\) incentive](#) is designed to assist first-time buyers fund the deposit required to purchase or self-build a new house or apartment to live in as their home. HTB provides for a refund of income tax and Deposit Interest Retention Tax (DIRT) paid in the State for the previous four tax years, subject to limits outlined in the legislation (section 477C TCA).

As part of the Government's July Stimulus package a temporary enhanced HTB incentive was introduced for the period from 23 July 2020 to 31 December 2020. The enhancement provides that where applicants sign a contract for the purchase of a new house or apartment, or make the first draw down of the mortgage in the case of a self-build property, during the period from 23 July 2020 to 31 December 2020, they will be eligible for increased relief under the HTB scheme to the lesser of:

- i. €30,000, or
- ii. The amount of income tax and DIRT paid for the 4 years prior to making the application, or
- iii. 10% of the purchase price or valuation for a self-build.

As key stakeholders in the purchase of a home, lending institutes will need to confirm the potential maximum refund on a Help to Buy application prior to the mortgage approval decision with respect to that first time buyer or first time self-builder. More details about the HTB process from the perspective of the applicant can be found in the [Applicant's Guide](#).

Verifying potential maximum refund on a Help to Buy application

After the application (stage 1) is completed by the first time buyer or first time self-builder the [Mortgage Query tool](#) can be used by the applicants lending institute or the first time buyers developer/contractor to confirm the maximum relief available to an applicant prior either mortgage approval or signing a contract to purchase a home. This is done by entering the *HTB Application number* and *HTB access code* (provided by the first time buyer). Note that the HTB refund may change once the purchase price of the property is confirmed.

The information in this document is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive or that it provides a definitive answer in every case.