

Help to Buy – Summary Guide for Solicitors

July 2022

Introduction

The **Help to Buy (HTB) scheme** is designed to assist first-time purchasers fund the deposit required to purchase or self-build a qualifying property 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).

An enhanced HTB scheme was introduced in 2020 as part of a Government Stimulus package. This enhancement was extended for 12 months to 31 December 2022 in Finance Act 2021. The enhancement provides that where applicants sign a contract for the purchase of a new qualifying property, 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 2022, they will be eligible for increased relief under the HTB scheme to the lesser of:

- (1) €30,000, or
- (2) The amount of income tax and DIRT paid for the four years prior to making the application, or
- (3) 10% of the purchase price or approved valuation in the case of a self-build.

Role of Solicitors in HTB process

Where a HTB applicant is self-building a qualifying property, their solicitor is required to verify the HTB applicant's claim. Before a solicitor can verify a HTB claim for a self-build, he / she must first apply to Revenue to be a registered solicitor for the purposes of verifying the HTB self-build claim.

“Registered” Solicitors

To become a registered solicitor for verifying HTB self-build claims, a solicitor must submit a completed **Form HTB2** through MyEnquiries in ROS, as Help to Buy Scheme – Solicitor Approval.

Revenue will process the application and if all the details of the application are in order, Revenue will confirm that the solicitor is registered to verify HTB self-build claims. If there are issues / queries with respect to the details submitted by the solicitor, Revenue will issue a response through MyEnquiries.

There are three stages to the HTB process

Stage 1 Application stage

The applicant must meet the criteria of a first-time purchaser in order to apply to Revenue for the HTB relief. There will be systematic checks to ensure the individual(s) are tax compliant and, once this is confirmed, a summary showing the maximum tax relief due based on tax paid will be issued to the applicant. An Application Number (beginning with “A”) and an Access Code will be issued to the applicant’s MyEnquiries inbox. This code is required to complete the process.

Stage 2 Claim Stage

Once the applicant has entered into a contract to purchase a home or draws down the first tranche of the mortgage, he or she may complete the claim stage. The claim stage of the process involves the applicant providing details of the self-build qualifying residence including:

- Mortgage details (i.e. Letter of offer)
- Property address
- Valuation / Price (this is the approved valuation by the lender in accordance with the Central Bank prudential rules)
- BIC and IBAN of the qualifying loan account (this is the account with the lender where the refund will be paid)

The tax relief will be calculated, and a Claim Number (beginning with “C”) will be issued through MyEnquiries. Before any refund is paid the claim will need to be verified by a solicitor registered for verifying HTB self-build claims.

More detailed information about the HTB process from the perspective of the applicant can be found in the **HTB-Summary Guide for Applicants**.

Stage 3 Verification Stage

Once the claim stage is complete, applicants should inform their solicitor that they have completed their part of the HTB process.

The solicitor should then log into ROS and verify the HTB Claim. Solicitors who are registered with Revenue for Help to Buy will see an option to ‘Verify HTB’ on the ROS Services screen (either on the Agent Services tab if registered as a TAIN holder or on the My Services tab).

In order to verify a claim, solicitors need to enter the HTB Claim Number and HTB Access Code. This number and code are provided by the first-time self-builder.

Solicitors should note that the Claim Number will always begin with a “C”. This represents the second stage, the claim stage. The HTB Access Code is the same for both the application stage and the claim stage. The Application Number begins with an ‘A’ and represents the first stage.

Based on the information provided by the HTB claimant, or otherwise available as part of the normal conveyancing process, solicitors then need to verify the following aspects of a HTB claim:

- The names of the first-time purchasers
- The property address
- The valuation / price (see above for definition)

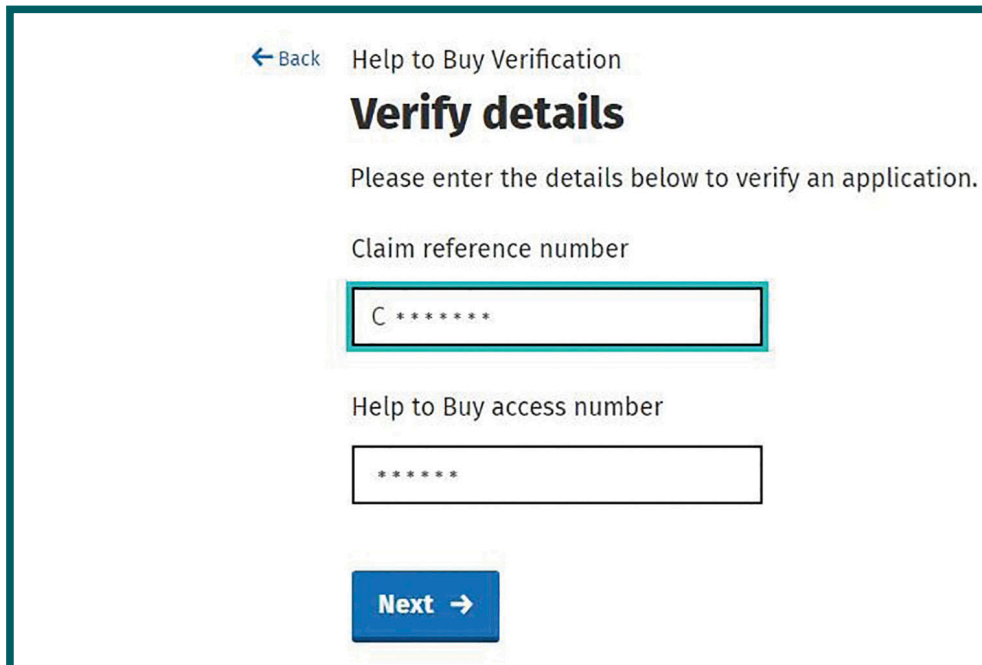
The solicitor is also required to provide the following documents

- evidence of the qualifying loan entered into
- evidence of the drawdown of the first tranche of the qualifying loan.

Provided the information entered by the first-time purchaser in the HTB claim stage matches with the information verified by the registered solicitor, Revenue will approve the HTB claim.

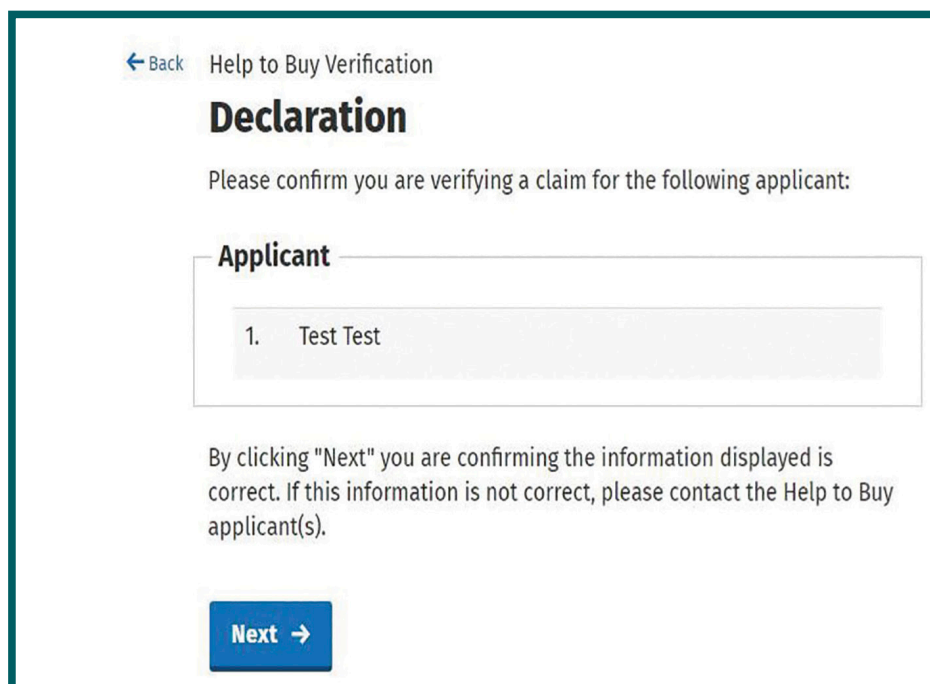
However, if the Solicitor is unable to verify the information, he / she will need to contact the HTB claimant to notify them of the issue / discrepancy.

The following ROS screens show the steps involved.



The screenshot shows a web interface for 'Help to Buy Verification'. At the top left, there is a blue arrow pointing left with the text 'Back'. To its right is the text 'Help to Buy Verification'. Below this is the main heading 'Verify details' in a large, bold, black font. Underneath the heading is the instruction 'Please enter the details below to verify an application.' followed by the label 'Claim reference number'. Below this label is a text input field containing the text 'C *****'. Below the input field is the label 'Help to Buy access number' and another text input field containing '*****'. At the bottom of the form is a blue button with the text 'Next' and a right-pointing arrow.

Figure 1. Enter HTB Claim Number and HTB Access Code



The screenshot shows a web interface for 'Help to Buy Verification'. At the top left, there is a blue arrow pointing left with the text 'Back'. To its right is the text 'Help to Buy Verification'. Below this is the main heading 'Declaration' in a large, bold, black font. Underneath the heading is the instruction 'Please confirm you are verifying a claim for the following applicant:'. Below this is the label 'Applicant' and a list box containing one item: '1. Test Test'. Below the list box is the text 'By clicking "Next" you are confirming the information displayed is correct. If this information is not correct, please contact the Help to Buy applicant(s)'. At the bottom of the form is a blue button with the text 'Next' and a right-pointing arrow.

Figure 2. Verify first-time self-builder name(s)

← Back Help to Buy Verification

Property details

Please confirm the following details about the property.

Street address

Address line 2

Address line 3

County

Eircode

By clicking "Next" you are confirming the information displayed is correct. If this information is not correct, please contact the Help to Buy applicant(s).

Next →

Figure 3. Verify property address

← Back Help to Buy Verification

Purchase details

Please confirm the following details about the purchase of the property.

Purchase price

By clicking "Next" you are confirming the information displayed is correct. If this information is not correct, please contact the Help to Buy applicant(s).

Next →

Figure 4. Verify approved valuation / price

Once approved, the claim will become available to be refunded to the account provided by the first time self-builder, which typically takes five working days.

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.