

Income tax implications for landlords with buy-to-let mortgages who have received tracker mortgage redress payments from banks

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The Central Bank has published Guidance: Principles for Lenders when Tracker Mortgage Related Issues Identified for Redress.

This document, at Appendix B of [Appendix 3](#), “Supplementary Guidance for Redress and Compensation for Tracker Mortgage-related Issues”, Paragraph 1.3.4., at page 8, states:

Any tax liability that impacted customers may incur as a result of the relevant issue or in respect of any redress, compensation or other payment made to impacted customers by the lender, as a result of the relevant issue, are to be discharged by the lender. The lender is to liaise directly with Revenue in this regard.

Taxpayers affected do not have to file amended returns for years to 2016 in relation to this matter, or to take account of such payments in rental computations for their 2017 tax returns.