

Exemption for properties damaged by pyrite

Part 02-10

This document should be read in conjunction with
section 10A Finance (Local Property Tax) Act 2012 (as amended)

Document last updated December 2022

Table of Contents

1	Introduction	3
2	Legislation	3
3	Qualifying conditions	5
3.1	Certification of significant pyrite damage	5
3.2	Remediation of properties by the Pyrite Resolution Board	5
3.3	Insurance covering structural damage to a property	6
3.4	Remediation or compensation by builder/property developer	6
3.5	Type of remediation required	7
4	Claiming the exemption	7
4.1	Qualifying condition met on 1 November 2021	7
4.2	Qualifying condition met after 1 November 2021.....	8
4.3	Documents supporting the claim for the exemption	8
5	Date from which the property qualifies for the exemption.....	9
6	Duration of the exemption.....	9
6.1	First valuation date 1 May 2013	10
6.2	Second valuation date 1 November 2021	10
6.3	Phasing out of the exemption	11
7	Repayment of LPT	11
8	Self-assessment and compliance	11
9	Examples illustrating the operation of the exemption	12
9.1	Certificate of damage obtained in October 2013	12
9.2	Inclusion in remediation scheme in February 2015	12
9.3	Inclusion in remediation scheme in August 2018.....	12
9.4	Structural warranty insurance settlement in March 2016	12
9.5	Payment of compensation by the builder	13
9.6	Phasing out of the exemption	14
	Appendix A – I.S. 398 Standards and Procedures	15
	Appendix B – I.S. 398-1:2017 Certificate.....	17
	Appendix C – LPT Exemption Certificate	19
	Appendix D – Remediation Certificate.....	21

1 Introduction

A temporary 6-year exemption from the charge to local property tax (LPT) is available for properties that are shown to have a **significant** level of pyrite damage.

A property qualifies for this exemption in the following circumstances:

1. where a certificate of damage has been completed by a competent person (see [section 3.1](#) below),
2. where it has been included in the pyrite remediation scheme operated by the Pyrite Resolution Board (see [section 3.2](#) below),
3. where an insurance company has remediated or it or provided sufficient funds to carry out the remediation (see [section 3.3](#) below), or
4. where the builder who built the property has remediated it or provided sufficient funds to carry out the remediation (see [section 3.4](#) below).

In relation to the qualifying conditions numbered 3 and 4 above, claimants have to apply to Revenue for approval of the exemption and Revenue has published guidelines in relation to the application process. This manual contains similar material to these guidelines – “Guidelines on the operation of the Local Property Tax Exemption for properties damaged by pyrite” - published in the LPT section of www.revenue.ie.

Not all properties that are affected by pyrite can qualify for the exemption. However, it is likely that the presence of pyrite, whether it has already caused structural damage to a property or has the potential to cause such damage, will have a negative effect on the market value of the property. This may result in a reduced LPT liability for the affected property, depending on the property’s chargeable value on a valuation date.¹

2 Legislation

The relevant provisions are contained in section 10A of the Finance (Local Property Tax) Act 2012 (as amended). This section was amended by the Finance (Local Property Tax) (Amendment) Act 2015 (Act of 2015) to relax and extend the qualifying conditions and the duration of the exemption.

Prior to this amendment, the exemption was only available for properties that had been certified by a competent person as having significant pyrite damage². The exemption was extended to properties that have been included in the pyrite remediation scheme³, properties that have been or are being remedied as a result of a claim under an insurance policy⁴ and properties that have been remedied by the builder who originally constructed

¹ First valuation date 1 May 2013 and second valuation date 1 November 2021.

² Section 10A (3)(a)

³ Section 10A(3)(b)

them or where the builder has provided sufficient funds to remedy the property.⁵ These changes were implemented retrospectively. The effective date for properties that were included in the pyrite remediation scheme is the date of acceptance into the scheme. The effective date for properties that have been remediated as a result of an insurance claim or by the original builder is when the remediation is complete and certification to this effect has issued. Where a builder provides sufficient funds to attend to the remediation, the effective date is the date of receipt of the funds.

The Act of 2015 also extended the duration of the exemption to 6 consecutive years. The Finance (Local Property Tax) Act of 2013, which introduced this exemption, had provided that it would apply for a period of three years.

This exemption is being phased out. The Finance (Local Property Tax) (Amendment) Act 2021 (Act of 2021) provides that this exemption will not be available for properties that do not meet the qualifying conditions on or before 21 July 2023.

The Act of 2021 substituted the reference to “for the purposes of this Act” with “for the purposes of section 16(1)” in this and other sections providing for exemptions. This had the effect of narrowing the effect of an exemption to the charging provision in section 16(1). Therefore, a property is still considered ‘relevant residential property’ for the purposes of every section in the Act except section 16(1). Prior to this amendment, a property was not considered ‘relevant residential property’ for any part of the Act once it qualified for an exemption. Therefore, exempt properties are subject to other relevant provisions such as the requirement to submit returns claiming the exemption and to declare a self-assessed chargeable value.

A further amendment as a result of the Act of 2021⁶, provided that the continuation of an exemption throughout the first valuation period covering the years 2013 to 2021 does not apply to the second valuation period covering the years 2022 to 2025. This allows for the ending of this exemption during this latter period where the qualifying conditions cease to be met. Therefore, the duration of the exemption differs in relation to the first valuation date 1 May 2013 (for valuation period 2013 to 2021) and the second valuation date 1 November 2021 (for valuation period 2022 to 2025).

The assessing, testing and certification procedures to be followed are described in Regulations made by the (then) Minister for the Environment, Community and Local Government (now the Minister for Housing, Local Government and Heritage). These are the “Finance (Local Property Tax) (Pyrite Exemption) Regulations 2013” ([S.I. No. 147 of 2013](#)). Revenue has no responsibility in relation to these Regulations. Any questions should be addressed to pyriteinformation@housing.gov.ie. The main telephone number for the Department of Housing, Local Government and Heritage is 01-8882000.

⁴ Section 10A(3)(c)

⁵ Section 10A(3)(d)

⁶ Amendment to Section 14(2)

3 Qualifying conditions

3.1 Certification of significant pyrite damage

Regulations made by the (then) Minister for the Environment, Community and Local Government (now the Minister for Housing, Local Government and Heritage) (the Pyrite Regulations)⁷ describe the procedures that must be followed in assessing and testing a property for pyrite damage and in certifying the level of damage. The Pyrite Regulations are based on procedures described in an Irish Standard published by the National Standards Authority of Ireland: I.S. 398.⁸ These procedures are very technical and require the involvement of engineers, geologists and other competent persons. Their end result is the certification of the risk posed by the presence of pyrite or the level of actual pyrite damage, depending on the particular circumstances. This is the certificate required by Revenue as evidence of qualification for the LPT exemption. The certificate must confirm that a property has ‘significant pyritic damage’, i.e. Category D on the certificate. The I.S. 398-1 procedures are summarised at [Appendix A](#) by way of providing some background information to how the required certificate of damage is to be obtained. For illustration purposes, this certificate (contained in I.S. 398) is reproduced at [Appendix B](#).

A property that was tested prior to the publication of the Pyrite Regulations is also eligible for the LPT exemption where the testing results based on the sampling of the sub-floor hardcore material from the property are validated by a competent person as being in accordance with, or equivalent to, I.S. 398. A different certificate is used in these circumstances and is included at [Appendix C](#) of these guidelines.

Properties that were damaged by pyrite but remediated before the Pyrite Regulations came into effect on 2 May 2013 do not qualify for the exemption.

3.2 Remediation of properties by the Pyrite Resolution Board

Since February 2014, the [Pyrite Resolution Board](#) (PRB), with support from the Housing Agency, has operated a programme of remediation works (“remediation scheme”) for residential properties that have been damaged to a significant extent by pyrite.⁹ A property owner who applies to the PRB to be included in the remediation scheme must submit a Building Condition Assessment (BCA) report prepared by a competent person such as an engineer. Subject to the application being validated by the PRB, any follow-up testing of the sub-floor hardcore material required to confirm that the damage recorded in the BCA is attributable to pyrite is undertaken under the scheme by the Housing Agency. However, the Housing agency may decide that it is not necessary to carry out testing on every property.

⁷The Finance (Local Property Tax) (Pyrite Exemption) Regulations 2013 (S.I. 147/2013) came into effect on 2 May 2013.

⁸ I.S. 398-1 Reactive pyrite in sub-floor hardcore material – Part 1: Testing and categorisation protocol”. Should this standard be revised by the NSAI, references in this TDM should be read as references to the revised version of the standard. First published in 2013 and later revised in 2017.

⁹ Information about the remediation scheme is available at www.pyriteboard.ie.

A property can be included in the remediation scheme without testing and in this situation, Revenue accepts confirmation that a property has been included in the remediation scheme as evidence of qualification for the exemption. The PRB's practice is to send a confirmation email to a property owner whose property is to be remediated. Property owners who wish to apply for the LPT exemption should submit a copy of this email to Revenue. Alternatively, where a property has already been remediated under the remediation scheme (after 2 May 2013), Revenue will accept evidence in the form of the Certificate of Remediation that was completed by the contractor who carried out the remediation works on behalf of the PRB. This certificate (contained in I.S. 398) is reproduced at [Appendix D](#).

The PRB's pyrite remediation scheme is for properties that were constructed and completed between 1 January 1997 and 12 December 2013 within the administrative areas of Dun Laoghaire-Rathdown, Fingal, Kildare, Meath, Offaly, Limerick City and County Council, South Dublin County Council or Dublin City Council.

Where a person purchases a property on or after 12 December 2013, the person is not eligible for the remediation scheme where he/she knew, or ought to have known, that the property was constructed using hardcore material containing reactive pyrite.

3.3 Insurance covering structural damage to a property

Builders and property developers may take out an insurance policy by way of registration with a company that underwrites any major structural defects in the properties that they build or develop. Builders and developers who have such cover should have given a copy of the warranty policy to a person who purchased one of their properties. Such structural warranty schemes are operated by companies such as Homebond and Premier Guarantee.

The type of evidence of pyrite damage required by a structural warranty company in support of a claim is a matter for the particular property owner and his or her insurance company. Where a property owner makes a successful claim under an insurance policy, Revenue will accept such evidence that will satisfy it that, following a claim that a property has been damaged by pyrite, an insurance company has remediated the property to the required standard (see [section 3.5](#) below) or has provided the property owner with sufficient funds to remediate the property.

3.4 Remediation or compensation by builder/property developer

Some builders or property developers accept responsibility for the damage caused by pyrite to the properties they have built/developed and agree to undertake the remediation of the properties. This may come about as a result of a voluntary decision by a builder or from the institution of legal proceedings by the owners of damaged properties. Whatever the reason, it is expected that remediation would not take place without it having been established that the damage was significant and that it had actually been caused by pyrite. In such circumstances, Revenue will accept such evidence that will satisfy it that, because a property has been damaged by pyrite, the builder or property developer who built the property has remediated it to the required standard (see [section 3.5](#) below) or has provided the property owner with sufficient funds to remediate the property. See examples in [section 9.5](#) below.

3.5 Type of remediation required

The qualifying conditions outlined in [sections 3.3](#) and [3.4](#) above require that a property is remediated or that sufficient funds are provided to the property owner to carry out the remediation. Although a property might not be accepted into the remediation scheme, remediation in this context has a particular meaning and is based on remediation carried out under the remediation scheme. The required procedures for the remediation of pyrite damage are contained in I.S. 398¹⁰. This essentially involves the removal of the ground floor concrete slab, the removal of the sub-floor hardcore material containing the pyrite, the installation of replacement hardcore material and the laying of a new ground floor concrete slab. This work is substantial and is understood to cost €65,000 on average,¹¹ depending on the size of a property's ground floor area.

Where an insurance company or a builder/property developer provides a property owner with sufficient funds to carry out the remediation work, this amount must be sufficient to remediate the property in accordance with I.S. 398 (Part 2).

4 Claiming the exemption

A property cannot qualify for the exemption unless the exemption is claimed.¹² How the exemption is to be claimed depends on the qualifying condition involved and when the condition is met (see [section 3](#) above).

In the case of a certificate of damage completed by a competent person (see [section 3.1](#) above) or inclusion in the remediation scheme (see [section 3.2](#) above), the exemption is claimed as part of the normal self-assessment process and the claim does not have to be approved by Revenue. However, see [section 6](#) below in relation to Revenue's compliance programme.

In the case of the remediation of a property by an insurance company or a builder (see [sections 3.3](#) and [3.4](#) above), the claim must be approved by Revenue. A claimant is required to submit certain documentation in support of a claim.

4.1 Qualifying condition met on 1 November 2021

Where the qualifying condition for the exemption is met on the second valuation date¹³ 1 November 2021, the exemption should be claimed in the LPT1 return form by inserting the exemption code number "3" in the exemption box. This claim covers the years 2022 to 2027 (6-year period).

¹⁰ I.S. 398-2-2013: Reactive pyrite in sub-floor hardcore material – Part 2: Methodology for remediation works.

¹¹ PRB 2019 Annual Report.

¹² Required by sections 3A and 41A in relation to the second valuation period 2022 to 2025.

¹³ The valuation date is the date on which the chargeable value of a property is established for all liability dates (1 November in each year) falling within the valuation period.

4.2 Qualifying condition met after 1 November 2021

Where the qualifying condition for the exemption is met in the period after 1 November 2021 and on or before 21 July 2023, the exemption should be claimed online using MyEnquiries, ROS or the LPT online service or by writing to LPT Branch, PO Box 100, Ennis, Co. Clare. A claim should include any relevant documents in support of the claim.

This claim covers the 6-year period commencing with the first year for which the first liability date (1 November in each year) falling after the qualifying condition applies. For example, if the qualifying condition is met in June 2023, 1 November 2023 is the liability date for the year 2024 and the claim covers the years 2024 to 2029 (6-year period).

4.3 Documents supporting the claim for the exemption

Claimants for exemption based on **damage caused by pyrite** should submit the certificate of significant pyrite damage issued in accordance with the Pyrite Regulations.

Claimants for exemption based on **inclusion in the remediation scheme** should submit the PRB confirmation of inclusion and/or the certification of remediation where the property has already been remediated.

Claimants for exemption based on a **successful insurance claim, remediation by a builder/property developer or the provision of sufficient funds to carry out the remediation works** should send a written notification to Revenue claiming the exemption and submitting relevant documentation in support of their claim. Revenue is not in a position to be prescriptive about the precise types of documentation that will be accepted as evidence of qualification for the exemption. Decisions will be made based on the facts and circumstances of individual cases. The following types of information might be relevant depending on the particular situation:

- A brief description of the nature and extent of the pyrite damage,
- Documentation provided by an insurance company in relation to a claim or settlement under structural warranty insurance, structural warranty guarantee or other form of insurance,
- A copy of a court judgement or settlement agreement where a property owner has instituted legal proceedings against a builder/property developer,
- Evidence of the receipt of funds sufficient to remedy property from the builder/property developer,
- Documentation provided by the builder or the property developer in relation to the remediation of the property, whether by direct remediation or the provision of sufficient funds to carry out the remediation, and
- A certificate of remediation prepared in accordance with I.S. 398.

Depending on the particular circumstances, Revenue staff may need to request additional information to satisfy themselves that the claim qualifies for the exemption. Staff should

approve the LPT exemption only where they are satisfied that the documentation submitted constitutes sufficient evidence that:

- an insurance company has remediated a property or provided sufficient funds to carry out the remediation, or
- the builder or the property developer who built the property has remediated it or provided sufficient funds to carry out the remediation.

There is no specified form for claiming the exemption. In addition to the evidence relating to the insurance claim, remediation or compensation, claimants must provide the name and address of the liable person, his or her PPSN and the LPT Property ID for the particular property.

5 Date from which the property qualifies for the exemption

Depending on the basis for the exemption this date is either:

- the date of completion of the certificate of damage, where testing is carried out in accordance with the Pyrite Regulations and the certificate is completed by a competent person,
- the date on which the PRB notifies a property owner that a property has been included in the remediation scheme,
- the date on which a claim is settled under an insurance policy, or
- the date on which the remediation of a property is completed or sufficient funds for the remediation are provided, where a builder or property developer carries out the remediation work or provides sufficient funds for the remediation work.

When Revenue approves an exemption, the letter of approval must specify the date from which the exemption is to apply.

6 Duration of the exemption

The duration of the exemption can differ in some situations in relation to the first valuation date 1 May 2013 (for valuation period 2013 to 2021) and the second valuation date 1 November 2021 (for valuation period 2022 to 2025)¹⁴.

In both valuation periods, where a property qualifies for the exemption, the exemption continues regardless of whether the property is subsequently remediated before the end of the 6-year exemption period. See [example 9.4](#) below.

¹⁴ The original second valuation date was 1 November 2016 but this was extended on a number of occasions until it became 1 November 2021 in the Finance (Local Property Tax) (Amendment) Act 2021.

6.1 First valuation date 1 May 2013

When it was introduced, the exemption applied for a fixed period of 3 years. It was subsequently extended to a fixed period of 6 years.¹⁵ The 6-year period generally started on the first liability date (i.e. 1 November) immediately following the date on which a property qualified for the exemption and continued for the following five consecutive liability dates. Where a certificate of damage was issued after the first and/or second liability dates of 1 May 2013 and 1 November 2013, respectively, but on or before 31 December 2013, a liable person could have elected for retrospective exemption in respect of one or other of those liability dates. This election must have been made on or before 31 January 2014 and did not apply in relation to any later liability dates. See [example 9.1](#) below.

However, in relation to the first valuation period covering the years 2013 to 2021, as a result of the interaction between the date of qualification for the exemption and the extension of this valuation period, the duration of the exemption may actually have exceeded six years. The period of exemption depended on when in this valuation period the property qualified for the exemption. Under section 14(2), a property that was exempt on the first valuation date (i.e. 1 May 2013) continued to be exempt until the following valuation date (i.e. 1 November 2021). The first valuation period was initially for the period 1 July 2013 to 31 December 2016 but was subsequently extended to 31 December 2021, making a total period of 8½ years instead of the initial intended 3½ years. See [example 9.1](#) below.

A property that was not exempt on 1 May 2013 could subsequently become exempt where the qualifying condition for the exemption was met at a later stage but only with effect from the first liability date (i.e. 1 November in a year) on which the qualifying condition was met. See [example 9.2](#) below.

A property that qualified for the exemption less than 6 years before the end of the first valuation period can carry the exemption forward into the second valuation period for the remainder of the 6-year period. Six years is the maximum period of the exemption in this situation. See [example 9.3](#) below.

6.2 Second valuation date 1 November 2021

In relation to the second valuation date 1 November 2021, a residential property that was exempt on this date does not automatically continue to be exempt for the remainder of the valuation period to the end of 2025. This means that a fixed 6-year period of exemption will apply regardless of the qualifying date for the exemption. See [example 9.4](#) below.

A property that was not exempt on 1 November 2021, could subsequently become exempt where the qualifying condition for the exemption is met at a later stage but only where this occurs on or before 21 July 2023 and only with effect from the first liability date (i.e. 1 November in a year) on which the qualifying condition is met, subject to the qualifying condition continuing to be met. For example, if the qualifying condition is met in June 2023, 1 November 2023 is the liability date for the year 2024 and the claim covers the years 2024 to 2029.

¹⁵ Finance (Local Property Tax) (Amendment) Act 2015.

6.3 Phasing out of the exemption

This exemption is being phased out. Properties can continue to qualify where the qualifying date for the exemption is on or before 21 July 2023.¹⁶ The fixed 6-year period of exemption can continue to apply until the end of 2029 (based on the latest possible liability date of 1 November 2023). A property that meets the qualifying condition after 21 July 2023 cannot claim the exemption. See [example 9.6](#) below.

7 Repayment of LPT

Depending on the particular circumstances, the date from which the exemption applies may pre-date the date on which a claim is submitted to Revenue. Where this happens, any LPT already paid in respect of the exemption period should be repaid. Any repayment is subject to the usual 4-year time limit on the repayment of tax. See [example 9.1](#) below.

8 Self-assessment and compliance

Where the exemption is claimed on the LPT 1 return form as part of the normal self-assessment process, Revenue may decide to examine the validity of the claim at a later stage as part of its ongoing compliance programme. See [section 4](#) above. The person claiming the exemption may be required to provide evidence and supporting documentation to back up the claim, such as certificate of damage, an email from the PRB confirming inclusion in the remediation scheme or relevant documentation from an insurance company or builder. Claimants should retain documentation to support their claim for exemption for a period of 6 years following the claim in case of a request for inspection by Revenue.

Revenue will accept the certificate of significant pyrite damage that is completed by a competent person at face value provided that it has been completed and issued in accordance with the Pyrite Regulations. However, if there is a need to carry out further compliance checks to verify the validity of the certificate, certain documentation should be available as a result of the assessment, testing and categorisation process having been completed. The Pyrite Regulations require a liable person to retain documents for a period of 6 years following the claim in case of a request for inspection by Revenue. These documents are:

- an engineer's report containing the BCA report, the desk study documentation and the evaluation of the visual inspection of damage,
- a geologist's report containing the records and photographs of the sampling of the hardcore material and the report of the laboratory analysis, and
- the certificate of building categorisation.

¹⁶ The Finance (Local Property Tax) (Amendment) Act 2021 inserted a new subsection (6A) in section 10A. This allowed an additional 2 years commencing on the date of enactment (i.e. 22 July 2021) for qualification for the exemption.

The exemption will be withdrawn where Revenue determines that the qualifying condition for the exemption was not met. Interest will be charged from the date on which LPT would have been payable in the absence of the exemption. A penalty may be imposed where a person makes a false statement or representation for the purpose of obtaining a reduction in the LPT liability.¹⁷

9 Examples illustrating the operation of the exemption

9.1 Certificate of damage obtained in October 2013

Niall had his house tested for pyrite damage and received the required certificate of damage completed by an engineer in October 2013. He submitted the certificate to Revenue and claimed the exemption. He elected for retrospective exemption for the year 2013. As a result of the exemption applying for 2013 and the extension of the first valuation period to the end of 2021, the property was exempt for the duration of the first valuation period.

As Niall had already paid his LPT liability for the year 2013, this was repaid by Revenue following receipt of a claim for repayment in January 2014.

9.2 Inclusion in remediation scheme in February 2015

Anne was notified by the PRB in February 2015 that her property was to be included in the remediation scheme. She submitted the PRB notification to Revenue, along with the certificate of damage, and claimed the exemption in March 2015. As the effective date for the exemption was February 2015, it applied from the following liability date 1 November 2015 in respect of the year 2016. Her 6-year period of exemption covered the years 2016 to 2021.

9.3 Inclusion in remediation scheme in August 2018

Deirdre was notified by the PRB in August 2018 that her property was to be included in the remediation scheme. She submitted the PRB notification to Revenue, along with the certificate of damage, and claimed the exemption in September 2018. As the effective date for the exemption was August 2018, it applied from the following liability date 1 November 2018 in respect of the year 2019. Her 6-year period of exemption covers the years 2019 to 2024. Although the property is exempt on 1 November 2021, the valuation date for the years 2022 to 2025, the exemption is for a fixed 6-year period and does not extend to the year 2025.

Although her property is exempt on 1 November 2021, Deirdre is still required to submit an LPT1 return form with a self-assessed valuation for her property. Her LPT liability for the year 2025 will be based on this value.

9.4 Structural warranty insurance settlement in March 2016

¹⁷ Section 147.

Fintan began to notice structural damage to his property during 2013. He suspected that the damage was caused by pyrite and submitted a claim to the structural warranty insurance company with which his builder had registered the property. The insurance company was satisfied that Fintan had a valid claim and engaged a contractor to carry out remediation works.

The remediation was completed in March 2021 and Fintan sent copies of the insurance company letter settling his claim and the Certificate of Remediation to Revenue in support of his claim for the exemption. This evidence was accepted by Revenue and the claim was approved. The exemption applied in respect of the liability date (1 November 2021) following the completion of the remediation. It will continue for the 6-year period 2022 to 2027 notwithstanding that the property has already been remediated.

9.5 Payment of compensation by the builder

Example 1: insufficient compensation to remediate property

Maria commences legal proceedings against her builder as a result of serious structural damage to her property which she suspects has been caused by pyrite. The builder refuses to accept responsibility for the damage but offers Maria €10,000 in return for her agreement not to continue with the legal proceedings. She accepts this offer. Maria does not get her property tested and does not have the certificate of damage required by Revenue. She does not qualify for the LPT exemption as the amount paid by the builder would not be sufficient to remediate the property. She has been advised that remediation would cost in the region of €60,000.

Example 2: sufficient compensation to remediate property

As a result of legal proceedings taken by Sarah against her builder, the builder was ordered by the High Court to pay Sarah €70,000, the estimated cost of remediating her property. The builder complied with the terms of the court order and made payment to Sarah in full within two weeks of the date of the court order. In January 2020, Sarah submitted to Revenue copies of documents she received from an engineer who assessed the damage to her property, the Court Order and evidence of receipt of the payment from the builder, in support of her claim for the exemption. Revenue accepted this evidence, approved the exemption with effect from the following liability date of 1 November 2020 in respect of the year 2021. Her exemption then continues for the 6-year period 2021 to 2026.

Example 3: properties remediated by property developer

It was established that several properties in a particular housing estate were damaged by pyrite following the testing of the properties by an engineer engaged by the property developer responsible for the construction of the properties. The property developer agrees to remediate all the damaged properties. The owners of the remediated properties may qualify for the exemption if they satisfy Revenue that the damage was caused by pyrite and that the properties were remediated in accordance with I.S. 398 (Part 2). Following the completion of the remediation work, they should submit whatever evidence is available in support of their claim to Revenue.

9.6 Phasing out of the exemption

Alan lives on the ground floor of an apartment building that has been damaged by pyrite. Some of his neighbours have significant damage and apply to the PRB for inclusion in the remediation scheme in May 2022. His apartment has not been damaged to the same extent. He is hoping that the PRB will decide to remediate the entire apartment block and he can then qualify for the LPT exemption.

It is now May 2023 and the situation is not looking good with no word from the PRB following an engineer's inspection of the apartments in January 2022. However, the PRB then notifies all the apartment owners on 10 July 2023 that the entire apartment block is to be included in the remediation scheme. As this is before 21 July 2023, Alan qualifies for the LPT exemption from the following liability date 1 November 2023 and will have the exemption for the 6-year period 2024 to 2029.

Appendix A – I.S. 398 Standards and Procedures

I.S. 398: background and summary

In Ireland, rocks containing the naturally occurring mineral called pyrite have been used for sub-floor hardcore material in buildings. When some forms of pyrite are exposed to moisture and oxygen, a series of chemical reactions can occur that may result in expansion of the sub-floor hardcore material causing structural damage such as cracking of floors and movement of external walls, known as pyritic heave.

In June 2012, the expert Pyrite Panel, commissioned by the Minister for the Housing, Planning and Local Government to investigate the pyrite problem, published its report on the matter (available at www.housing.gov.ie). At the time, pyritic heave was evident in five local authority areas – Fingal, Dublin City, Meath, Kildare and Offaly. One of the recommendations of the Panel was the establishment of an Irish testing protocol to establish whether or not a building is, or may in the future be, affected by reactive pyrite in the sub-floor hardcore material. This led to the publication of I.S. 398-1:2013 (Reactive pyrite in sub-floor hardcore material – Part 1: Testing and categorisation protocol). This I.S. was replaced by I.S. 398-1:2017 but did not make any practical difference to the certification documentation.

A [Pyrite Resolution Board](#) has been established to oversee the implementation of a comprehensive pyrite remediation scheme for certain private dwellings affected by pyritic heave. Although LPT exemption is dependent on the certification of pyritic damage in accordance I.S. 398-1, the primary purpose of I.S. 398-1 is to identify suitable dwellings for the pyrite remediation work. While the owners of dwellings which have been included in the pyrite remediation scheme are not required to meet the costs associated with testing for pyrite, not all dwellings will be tested under the scheme. In addition, dwellings are also being remediated outside of the pyrite remediation scheme. Where required, the costs associated with testing in such circumstances would be a matter for the homeowner (which could cost up to €3,000).

Summary of I.S. 398 procedures

The overall aim of I.S. 398-1 is to collect sufficient reliable data to enable a building to be categorised in terms of the risk of pyritic heave. Damage may already have occurred or be at risk of happening in the future. The process begins with a Building Condition Assessment by a competent person. This includes a desk study to obtain as much relevant information as possible prior to the site inspection and a non-invasive internal and external visual inspection to determine the presence or absence of apparent damage that is consistent with pyritic heave and to quantify the extent and significance of such damage. The severity of any such damage is appraised by an engineer in terms of a Damage Condition Rating. The assigned Damage Condition Rating determines sampling and laboratory testing requirements and re-inspection requirements to establish whether damage is progressing.

Buildings are classified based on an analysis of the Damage Condition Rating and the classification of the sub-floor hardcore material following laboratory tests carried out by a geologist. A category is assigned that relates to the potential for pyritic heave. This ranges from Category A (negligible risk of causing damage in the future) to Category D (significant pyritic damage has been caused). To be Category D, a building must have a Damage Condition Rating of 1 (with progression) or 2, which ratings are consistent with pyritic heave

and hardcore material susceptible to significant or limited expansion. Category D is required for the LPT exemption and is equivalent to the red category referred to in the Report of the Pyrite Panel. A certificate is completed by an engineer stating the category assigned to the building. This certificate is called the Building Categorisation for Reactive Pyrite in sub-floor hardcore material (see [Appendix B](#)).

Appendix B – I.S. 398-1:2017 Certificate

CERTIFICATE OF BUILDING CATEGORISATION FOR REACTIVE PYRITE IN SUB-FLOOR HARDCORE MATERIAL

1. This certificate is issued and signed in accordance with I.S. 398-1:2017 Reactive pyrite in sub-floor hardcore material.

Part 1: Testing and Categorisation protocol and relates to the following building:

2. The Building Condition Assessment was carried out on _____ (date) by the following:

On behalf of:

Qualifications:

Visual Inspection Report No: _____

3. The laboratory testing was completed on _____ (date) by the following:

On behalf of:

Accredited laboratory number: _____

4. The hardcore was classified, with respect to the requirements of I.S. 398-1, as:

- Not susceptible to expansion
- Susceptible to limited expansion
- Susceptible to significant expansion

by the following:

On behalf of:

Qualifications:

5. On the basis of the findings from the Building Condition Assessment and hardcore classification, I/we certify in accordance with I.S. 398-1:17, having exercised reasonable skill, care and diligence, that the building is categorised as to whether the building has been damaged by reactive pyrite or is likely to be in the future.

- Category A – Negligible Risk (Green) – The building has a Damage Condition Rating of 0 and hardcore not susceptible to expansion. Alternatively, the building has a Damage Condition Rating of 1 or 2, and hardcore not susceptible to expansion and an alternative probable cause for the damage other than pyritic heave, is likely.
- Category B – At Risk (Amber) – The building has a Damage Condition Rating of 0 or a Damage Condition Rating of 1 (without progression), consistent with pyritic heave, and hardcore susceptible to limited expansion. The building has a low potential of future damage from pyritic heave.
- Category C – At Risk (Amber) – The building has a Damage Condition Rating of 0 or a Damage Condition Rating of 1 (without progression), consistent with pyritic heave, and hardcore susceptible to significant expansion. The building has a significant potential of future damage from pyritic heave.
- Category D – Significant Pyritic Damage (Red) – The building has a Damage Condition Rating of 1 (with progression) or a Damage Condition Rating of 2, consistent with pyritic heave, and hardcore susceptible to significant or limited expansion.

Signature of Engineer: _____
 Name (BLOCK CAPITALS): _____
 Qualifications: _____
 On behalf of: _____
 Address: _____
 Tel: _____ Date: _____

- 6. This certificate is based on and shall be read in conjunction with the associated Report of the Building Condition Assessment and the Geologist’s Report on the classification of the hardcore.
- 7. Associated Documents

Report (s)	Reference Number
Engineer's Report	
Building Condition Assessment	
Evaluation of Visible Damage	
Professional Geologist's Report	
Hardcore Sampling	
Laboratory Tests	

Appendix C – LPT Exemption Certificate

**CERTIFICATE TO CLAIM EXEMPTION FROM THE LOCAL PROPERTY TAX
DUE TO SIGNIFICANT PYRITE DAMAGE**

(where sampling and testing was carried out prior the commencement of these Regulations)

1. This certificate relates to the following residential property:

.....

2. The Building Condition Assessment was carried out on in accordance with I.S. 398-1:2017.

The damage condition rating was found to be

Damage Condition Rating 2 Damage Condition Rating 1 (with progression)

Name of person who undertook the assessment:

Qualification(s):

3. The laboratory testing was completed on

Name and address of Laboratory:

The laboratory tests were validated by:

Qualification(s):

The sub-floor hardcore material was classified as:

Susceptible to limited expansion Susceptible to significant expansion

The sub-floor hardcore material was classified by:

Qualification(s):

4. On the basis of the findings of the Building Condition Assessment carried out in accordance with I.S. 398-1:2017 and the results of the testing of the sub-floor hardcore material classified in accordance with I.S. 398 -1 :2017, I certify that, having exercised reasonable skill, care and diligence, the above residential property has significant pyritic damage under and in accordance with Finance (Local Property Tax) (Pyrite Exemption) Regulations 2013.

Signature of competent person:

Name (Block capitals):

Qualification(s):

On behalf of:
(company name where relevant)

Address:

Date:

Tel:

Fax:

Email:

Appendix D – Remediation Certificate

Certificate of Remediation for Reactive Pyrite in Sub-floor Hardcore Material

CERTIFICATE OF REMEDIATION FOR REACTIVE PYRITE IN SUB-FLOOR HARDCORE MATERIAL	
<p>This Certificate is issued and signed in accordance with I.S. 398-2:2013, <i>Reactive pyrite in sub-floor hardcore material - Part 2: Methodology for remediation works</i>,</p>	
<p>for the building (Address): _____</p>	
<p>a) I, the Builder, appointed to construct , supervise and certify the works hereby certify that</p>	
<p style="padding-left: 40px;">i) the remedial works have been completed in accordance with the RWP by the undersigned and that the works are in compliance with the requirements of I.S. 398-2;</p>	
<p style="padding-left: 40px;">ii) the remedial works were supervised and inspected by me at stages outlined on page 2 of this Certificate and signed off, in accordance with I.S. 398- 2.</p>	
<p>Signature: _____</p>	
<p>Name (BLOCK CAPITALS): _____</p>	
<p>On behalf of: _____</p>	
<p>Address: _____</p>	
<p>Tel: _____ Date: _____</p>	
<p>b) I, the Design Professional hereby certify that having exercised reasonable skill, care and diligence:</p>	
<p style="padding-left: 40px;">i) the RWP was prepared in accordance with I.S. 398-2;</p>	
<p style="padding-left: 40px;">ii) the works were inspected at stages outlined on page 2 of this Certificate and signed off, in accordance with I.S. 398-2;</p>	
<p style="padding-left: 40px;">iii) the remedial works have been completed in accordance with the RWP and that the works, based on the above and on the ancillary Certificates from other Professionals where appropriate, are in compliance with the requirements of I.S. 398-2.</p>	
<p>Signature: _____</p>	
<p>Name (BLOCK CAPITALS): _____</p>	
<p>Qualifications: _____</p>	
<p>On behalf of: _____</p>	
<p>Address: _____</p>	
<p>Tel: _____ Date: _____</p>	

Figure 1: Certificate of Remediation for Reactive Pyrite in sub floor Hardcore material

(Certificate continued)

Description of Inspection	Sign off by	Firm	Date	Notes/Comments
Completion of the removal of hardcore*				
Condition of rising walls & foundations*				
Completion of repair of rising walls (as per RWP if necessary)*				
Documentation received confirming source and suitability of replacement hardcore*				
Completion of placement of new hardcore, services and radon sump				
Completion of placement of radon membrane/DPM				
Completion of placement of floor insulation				
Completion of repairs to structural walls*				
Completion of external works*				

NOTE Inspections with (*) are carried out by the Design Professional. Other inspections are carried out either by the Builder or Design Professional.

Figure 2: Certificate of Remediation for Reactive Pyrite in sub floor Hardcore material – Continued