

## Summary of the Valuation System and National Revaluation Programme

The Valuation Office do not collect any rates.

- They assess commercial property, and set valuation levels.
- Local authorities then charge ratepayers in their rating areas.

### Three figures are relevant to commercial rates

- i) Overall rates contribution to annual the budget
  - ii) Rateable valuation of individual properties
  - iii) Annual rate on valuation
- All properties are rateable unless specifically exempted.
  - The valuation is based on Net Annual Value, which is defined by “Fair rental Value for one year” or “The value of its use for one year”.
  - “Revision” is the valuation of an individual property and can be applies by a Local Authority, rate payer or third party while “Revaluation” is a new valuation of every relevant property in a Local Authority area (every 5-10 year) leading to a **redistribution** of rates liability between rate payers.
  - Their fundamental principle relies on making a Valuation List which reflects estimated value of each property on a specified date through equity, fairness and uniformity between them.
  - Evidences from occupiers (current rental market or development/construction cost), Revenue Commissioners and PSRA (current rental market) are used for Revaluation. Around 25% of properties are inspected.
  - An increase in overall rates leads to inflation, new development or improvements to existing buildings.

### Reasons why rates increase

- a) Possible increase in relative value
- b) Property may have been altered since last valued
- c) Outstanding request for information from Valuation Office

### How to know if it is a fair valuation

- Compare the Net Annual Value to the rent you are paying,
- Compare to the rent you know others are paying
- PSRA website or the rent you would accept/receive if vacant.
- Check online to compare your valuation on the Valuation List.

### How to appeal a valuation

- You can appeal against the valuation either by “representations” to VO by ratepayer (within 40 days from the date of issue of the final valuation certificate), which is an informal and free process. Representations only arise where a new draft certificate has been issued to an occupier following a revision, where a property valuation has been altered, for example, following the addition of an extension to a premise, or following the revaluation of the entire rating authority area.
- A second form of appeal is through the Valuation Tribunal (independent body) within 28 days. The Valuation Tribunal is a formal judicial process and will require a statutory fee.
- There is also a further right of appeal to the High Court on a point of law.