



Rialtas na hÉireann
Government of Ireland

Residential Zoned Land Tax — Your Questions Answered



Prepared by the Department of Finance and
the Department of Housing, Local Government and Heritage

www.gov.ie/rzlt

Contents

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Residential Zoned Land Tax– Main Information | 1 |
| 1. What is Residential Zoned Land Tax? | 1 |
| 2. What is the objective of the measure? | 1 |
| 3. Will homeowners with land zoned ‘Residential’ with a residential property on the land liable for the RZLT?..... | 1 |
| 4. What is the rate of Residential Zoned Land Tax? | 2 |
| 5. What land does Residential Zoned Land Tax apply to? | 2 |
| 6. Who does Residential Zoned Land Tax apply to?..... | 3 |
| 7. When will a landowner be first liable to pay RZLT? | 3 |
| 8. What action is now required of people? | 4 |
| 9. What is the timeline for implementation of the RZLT? | 5 |
| 10. How will land owners know if their land is subject to RZLT? | 6 |
| 11. When will the zoned land maps be published? | 6 |
| 12. What is the deadline for making a submission on the map?..... | 6 |
| 13. Where can I access the maps and how do I make a submission? | 6 |
| 14. What is the timeline for decisions on who is liable for RZLT and when the tax is liable? | 9 |
| RZLT –eligibility and exemptions | 9 |
| 15. Will owners of farmland zoned ‘Residential’ be liable for Residential Zoned Land Tax? | 9 |
| 16. Will companies or other organisations (e.g. non-farmers or homeowners with homes on land zoned ‘Residential’) be liable for the RZLT? | 10 |
| 17. What are the exclusions from Residential Zoned Land Tax? | 10 |
| Decision-makers and administrators of RZLT | 12 |
| 18. Who determines what land is zoned ‘Residential’?..... | 12 |
| 19. Who will administer Residential Zoned Land Tax? | 12 |
| Amendments to zonings and appeals to decisions | 13 |
| 20. Can a landowner apply to amend the zoning of his or her land? | 13 |
| 21. On what basis can a landowner apply to amend the zoning of his or her land? 13 | |
| 22. What are the timelines to request an amendment to the zoning status of land? 13 | |

| | |
|-------------------------------------------------------------------------------------------------------------------------------|-----------|
| Tax Liability, interaction with other taxes and pending decisions on planning applications | 14 |
| 23. How is the value of zoned and serviced land calculated and by whom? | 14 |
| 24. How does Residential Zoned Land Tax interact with existing tax legislation, in particular Local Property Tax (LPT)? | 14 |
| 25. Will a landowner be liable to pay RZLT if a planning decision is subject to appeal to An Bord Pleanála? | 14 |
| 26. Will the RZLT replace the Vacant Site levy and/or the Derelict Sites Levy? | 15 |
| 27. What triggers the cessation of liability to Residential Zoned Land Tax? | 15 |
| 28. Where can I find more information about the tax? | 16 |

Residential Zoned Land Tax – Main Information

1. What is Residential Zoned Land Tax?

The Residential Zoned Land Tax (RZLT) is a new tax that was introduced in Finance Act 2021. It applies to land that is both zoned as suitable for residential development and is serviced. The RZLT is an annual tax, which will be first due in 2024 in respect of land which met the relevant criteria on or before 1 January 2022 and which is reflected on the map to be published by local authorities on 1 December 2023. The tax is administered on a self-assessment basis.

2. What is the objective of the measure?

Ireland requires increased housing supply to meet our housing needs. The RZLT aims to incentivise landowners to activate existing planning permissions for housing on identified lands, or to engage with planning authorities and seek planning permission on land which is suitably zoned and appropriately serviced.

The introduction of this tax was committed to in Housing for All, the Government's housing plan to 2030, as a measure to increase supply.

3. Will homeowners with a residential property on land zoned 'Residential' be liable for the RZLT?

Although appearing on residential zoned land tax maps, residential properties are excluded from the scope of RZLT. The meaning of residential property for the purposes of RZLT is taken from the Local Property Tax ("LPT") definition of residential property which, for the purposes of LPT, includes the gardens and other areas enjoyed with the property up to 0.4047 hectares (1 acre).

Certain lands or buildings that are associated with the property that have a domestic or residential purpose are also considered residential property, such as a:

- yard, garden or patio
- driveway or parking space
- garage, shed or greenhouse
- garden room or home office.

Although residential properties are excluded from the charge to RZLT (even where the gardens and yards enjoyed with the residential property exceed 0.4047 hectares), there is a requirement for registration of properties whose garden and yards exceed 0.4047 hectares as follows:

1. Owners of residential property whose garden and yards do not exceed 0.4047 hectares and who are liable to LPT are not within the charge to RZLT and are not required to register the property for RZLT.
2. Owners of residential property whose garden and yards are greater than 0.4047 hectares and who are liable to LPT are not within the charge to RZLT but are required to register for RZLT if their property is included on a residential zoned land tax final map. The registration requirement applies in these circumstances even though the residential property and the land enjoyed with the property are not liable for RZLT.

Existing residential property may appear on local authority maps prepared for the purposes of RZLT. Nonetheless, such property is excluded from the scope of the tax, although they may be required to register as outlined above.

4. What is the rate of Residential Zoned Land Tax?

Residential Zoned Land Tax will apply annually at a rate of 3% of the market value of the land. The land will be required to be revalued every three years from the initial valuation date. As the tax is administered on a self-assessment basis, the tax payer identifies the market value. Surcharges may apply if the land is later found to be undervalued.

5. What land does Residential Zoned Land Tax apply to?

The tax applies to land that is:

- zoned suitable for residential development whether it be solely or primarily for residential use, or for a mixture of uses, including residential use,
- serviced ('Serviced' means being connected or able to be connected to the necessary public infrastructure and facilities including road and footpath access, public lighting, foul sewer drainage, surface water drainage and water supply necessary for dwellings to be developed and for which there is service capacity available sufficient to enable housing to be developed) and
- not affected in physical condition by considerations which may impact the ability to provide housing on the land.

- Existing residential property may appear on local authority maps prepared for the purposes of RZLT. Nonetheless, where such property is liable to LPT it is excluded from the scope of the tax, although owners may be required to register where the gardens/yards of such properties exceeds 0.4047 hectares (1 acre).

6. Who does Residential Zoned Land Tax apply to?

Residential Zoned Land Tax is payable by the owner of the land. While existing residential property may appear on local authority maps prepared for the purposes of RZLT, nonetheless, such property is excluded from being levied for the tax.

In general, an owner is the registered owner under the Registration of Title Act 1964, but also includes a person whose interest in the land allows them to develop the land.

A site may have more than one owner. Where this occurs, there is a process whereby one of those owners is designated as the liable person who then fulfils all of the various tax obligations in relation to that site.

Land within the scope of the measure may have a wide range of owners including individuals, companies, trusts, funds, partnerships etc.

Existing residential property may appear on local authority maps prepared for the purposes of RZLT. Nonetheless, where such property is liable to LPT it is excluded from the scope of the tax, although owners may be required to register where the gardens/yards of such properties exceed 0.4047 hectares (1 acre).

7. When will a landowner be first liable to pay RZLT?

The tax will be first due on 1 February 2024 and payable in May 2024 in respect of land which was suitable for residential development on 1 January 2022, because it was both zoned and serviced on that date. Where land becomes both zoned and serviced after 1 January 2022, tax will be chargeable in the third year after the year in which it comes within the scope of the tax.

8. What action is now required of people?

RZLT is a self-assessed tax. Land which appears on a residential zoned land tax map published by the relevant local authority is within the scope of the tax, and so land owners are required to review these maps to confirm whether their land is subject to the tax.

While residential properties are included on these maps, owners of such properties are not liable for the tax if they are already subject to Local Property Tax (LPT).

As such, a homeowner does not need to do anything about this tax unless the garden or grounds of their home is more than 1 acre (0.4047ha). If it is more than 1 acre, they will have to register with Revenue. Land owners will be able to register for RZLT from later 2023 onwards. However, they will not have to pay the tax.

Residential Zoned Land Tax is not deductible for the purposes of calculating profits or gains to be charged to income tax, corporation tax or capital gains tax.

9. What is the timeline for implementation of the RZLT?

Key dates for RZLT implementation:

| | |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 November 2022 | Local Authorities publish draft maps of land in scope for the tax. |
| 01 January 2023 | Last date to make submissions regarding removal of land from maps if considered to be outside scope or requesting change in zoning. Submissions may also be made recommending land for inclusion on the maps. |
| 11 January 2023 | Publication of submissions received on the draft maps by Local Authorities. |
| 01 April 2023 | Local Authorities notify the land owner of retention or removal of land from maps. Land owners can appeal to An Bord Pleanála on or before 1 May 2023 if they disagree with the decision. |
| 01 May 2023 | Local Authorities to publish supplemental maps to account for changes in zoning and other lands now in scope not included in draft map |
| 01 June 2023 | Last date to make submissions regarding removal of land from supplemental maps if considered to be outside scope or requesting change in zoning. |
| 11 June 2023 | Publication of submissions received on the supplemental maps by Local Authorities. |
| 01 August 2023 | Local Authorities notify the land owner of retention or removal from maps. Land owners can appeal to An Bord Pleanála on or before 1 September if they disagree with the decision. |
| 01 December 2023 | Local Authorities publish final maps which reflect outcomes of submissions and appeals and any zoning or servicing changes which have taken land out of scope or brought land within the scope of the tax. |
| 01 February 2024 | Commencement of the RZLT measure – first liability and valuation date for the tax |
| 23 May 2024 | First payment and filing date for land identified on maps as being zoned for residential use and serviced on 1 Jan 2022. |

10. How will land owners know if their land is subject to RZLT?

Every local authority produced and published draft maps on 1 November 2022, showing land in scope at that time. Local authorities are publishing a supplemental map on 1 May 2023 of additional land within scope of the tax. It is strongly recommended that interested people view the maps of land in scope online or in the local authority offices.

11. When will the supplemental land maps be published?

Local authorities will publish supplemental maps on 1 May 2023. Supplemental maps will only be published by the local authorities in which additional land has been identified as being in scope since the publication of the draft maps on 1 November 2022. When published, the maps will be available for review on each local authorities' website and in their offices

12. What is the deadline for making a submission on the map?

Landowners whose land is included on a supplemental map should review the map and consider if their land meets the criteria for inclusion on the map. A landowner can make a submission to their local authority regarding the inclusion of their land on the map in writing on or before 1 June 2023. Third parties may also make submissions regarding land that is on the map. Residential properties, while they might be on the map, are not liable for the tax if they are subject to LPT.

A local authority may, in exceptional circumstances, accept submissions relating to a draft map after 1 June 2023.

13. Why has my local authority not published a supplemental map?

Supplemental maps only contain additional land identified as being in scope since the publication of the draft maps on November 1 2022. If no additional land has been identified as being in scope by the local authority, they will not need to publish a supplemental map.

Additional land may have been identified for inclusion on the supplemental map due to changes in zoning or investment in services. Land may also be included as it was identified through submissions made on the draft map or become known to the local authority as meeting the criteria for the tax.

14. Where can I access the maps and how do I make a submission?

Land that is within the scope of RZLT will be identified on a map prepared by the relevant local authority. In the course of 2022 and 2023, draft, supplemental and final maps will be prepared by local authorities identifying the land within scope; the final map will be revised annually from 2025 onwards. Each local authority will publish a notice in a local newspaper notifying the public of the publication of the map on their website, and providing details of the website and local authority offices at which the map can be viewed.

Draft maps were published on 1 November 2022 and submissions were accepted until 1 January 2023.

A supplemental map is the second map prepared and published by a local authority indicating land additional to that reflected on the draft map within its functional area which meets the relevant criteria (see Q4) to be within the scope of RZLT. Supplemental maps will be published on 1 May 2023.

A landowner can make a submission on the supplemental map to their local authority in writing on or before 1 June 2023. A local authority may, in exceptional circumstances, accept submissions relating to a supplemental map after 1 June 2023. A submission relating to a supplemental map must relate to:

- Criteria for the exclusion of land from the final map, and/or
- Querying the date on which land first meets the criteria for inclusion on a local authority map.

The submission must include the name and address of the person making the submission. The name and address (both email and postal address) to whom submissions should be made will be included on the notification published in local newspapers in respect of the supplemental map. All submissions received by the local authority (excluding personal data) will be published on the local authority website by 11 June 2023.

Where a landowner makes a submission relating to a local authority map, they must include an Ordnance Survey Ireland map at a scale at which their site can be accurately identified. If the land cannot be identified, the local authority may not be able to assess the submission.

It is open to any interested party to make a submission in respect of a supplemental map. However, a local authority is only obliged to respond and provide a determination on a submission made by the owner of land included on the supplemental residential zoned land tax map. In this regard, a landowner should have proof of ownership of a site available when making a submission to their local authority in respect of a supplemental map. The local authority may request proof of ownership in determining if it is obliged to respond to the landowner, where this information is not provided

In the course of considering submissions, the local authority may seek further information from the owner of the site, Irish Water, the National Roads Authority or from a person referred to in Article 28 of the Planning and Development Regulations 2001. The local authority may request this information within 21 days of receipt of the submission; a response to the local authority request is required within 21 days of the request being received.

A landowner may also make a submission requesting a variation of the zoning of their land where it appears on a supplemental map.

15. What is the timeline for decisions on who is liable for RZLT and when the tax is liable?

The tax will be payable in May 2024 in respect of land which was zoned suitable for residential development and serviced on or before 1 January 2022. Where land becomes both zoned and serviced after 1 January 2022, tax will be chargeable in the third year after the year in which it comes within the scope of the tax, for example if the date on the map states 1 May 2022, then the tax will be chargeable in 2025.

Local authorities will publish, no later than 1 December 2023, a final map for the purposes of identifying land within the scope of RZLT. The final map will identify land satisfying the relevant criteria for inclusion on a map and will specify the date on which land identified on a map first met the criteria for inclusion, when this date is after 1 January 2022.

RZLT –eligibility and exemptions

16. Will owners of farmland zoned ‘Residential’ be liable for Residential Zoned Land Tax?

Apart from owners of residential property subject to LPT, there are no further specific exemptions for particular categories of landowners and as such where agricultural land meets the criteria for falling into scope for the tax, owners of this land will be liable. As well as land having to be zoned, there is also a requirement that it be connected or be able to be connected to services in order for it to come within the scope of the tax. This means there is an opportunity for farmers and others to make a submission challenging the inclusion of their land in the draft or supplemental map, if they believe that the land does not meet the criteria for inclusion on the maps. . There is also a subsequent right to appeal the local authority’s decision to retain land in scope to An Bord Pleanála.

As part of the RZLT, a provision has been inserted to allow any landowner, including farmers, to apply to have their land zoning changed. The legislation provides an opportunity for landowners to request a variation of the zoning of their land during the public display periods for the draft and supplemental map. Should a farmer wish to amend the residential or mixed use zoning of their land where it is identified on the RZLT maps, they may seek to have the zoning status of their land reconsidered by the local authority. Consideration of rezoning requests and commencement of the statutory process of variation

of a zoning is a matter for the local authority to determine based on the proper planning and sustainable development of the area

17. Will companies or other organisations (e.g. non-farmers or homeowners with homes on land zoned 'Residential') be liable for the RZLT?

In addition to residential properties, certain types of land are excluded from the tax despite being zoned for residential use and serviced. These include:

- Land that, while zoned residential, is an authorised development used to carry on a trade or profession by a business liable to pay commercial rates, and which provides services to residents of adjacent residential areas, for example shops or pubs, or employment uses, such as offices.
- Land that, while zoned for mixed use, including residential use, is an authorised development which is required for or integral to the operation of a trade or profession being carried out on or adjacent to the land.

If land meets either of these descriptions, it will not be included in a zoned land tax map.

18. What are the exclusions from Residential Zoned Land Tax?

There are a number of exclusions. These include:

- residential dwellings and their gardens which, although included in the residential zoned land tax maps, will not be liable to RZLT,
- certain infrastructure or facilities including utilities, transport, and facilities for social, community or recreational purposes,
- land affected in physical condition by considerations which may impact the ability to provide housing on the land
- a site which is designated as a derelict site and liable for the Derelict Sites Levy,
- where land is zoned primarily for residential use, any rateable premises used by a business which provides services to the local residents, such as a local shop, and

- where land is zoned as suitable for a mixture of residential and other uses, only land that is 'vacant or idle' will only be included within the scope of the tax. Land is vacant or idle where it is reasonable to consider the land is not integral to the operation of a business carried out on or beside it.

In addition, where land is subject to a contractual obligation that precludes the owner from developing it, and that contract was entered into prior to 1 January 2022, the owner may claim an exemption from RZLT for the period of the contract once certain conditions are met.

Existing residential property may appear on local authority maps prepared for the purposes of RZLT. Nonetheless, if such property is excluded from the scope of the tax, on the basis that it is subject to LPT, owners are required to register for RZLT where the gardens/yards of the property exceed 0.4047 hectares (1 acre).

Decision-makers and administrators of RZLT

19. Who determines what land is zoned ‘Residential’?

Only land that has been zoned for residential use or for a mixture of uses including residential within a local authority development plan or local area plan, as adopted by the elected members of the local authority, will potentially fall into scope for the tax. Zoned land that is within the scope of RZLT will be identified on a map prepared by the relevant local authority. In the course of 2022 and 2023, draft, supplemental and final maps will be prepared by local authorities identifying the zoned and serviced land within scope; the final map will be revised annually from 2025 onwards.

20. Who will administer Residential Zoned Land Tax?

Residential Zoned Land Tax will be administered by Revenue. The local authority do not administer the tax and will not answer queries regarding the administration of the tax. All queries regarding the administration of the tax should be made via the Revenue Commissioners website <https://www.revenue.ie/en/property/residential-zoned-land/index.aspx> .

The first liability date for the tax is 1 February 2024; owners of land within scope will be able to register for the tax from late 2023.

The tax is self-assessed. This means that, as is the case with other taxes, the owners of land that is within the scope of the tax must self-assess, return and pay any tax due. Owners of land within scope will, from 2024 onwards, have to pay and file with Revenue in May of each year.

Amendments to zonings and appeals to decisions

21. Can a landowner apply to amend the zoning of his or her land?

Yes, in addition to the process of being able to make submissions against inclusion of land on the map and to appeal a decision to retain land on the map, a landowner may also submit a request to a local authority to vary the zoning status of their land. If the request relates to land included on the draft map published by the local authority, the request must be made by 1 January 2023; if it relates to land on a supplemental map which will be published by 1 May 2023, then the request must be made by 1 June 2023. This request will be considered by the local authority in the context of the adopted development plan, taking into account the proper planning and sustainable development of the area.

It is important to note that while there is an opportunity to request amendment to the zoning status of land, considering any requests is a matter for the planning authority and the decision to make a variation to the statutory land use plan is not guaranteed.

22. On what basis can a landowner apply to amend the zoning of his or her land?

The legislation makes provision for a landowner to apply to change the zoning of their land, where that land is identified on the draft or supplemental maps as being in scope of the RZLT. Local authorities will, on receipt of submissions from landowners for variation of zoning of their land, consider whether to propose to make a variation under section 13 of the Planning and Development Act 2000.

23. What are the timelines to request an amendment to the zoning status of land?

A person may make a submission regarding the inclusion or exclusion of land on:

- the draft map, to the local authority from 1 November 2022 up to and including 1 January 2023;
- the supplemental map, to the local authority from 1 May up to and including 1 June 2023;

Tax Liability, interaction with other taxes and pending decisions on planning applications

24. How is the value of zoned and serviced land calculated and by whom?

The tax is calculated with reference to the market value of the land at the valuation date. The first valuation date is 1 February 2024 for land that met the relevant criteria on or before 1 January 2022 and which is reflected on the final map to be published by local authorities on 1 December 2023. The tax is administered on a self-assessment basis, so the tax payer determines the market value. Surcharges may apply if the land is later found to be undervalued.

25. How does Residential Zoned Land Tax interact with existing tax legislation, in particular Local Property Tax (LPT)?

RZLT is a self-assessed tax, so if a property owner is satisfied that their property which appears on the map is liable to LPT, they are outside the scope of the tax. While residential properties are included on RZLT maps, they are not liable for the tax if they are subject to Local Property Tax (LPT).

A homeowner does not need to do anything about this tax unless the garden or grounds of their home is more than 1 acre. If it is more than 1 acre, they will have to register with Revenue. However, they will not have to pay the tax.

Residential Zoned Land Tax is not deductible for the purposes of calculating profits or gains to be charged to income tax, corporation tax or capital gains tax.

26. Will a landowner be liable to pay RZLT if a planning decision is subject to appeal to An Bord Pleanála?

Where a person other than the landowner or someone connected with the land owner, appeals a grant of planning permission by a local authority to An Bord Pleanála, the owner can make a claim in their residential zoned land tax return to defer payment of tax due for the period, pending the outcome of the appeal.

The outcome of the appeal will determine whether any tax which has been deferred, becomes payable. If the outcome of the appeal is that the grant of planning permission is upheld, any tax deferred will not be due and payable.

If the outcome of the appeal is that the grant of planning permission is overturned by An Bord Pleanála and a deferral of tax has been claimed, any tax that has been deferred is due for payment.

If the land concerned is sold prior to the outcome of the appeal being known, the owner must pay any tax that has been deferred prior to the completion of the sale.

27. Will the RZLT replace the Vacant Site levy and/or the Derelict Sites Levy?

Both the Vacant Site Levy and the Residential Zoned Land Tax are measures to activate land and planning permission for development. Both measures encourage the development or redevelopment of zoned land. The Residential Zoned Land Tax has a wider scope, with an aim to encourage all zoned and serviced land which meets the criteria to be brought forward for development over the short to medium term.

The tax measure will over the coming years replace the Vacant Site Levy, however the levy will continue to apply and accrue until the charge on land associated with the tax is levied in accordance with section 653Q. Any outstanding charges in respect of the vacant site levy will remain against the land in question to be collected by the local authority.

Where a site is designated as a derelict site and liable for the derelict sites levy under the Derelict Sites Act 1990, it will not be within the scope of RZLT and should not be on the maps.

28. What triggers the cessation of liability to Residential Zoned Land Tax?

Land that is on a local authority map will remain subject to the tax until one of the following happens:

1. Homes are developed on the site. While the tax may be deferred during construction, it is only when the homes are actually completed that the land may fully come outside the scope of the tax.
2. Where the land was zoned as suitable for both residential and other development, and permission is granted for development other than residential, the land will come outside of the scope of the tax upon the commencement of the construction of non-residential development.
3. If the zoning on the land is changed, such that it is no longer zoned as suitable for residential development.

4. If it is discovered, after publication of the final map, that the land is not suitable for development, it will also come out of charge. An example of this might be where the land clearing uncovers significant archaeological remains resulting in the land becoming undevelopable for housing.

29. Where can I find more information about the tax?

For more information and to view the Draft Maps, please visit your local authority's website.

More information regarding the administration of the tax is available here on Revenue's [website](#).

More information on the tax can be found at www.gov.ie/rzlt

