

# Green Party

## Site Value Tax Policy



December 2020

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# 1 Executive Summary

The Green Party/Comhaontas Glas proposes the introduction of a Site Value Tax (SVT) to replace the existing Local Property Tax (LPT)<sup>1</sup> and commercial rates<sup>2</sup> regimes.

The introduction of SVT will address various issues such as poor usage of land and land hoarding, it will incentivise land and property improvement, and so reduce homelessness and the lack of housing.

The Site Value Tax will be operated and collected by the Revenue Commissioners, working with the Local Authorities. Monies raised will be used for funding local authorities who will exercise some discretion as to the application and rate of the tax.

SVT will be applied at various rates depending on the land to which it is being applied i.e. residential, commercial etc.

## **This policy includes the following policy points**

- **All land must be registered with Land Registry<sup>3</sup>**
- **SVT is levied on land by Local Authorities as valued by Local Authorities**
- **SVT to be collected by Revenue Commissioners**
- **Site owner is responsible for paying SVT**
- **SVT can be deferred until site ownership transferred *in cases of financial hardship of existing occupant/homeowner***
- **SVT will replace LPT and commercial rates**
- **SVT will be applied to all land in due course though some may be zero rated.**
- **The application of SVT to agricultural land should be addressed in Agricultural Policy**
- **SVT will be applied at different rates depending on land type (e.g. residential, commercial, agricultural, educational, recreational)**
- **SVT used to fund Local Authority services (as per LPT and rates currently)**
- **Vacant Sites<sup>4</sup> and Derelict Sites<sup>5</sup> levy will be in addition to SVT**
- **Empty Dwellings levy (for buildings empty more than 18 months) will be in addition to SVT**
- **Windfall Tax will be 80%<sup>6</sup>**

The SDGs which are being achieved under the SVT policy are Goals 11 (Make cities and human settlements inclusive, safe, resilient and sustainable), 12 (Ensure sustainable consumption and production patterns) and 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss).

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<sup>1</sup> <https://www.revenue.ie/en/property/local-property-tax/index.aspx>

<sup>2</sup> For Dublin see: <http://www.dublincity.ie/main-menu-services-business/your-commercial-property-rates>

<sup>3</sup> <https://www.landregistryireland.com/>

<sup>4</sup> <http://www.irishstatutebook.ie/eli/2015/act/33/section/15/enacted/en/html>

<sup>5</sup>

[https://www.citizensinformation.ie/en/environment/planning\\_and\\_development\\_in\\_ireland/derelict\\_sites.html](https://www.citizensinformation.ie/en/environment/planning_and_development_in_ireland/derelict_sites.html)

<sup>6</sup> <https://www.rte.ie/news/dublin/2019/0319/1037297-dublin-windfall-tax/>

# 2 Context and Rationale

## 2.1 Introduction

Land is perhaps the most important example of a ‘commons’<sup>7</sup>, i.e. a ‘resource whose value is due to Nature and to the activities and demands of society as a whole, and not to the efforts or skill of individual people or organizations’. Other commons include the natural commons such as air and water as well as societal commons such as radio spectrum<sup>8</sup> and public road space. For green economists such commons are shared resources, the bounty of nature and society, whose value should be shared. If it is to be exploited by a few then they should pay for that privilege.

A land value tax (LVT) or as otherwise more commonly known, a site value tax (SVT)<sup>9</sup> is a tax on the site value of land, i.e. the value which a particular piece of land would have if there were no buildings or improvements on it. It is the value of a site, as provided by nature and as affected for better or worse by the activities of the community at large. The annual tax falls on the value of land at the point where the land enters into economic activity, before the application of capital and labour.

Greens share with classical libertarian economists (such as Henry George<sup>10</sup>, Adam Smith<sup>11</sup> and Henry Ricardo<sup>12</sup>) a fondness for the land tax because of its extreme simplicity and efficiency. According to such economists rents were to be eschewed since they encouraged decadence and idleness: increasing the value or quality of a piece of land, or producing something from it was to be encouraged; merely living from its wealth should be discouraged, preferably by high rates of taxation. In today’s planning environment, where local authorities decide what land can be used for, large increases in the value of land can be generated by the stroke of a computer keyboard, as when agricultural land undergoes a ‘change of use’ and becomes development land. This value is democratically created and hence should, such economists argue, be shared between all citizens.

## 2.2 The Benefits of Site Value Tax

SVT (sometimes also called Land Value Tax or LVT) is a recurring annual tax on the value of a site excluding the value of any improvements or properties. Site value is measured on the basis of the market value of the land.

A number of benefits over other forms of property tax<sup>13</sup> include:

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<sup>7</sup> <https://en.wikipedia.org/wiki/Commons>

<sup>8</sup> [https://en.wikipedia.org/wiki/Radio\\_spectrum](https://en.wikipedia.org/wiki/Radio_spectrum)

<sup>9</sup> [https://en.wikipedia.org/wiki/Land\\_value\\_tax](https://en.wikipedia.org/wiki/Land_value_tax)

<sup>10</sup> [https://en.wikipedia.org/wiki/Henry\\_George](https://en.wikipedia.org/wiki/Henry_George)

<sup>11</sup> [https://en.wikipedia.org/wiki/Adam\\_Smith](https://en.wikipedia.org/wiki/Adam_Smith)

<sup>12</sup> [https://en.wikipedia.org/wiki/David\\_Ricardo](https://en.wikipedia.org/wiki/David_Ricardo)

<sup>13</sup> [https://en.wikipedia.org/wiki/Property\\_tax](https://en.wikipedia.org/wiki/Property_tax)

It ensures **more efficient and environmentally sustainable use of land**, by encouraging re-development of under-used sites in central locations, thereby reducing urban sprawl.

It ensures a **more efficient land market, where land speculation is discouraged**. Landowners will develop or sell, rather than pay tax on vacant or under-used land.

It is **simple, efficient and fair to administer**. Tax evasion is impossible as land cannot be concealed.

It is **more progressive**, as it has a greater effect on those who are rich in the most fundamental asset of all, - land. It is not possible to pass the tax on to tenants or customers, who are already paying market rates.

It is **more economically efficient** than other forms of property taxation. As the supply of land is fixed, a tax on land does not distort the actual supply of land, unlike saleable property valuations that vary with, for example, home upgrades. LVT does not discourage the improvement of property, raising of BER ratings etc., rather the opposite.

It helps to ensure a **more productive economy** by shifting the national burden of tax away from constructive and beneficial activities, i.e. labour/work, buildings and machinery, towards the use of land (whether used well or badly). This will stimulate new business, employment and enterprise. The replacement of the local commercial rates would greatly add to this shift from taxing productive land use.

It ensures a **stable and predictable source of public revenue**, which derives payback from public expenditure on infrastructure and amenities.

It **dampens 'Boom-Bust' cycles** by reducing speculation in the value of land.

It is an **established and proven system** which has been tried or is still being used in many countries including Lithuania<sup>14</sup>, Denmark<sup>15</sup>, Russia<sup>16</sup>, Singapore<sup>17</sup> and Taiwan<sup>18</sup>. It is used to some extent to smaller extents in subregions of Australia, Mexico (Mexicali), and the United States (e.g., Pennsylvania).

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<sup>14</sup> <http://www.baltic-legal.com/taxes-in-lithuania-eng.htm>

<sup>15</sup> <https://web.archive.org/web/20180416103209/http://www.grundskyld.dk/2-assessment.html>

<sup>16</sup> [https://www.nalog.ru/eng/taxation\\_in\\_russia/earth/](https://www.nalog.ru/eng/taxation_in_russia/earth/)

<sup>17</sup> <https://www.rtpi.org.uk/blog/2017/april/lessons-from-singapore-about-land-value-capture/>

<sup>18</sup> <http://www.ttc.gov.tw/public/Attachment/17259265274.pdf>

# 3 Site Value Tax Framework

## 3.1 Valuations and Registrations

While we propose that SVT be levied on the value of sites, in practice the register of site values will contain the assessed or actual current market purchase values of sites. The value is the current economic worth of the land, and local authorities can allow for such when setting the rates of SVT. We believe that local authorities are best-placed to carry out and maintain, under direction from the State Valuation Office, a register of the valuations of all sites in their city or county area, for the following reasons:

- (a) Responsibility should be handed down to the lowest effective level. Land, by its nature, is local, and there is no need to value it at state level.
- (b) In the past, the local authorities successfully kept the valuations for domestic rates<sup>19</sup>. Currently, they maintain valuations for Commercial Rates. Considering that some sites are used for both domestic and residential purposes, or that the use of a site can change to and from residential, it is efficient for the local authorities to also manage residential valuations.
- (c) Similarly since Local Authorities manage land use and planning including CPO powers they are in a position to decide whether land is recreational or agricultural and manage the zoning and valuation of such land also.
- (d) The value of a site is largely determined both by how well it is serviced and also by the development potential and planning restrictions set out in each Local Authority's Development Plan, e.g. if the house is a listed building, then the site has little or no development potential. Additionally, nearby developments or amenities, such as an incinerator or a park, will impact on site value. Local Authorities are most familiar with these planning issues.

Valuations will be transparent, with public access to the registers of valuations, and there will be an appeals process. Valuations will be updated both routinely, according to current comparative prices, and according to any change of circumstances, such as zoning or planning changes, or improvements (or disimprovements) in local infrastructure or amenities, such as provision of LUAS.

Land/site ownership must be registered with the Land Registry department of the Property Registration Authority of Ireland (PRAI), with a transition period allowed for properties recorded registered at the Registry of Deeds in the PRAI.

### Policy Points

- All land must be registered with Land Registry
- SVT is levied on land by LAs as valued by LAs

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<sup>19</sup> Domatic rates (which included water charges at that time) were abolished in Ireland in 1970: [https://en.wikipedia.org/wiki/Water\\_supply\\_and\\_sanitation\\_in\\_the\\_Republic\\_of\\_Ireland#Wastewater\\_treatment](https://en.wikipedia.org/wiki/Water_supply_and_sanitation_in_the_Republic_of_Ireland#Wastewater_treatment)

## 3.2 Collection and Deferrals

Each individual folio recorded at the Land Registry<sup>20</sup> or Registry of Deeds<sup>21</sup> will be treated as a single billable unit. The registered owner will be liable for the tax.

The Site Value Tax will be collected by the Revenue Commissioners, informed by the Local Authorities. The Revenue Commissioners will have their standard statutory and legal powers in the collection of this tax.

In a multi-unit building, such as a block of flats or a mixed-use development, the site owner will be responsible for paying the tax, but may recoup payment from the owners of the various units. In cases where the land is held under a long lease (for example under the old system of ground rent), the leaseholder will be deemed the beneficial owner of the land and will be liable for the tax.

Inevitably, there will be some people who cannot, or who will not, pay their SVT. Land is a valuable asset and therefore the case for granting waivers to owners in reduced financial circumstances, for example from job loss or bereavement, does not stand, as there are assets to set against tax liability, when the property is sold or rented out. We propose that waivers will not be allowed; instead the tax may be deferred or partly deferred up to and until the property is sold, in the same way as deferrals on LPT<sup>22</sup>. The rate of interest on deferred SVT should be modest and in line with the real financial loss to the State, plus any extra administration costs, only.

### Policy Points

- ***SVT to be collected by Revenue Commissioners***
- ***Site owner is responsible for paying SVT***
- ***SVT can be deferred until site ownership transferred in cases of financial hardship of existing occupant/homeowner***

## 3.3 SVT tax rates, Application and Discretionary Powers

We propose that SVT will replace LPT for residential property and rates for commercial property (i.e. there will be different rates of SVT for residential and commercial.)

We believe that the rate of SVT should be sufficiently high to change behaviour in a way that optimises the use of land. Changing to SVT from LPT and commercial rates will widen the property tax net by taxing all development land not just the small portion which is subject to the Vacant Site Levy. We envisage that the yield from SVT will at least match that from the taxes it replaces. The Green Party believes that increasing the yield from property taxes may be necessary to properly fund local government. The introductory SVT rates must not cause unexpected hardship. Initially therefore, the amount of SVT to be paid by householders will in no case be higher than what they

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<sup>20</sup> <https://www.landregistryireland.com/>

<sup>21</sup> <https://www.prai.ie/land-registry-services/>

<sup>22</sup> <https://www.revenue.ie/en/property/local-property-tax/deferral-of-payment/index.aspx>

have been paying under up-to-date LPT rates, even in the case of a very modest house on an expensive site. We seek that the implementation of SVT not be tax-deductible for property owners.

With regards to land which is not either zoned for residential or commercial purposes, we believe that these should not escape the Site Value Tax net. As per our Context and Rationale above, Green economists view land as the bounty of nature and society, whose value should be shared, and if it is to be exploited by a few then they should pay for that privilege. We recommend that how SVT be applied to agricultural land be dealt with as part of our Agricultural Policy. However, the actual site of any dwellings or commercial developments on agricultural land would be subject to the same rates as zoned residential and commercial sites. Note that in the longer term, it may be possible to use SVT as a financial instrument to encourage a switch to sustainable forms of agriculture (for example, from intensive farming or ecologically-damaging use); however that would require a clear and legally unambiguous categorization of different types of agricultural use.

The Green Party also believes that land used for nature conservation, community use, community services, recreation, and similar, should be zero-rated. Where access is allowed to the public, such as unenclosed forestry, this land can be considered similar to ‘commons’ and therefore should be zero-rated. Each local authority should decide the rate of SVT applicable to different categories of land subject to nationally set minimums.

### **Policy Points**

- ***SVT will replace LPT and rates***
- ***SVT will be applied to all land in due course (with agricultural being dealt with in Agriculture Policy)***
- ***SVT will be applied at different rates depending on land type (e.g. residential, commercial, agricultural, educational, recreational)***

## **3.4 Disbursement of Revenue**

SVT should be used to fund Local Authority services. Monies raised in a Local Authority area do not belong exclusively to that Local Authority area but are available to be shared with other Local Authorities through an equalisation mechanism if required.

### **Policy Points**

- ***SVT will be used to fund Local Authority services (as per LPT and rates currently)***

## **3.5 SVT for derelict, vacant or rezoned property**

We propose to continue the existing Vacant Sites Levy and Derelict Sites levies, in addition to SVT on those sites, i.e. the SVT on such sites will be the sum of the SVT for such a zoned site plus a levy for the site being vacant or derelict.

We also propose an Empty Dwellings levy, which will apply to houses left empty for 18 months or more. This should encourage the owners of homes which are not being used, for example if the



resident is living abroad long term, to make use of it for residential purposes while the resident is not in occupancy

We also propose to re-introduce the 80% Windfall Tax on re-zoned development land. In cases where lands have lost value due to rezoning, there should be some compensation.

In addition when land is sold a review of the value used for SVT purposes for a period in advance of the sale can be carried out by Revenue Commissioners and if a significant difference is noted, a Windfall Tax may also be applied to the transaction by them.

## **Policy Points**

- ***Vacant Sites and Derelict Sites levy will be in addition to SVT***
- ***Empty Dwellings levy (for buildings empty more than 18 months) will be in addition to SVT***
- ***Windfall Tax will be 80%***

# 4 Site Value Tax Rates and Yield

## Introduction

The information which would allow accurate estimates of the yield from a SVT either does not exist or would only be accessible through detailed research. Nonetheless to provide some context for the Green Party's policy proposal it is useful to have some high level estimate of yield/burden at different rates. We would strongly recommend that the Green Party engage with an appropriate research organisation to establish a better basis for assessing options around SVT rates.<sup>23</sup>

Below is a table which summarises the results of a high level estimation exercise we have undertaken. Given the wholesale use of broad brush estimation this data should be treated extremely cautiously. Nonetheless it seeks to be at least consistent with the limited data that is known and the assumptions which have been adopted.

Note that we have only applied a single rate in the table for all land categories, however a more lucrative method would be to tax commercial property at a higher rate than residential property. In addition the category Agricultural Land could be split between unenclosed land which would not attract any SVT and enclosed land which would attract the full rate.

## Residential Property

There are almost exactly 2m residential properties in Ireland with an estimated market value of €519 billion. All such properties, with very limited exceptions, are subject to the annual Local Property Tax. The tax is charged at a rate of 0.18% on the market value of the property as assessed in October 2013, up to a valuation of €1m with the balance charged at 0.25%. In 2019 LPT of €475m was assessed. Because market values have risen sharply since the assessment date, the effective rate of tax based on current market values is 0.09%.

The market value of a property comprises the site value and the value of all improvements to the property. The split between site value and improvements is not known. A 'back of the envelope' exercise, assuming an average site value of €50,000, gives a total site value for all residential properties in the country of circa €100 billion. Were a SVT introduced on residential property a rate of circa 0.5% would yield an amount equivalent to the current yield from the Local Property Tax. The only available estimate suggests that the residential property occupies 2/3 of the area of the area of continuous and discontinuous urban fabric.<sup>24</sup> We have used this as a proxy for relative land value.

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<sup>23</sup> These two research reports provide some interesting Irish specific background information: [https://www.researchgate.net/publication/241767601\\_A\\_Site\\_Value\\_Tax\\_for\\_Ireland\\_Approach\\_Design\\_and\\_Implementation](https://www.researchgate.net/publication/241767601_A_Site_Value_Tax_for_Ireland_Approach_Design_and_Implementation) and <http://smarttaxes.org/wp-content/uploads/2012/03/Site-Value-Tax-in-Ireland-Identify-Consulting-final-report.pdf>

<sup>24</sup> <http://smarttaxes.org/wp-content/uploads/2012/03/Site-Value-Tax-in-Ireland-Identify-Consulting-final-report.pdf>

## Commercial premises

Circa 150,000 commercial premises currently pay annual rates to local authorities.<sup>25</sup> The total amount of rates collected in 2019 was €1.5 billion. There is no readily available data on the value of commercial premises, let alone the value of the sites on which they are located and therefore no way in which an estimate of a SVT yield can be made. The only available estimate suggests that the commercial premises occupy ⅓ of the area of the area of continuous and discontinuous urban fabric. We have used this as a proxy for relative land value.

## Agricultural land

Depending on the source used there between 4.5m and 5m hectares of agricultural land in the country. A 'back of the envelope' calculation of the total value of agricultural land could take the mid-point of these figures and multiply it by the current price for hectare of €21,800 (€8,823 per acre).<sup>26</sup> This gives an estimate of the total value of almost exactly €100 billion. By coincidence this is the same total value as residential property. A SVT levied at 0.5% would yield €500m.

## Development Land

The Department of Housing undertook a survey of zoned residential development land in 2014<sup>27</sup>. It estimated that there was 27,363 hectares of development land available with the potential for 611,302 dwellings. Of this circa 285,000 dwellings were in primarily urban/commuter counties. A 'back of the envelope' exercise assuming an average site value of €50,000 and only applying it to the urban/commuter counties (on the basis that there is a very high level of over-zoning in rural counties) gives a total site value for development land of 14.25 billion for this land. .

Currently the only tax on such sites is the vacant site levy. The vacant site levy only applies in very restricted circumstances and at the end of 2019 sites with a market value of only €144m were subject to the levy at a rate of 7%.<sup>28</sup>

A SVT levied at a rate of 0.5% would yield additional revenue of €71m

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[https://www.housing.gov.ie/sites/default/files/publications/files/an\\_overview\\_of\\_commercial\\_rates\\_in\\_local\\_authorities\\_december\\_2018\\_0.pdf](https://www.housing.gov.ie/sites/default/files/publications/files/an_overview_of_commercial_rates_in_local_authorities_december_2018_0.pdf)

26 [https://www.scsi.ie/documents/get\\_lob?id=1540&field=file](https://www.scsi.ie/documents/get_lob?id=1540&field=file)

27 <https://www.housing.gov.ie/sites/default/files/migrated-files/en/Publications/DevelopmentandHousing/Planning/FileDownload%2C40214%2Cen.pdf>

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[https://data.oireachtas.ie/ie/oireachtas/parliamentaryBudgetOffice/2020/2020-05-21\\_challenges-in-implementing-and-administering-the-vacant-site-levy\\_en.pdf](https://data.oireachtas.ie/ie/oireachtas/parliamentaryBudgetOffice/2020/2020-05-21_challenges-in-implementing-and-administering-the-vacant-site-levy_en.pdf)

## Peer Countries

In order to get a sense of how Ireland compares with other countries from the perspective of property taxes we reviewed the OECD statistics database<sup>29</sup> to identify the property tax yield across OECD members expressed as a percentage of National Income. In Ireland's case we used modified Gross National Income (the measure which is best at stripping out the distorting impact of multinational activity). Countries fall into 4 categories:

<0.5%	Germany/Austria/Switzerland
>0.5% <1.5%	Ireland/Spain/Portugal/Italy/Belgium/Denmark/Finland/Denmark/ Netherlands
Circa 2%	Japan/NZ/Australia
Circa 3%	US/UK/Canada/France

Note this refers to all recurring (i.e. excludes stamp duty) property taxes including residential, commercial, agricultural etc.

## Danish Model

Denmark offers the best example of a real world site value tax in Europe. Described as a land value tax it is levied on all land with very limited exceptions. The rate of tax is decided by local authorities and must be between 1.6% and 3.4%. The average is 2.3%.<sup>30</sup> Agricultural land pays a lower rate of between .8% and 1.3%.<sup>31</sup> An effort has been made to apply this model to Ireland.

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<sup>29</sup> <https://stats.oecd.org/>

<sup>30</sup> <http://www.andyweightman.com/docs/muller.pdf>

<sup>31</sup> <https://www.oecd-ilibrary.org/sites/031a8ba5-en/index.html?itemId=/content/component/031a8ba5-en#:~:text=The%20municipal%20land%20tax%20is,rates%20are%202.2%25%20or%20below.>

## Summary Tax Take Table

Category	Estimated land area (Hectares)	Current property taxes	SVT Yield @ 0.5%	SVT Yield @ 1%	SVT Yield @ 2%	Danish model 2.3%/1.1%
Residential Property	81,000	€475m	€500m	€1,000m	€2,000m	€2,300m
Commercial Property	28,000	€1,500m	€166m	€333m	€666m	€770m
Agricultural Land	4,750,000	Nil	€500m	€1,000m	€2,000m	€1,000m
Development Land	27,000	Nil	€71m	€142m	€282m	€237m
<b>Total</b>	<b>4,886,000</b>	<b>€1,975m</b>	<b>€1,237m</b>	<b>€2,475m</b>	<b>€4,948m</b>	<b>€4,347m</b>
SVT/Property taxes as a % of national income (GNI*)		0.9%	0.6%	1.1%	2.3%	2%
Peer Countries (source: OECD stats.oecd.org)		Spain/Italy/Belgium/ Portugal/Finland/ Netherlands/			Japan/NZ/ Australia	

## Potential Tax Take

The Green Party 2020 Pre-Budget Submission included a provision to raise €170m by replacing the Local Property Tax with a Site Value Tax. As can be seen by the table above, SVT has the potential to raise considerably more in the medium to long term.

# Frequently Asked Questions

- Q1. Does landowner have to pay SVT where he/she cannot afford to do so
  - Yes. But as per current regulations regarding LPT the landowner can apply for payment of the SVT to be deferred. This deferment will incur an interest cost of 4% and the deferred SVT and interest will have to be paid before ownership of the property can be transferred.
- Q2. Is SVT based on zoning or actual use
  - SVT is based on zoning i.e. residential, commercial, agricultural (enclosed or unenclosed) and recreational - agreed
- Q3. What if property vacant due to temporary emigration or sickness
  - if the property is occupied SVT will apply at the residential occupied rate. If it is vacant for more than 18 months SVT will apply at the vacant rate.
- Q4. Do small sites get a tax credit
  - No, every site must pay SVT
- Q5. The policy is difficult/complicated to explain
  - all land in Ireland will be registered and the owners identified. A SVT rate will be decided for each land type (residential, commercial, recreational, agricultural) and applied. SVT replaces LPT and commercial rates.
- Q6. We have a valuation office – why are we creating 31 new ones?
  - we are not creating 31 new ones, for clarity, the Valuation Office uses the resources of each of the local authorities when valuing property for LPT, we will mirror that system.
- Q7. How do we know who owns the land
  - every parcel of land must be registered with the Land Registry and the name and address of the owner identified. We detail in the Housing Policy how all unregistered land (currently with the Registry of Deeds system) will become registered in the Land Registry system.
- Q8. There should be some connection to the UN SDGs included
  - The SDGs which are being achieved under the SVT policy are Goals 11 (Make cities and human settlements inclusive, safe, resilient and sustainable), 12 (Ensure sustainable consumption and production patterns) and 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss).
- Q9. Is there a SVT holiday for residential or commercial premises which are vacant?
  - every parcel of land must pay SVT at all times. If the property is vacant then SVT still must be paid.
- Q10. Is agricultural land to be taxed under the site value tax system?
  - All enclosed<sup>32</sup> land in Ireland will come under the Site Value Tax system. Commonage<sup>33</sup> and land which is open to the public at no cost for recreational/educational/cultural use does not come under the Site Tax Value system

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<sup>32</sup> For definition see: <https://en.wikipedia.org/wiki/Enclosure>

<sup>33</sup> For a definition see: [https://en.wikipedia.org/wiki/Common\\_land#Ireland](https://en.wikipedia.org/wiki/Common_land#Ireland)

- However, besides needing somewhere to live, we also need somewhere to grow our food, and land where biodiversity can thrive and in this the Anthropocene era where climate change must be addressed, we also need carbon sinks.
- In this policy, our group proposes the introduction of a rebalanced CAP program which addresses all the above with a corresponding program for those state companies who also own and manage land on the state's behalf. This rebalanced CAP will consider the site value tax that is being applied to the land and mitigate that tax should the land be used for food production, protection and support for biodiversity and use as a carbon sink. We expect this will be addressed in the Green Party Agriculture Policy
- Q11. What about those who cannot afford to pay the site value tax, for example pensioners living in valuable houses?
  - Anyone who cannot afford to pay the site value tax on their property can apply to the Revenue Commissioners to have the tax payable rolled over until the day when the house is transferred to another owner or sold.
- Q12. Is site value tax not an extra tax?
  - Yes. However, (1) the application of such a tax will enable local authorities to provide better local services including housing and stop the continuous increase in rental costs and (2) in conjunction with the introduction site value tax, the Green Party also proposes the introduction of Universal Basic Income<sup>34</sup>. For those whose incomes are less than ~€35,000 p.a. their net gain from the Green Party UBI policy is between €1,250 and €10,550 p.a..

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<sup>34</sup> Green Party Universal Basic Income Policy is available here: <https://www.greenparty.ie/wp-content/uploads/2018/07/Green-Party-Universal-Basic-Income-Policy.pdf>