



**MEMO**  
Industry Information

## IRELAND UPDATE:

20 May 2021

# Stamp Duty Measure in Response to Bulk Purchases of Houses

Ireland's Minister for Finance, Paschal Donohoe TD, has brought a [Financial Resolution](#) before the Dáil to impose a stamp duty charge of 10% on the purchase of 10 or more residential houses in Ireland within a 12-month period. This compares to the 1% stamp duty rate that would typically apply to the purchase of a residential house valued at €1,000,000 or less. The higher stamp duty rate, which has effect from 20 May 2021, is designed to deter institutional investors and property funds from bulk buying homes but the measure will apply to any party acquiring multiple residential properties within the jurisdiction.

The move is one of a series of measures being introduced by the Irish government with the Minister for Housing, Local Government and Heritage, Darragh O'Brien TD, separately [announcing](#) new planning measures to address the bulk buying of residential houses and duplexes and to ring fence homes in certain developments for owner occupiers.

The Financial Resolution applies to the multiple purchase of dwellings across the country, including multiple dwellings in one estate or multiple single dwellings in different locations.

The 10% stamp duty rate will apply once a buyer acquires a tenth residential unit in a 12-month period and residential units acquired before 20 May 2021 will be relevant in calculating the 10 unit threshold. This circumvents avoidance of the 10% rate through a series of smaller purchases. The higher charge will also apply in instances where purchases are made indirectly through the acquisition of property owning companies, investment funds or partnerships by way of shares, units or partnership interests.

The most significant exemption from the higher stamp duty rate is the multiple purchase of apartments. The Minister explained that this exemption is largely due to the fact that apartment developments face viability challenges and a higher cost burden would have significant negative consequences for supply, particularly in urban areas. Multiple purchases by local authorities and approved housing bodies should also be outside the scope of the higher stamp duty charge.

The Financial Resolution contains transitional provisions to address those situations where a contract for the acquisition of more than 10 relevant residential units has already been executed. Pre 20 May 2021 contracts will not be subject to the higher rate of stamp duty where completion occurs on or before 20 August 2021.

This stamp duty measure, as well as the other planning measures will have a significant impact on institutional investors and developers. We will continue to monitor developments closely.

<https://www.gov.ie/en/press-release/0b75f-minister-donohoe-announces-stamp-duty-measure-for-bulk-purchasers-for-homes/>



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