



The Conveyancing Committee would like to bring the following letter to the attention of practitioners. It is a response to a query in relation to clawback of stamp duty exemption/partial relief for new houses under the Finance (No 2) Act, 1998:

‘Ms Vivienne Bradley
McCann FitzGerald
9 February 1999

Re: Finance (No 2) Act, 1998 – stamp duty clawback

Dear Ms Bradley,

I refer to your letter dated 22 January 1999, on behalf of the Law Society Conveyancing Committee, in relation to the stamp duty clawback provisions in the Finance (No 2) Act, 1998.

Under the Finance (No 2) Act, 1998, the stamp duty exemption/partial relief for new houses was limited to houses which are purchased by, or on behalf of, persons who will occupy them as their only or principal place of residence. The stamp duty will be clawed back if rent is derived from the house during the period of five years from the date of the purchase or until the sale of the house within the said five-year period, whichever event first occurs. The clawback is in the form of a fine, payable by the purchaser who originally obtained the benefit of the exemption/partial relief.

I can confirm that a subsequent purchaser of a house, where a clawback has arisen, has no responsibility in relation to the clawback and is under no obligation to Revenue to make any enquiries as to whether circumstances giving rise to such a clawback have arisen.

Seamus Carey,
Assistant Principal,
Stamp Duty Technical Unit’

**CLAWBACK OF
STAMP DUTY
EXEMPTION/
PARTIAL RELIEF**