



**RENEWAL OF
LIQUOR LICENCES
1992 - TAX
CLEARANCE
CERTIFICATE**

(Contd.)

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- a) a company to an individual;
 - b) a company to a company;
 - c) a company to a partnership;
 - or
 - d) a partnership to a company;
- and there is a connection between the parties.*

When applying for the Tax Clearance Certificates in these circumstances, details of the connection between the parties should be given to the Revenue Commissioners.

**LOCAL
AUTHORITY**

**SHARED
OWNERSHIP
SCHEME**

Some practitioners have expressed concern about the Local Authority Shared Ownership Scheme recently introduced under the provisions of the Housing (Miscellaneous Provisions) Act, 1992. The Scheme provides that in respect of a purchaser who has been approved for eligibility under the Scheme,

- (a) the Local Authority purchases the property,
- (b) the purchaser pays £1,000 to the Local Authority by way of deposit,
- (c) the Local Authority then grants a lease to the purchaser for 99 years with provision for payment of a rent calculated by reference to the Corporation's "equity" of the house (at present 5% of the value of the Corporation's share) which rent is index linked,
- (d) At the same time the purchaser borrows the remainder of the value of the house from the Local Authority and enters into a mortgage for that amount, charging his interest as lessee for 99 years.

Practitioners will be aware that the solicitors for the Local Authority act in the purchase of the property, and the lease and mortgage submitted to the Purchaser for execution cannot be altered, and accordingly the purchaser's solicitor is not aware of the title acquired, nor can they seek to amend the documentation.

In the circumstances practitioners are left with no alternative save to advise clients on the nature of the Scheme and leave it to the client to decide whether or not they will proceed with the purchase. It will be appreciated that a purchaser in this situation has virtually no choice in the matter. If they want the house then they must buy it on the Local Authority's terms. Furthermore, the Local Authority charges a fee for its own legal services. At the point of completion, however, if the Law Agent deems it necessary, the matter may be referred again for independent legal advice, for instance, to advise on the Family Home Protection Act.

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