



SALE OF LICENSED PREMISES

TAX CLEARANCE CERTIFICATES

In situations where the owner of a licensed premises owes monies to the Revenue authorities and is unable to pay those monies in full, the Revenue are prepared, in some cases, to enter into arrangement with the tax payer for the payment of the monies due to the Revenue by instalments over a period of years.

Where the premises are put up for sale and the vendor requires a tax clearance certificate the Revenue will, in some cases, issue a Tax Clearance on getting an undertaking from the solicitor having carriage of sale of the premises that in the event of a successful sale the full amount due to the Revenue will be discharged by the solicitor subject only to the payment of prior mortgages and the costs of sale.

The Conveyancing Committee have negotiated a standard form of undertaking with the Revenue solicitor which is printed below.

Before giving the Undertaking a solicitor should ensure that he has all necessary authorities and consents and that he has the title documents in his possession in accordance with the Undertaking. Also, up-to-date searches will have to be obtained by the solicitor identifying all encumbrances existing at the date of the Undertaking, before he can give the Undertaking.

Form of Undertaking

TO/
Collector General, Tax Clearance Section, Sarsfield House, Limerick.

I/We confirm that I/We act on behalf of I/We understand that our client has outstanding arrears of Tax and Interest which currently amount to IR£

My/Our client has informed me/us that he/she proposes to enter into an instalment arrangement with the Collector General to clear outstanding arrears of Tax and Interest over a period of months commencing on and I/we am/are aware that the amount of arrears currently outstanding is IR£

I/We have been instructed by my/our client to act in the forthcoming sale of his/her licensed premises situate at and I/we have in my/our custody the title documents to the said licensed premises being an accountable receipt from

I/We am/are obliged under the terms of the accountable receipt to return the documents to on demand. The return of the documents to will end my/our obligations and this Undertaking will cease to have effect.



I/We have caused searches to be made to ascertain what encumbrances there are affecting this property, and the results of my searches show the following encumbrances:-

[In consideration of the Collector General issuing a Tax Clearance Certificate to my client, and subject to the receipt of the balance of the purchase money on the successful completion of this sale by this firm (or by me), I/we undertake to remit to the Collector General the net proceeds of the sale of the premises or such sum as is sufficient to discharge my client’s outstanding Tax liability, whichever is the lesser].

or

[In consideration of the Collector General confirming the said instalment arrangement, issuing the Tax Clearance Certificate, and subject to the receipt of the balance of the purchase money on the successful completion of this sale by this firm (or by me), I/we undertake to remit to the Collector General the net proceeds of the sale of the premises or such sum as is sufficient to discharge my client’s outstanding Tax liabilities, whichever is the lesser.]

The net proceeds shall mean the amount remaining of the purchase money for the premises after the discharge of all encumbrances on the said property and of all auctioneer’s fees and expenses and all solicitor’s fees and expenses and VAT on auctioneer’s and solicitor’s fees in connection with the said sale.

I/We confirm that I/we will not act in the creation of any charge on the premises subsequent to the date of this undertaking.

I/We confirm that I/we have my/our client’s irrevocable authority to give the above Undertaking, as evidenced by his/her signature hereunder (and where appropriate that my/our client’s spouse has given his/her prior written consent to the giving of this Undertaking).

.....
Solicitor

.....
Client

**SALE OF LICENSED
PREMISES**

**TAX CLEARANCE
CERTIFICATES**

(Contd.)