

# Help To Buy (HTB) Incentive

## Statistics at 29 September 2017

The statistics in this release are based on analysis of applications and claims filed at 29 September 2017 in respect of the HTB incentive.

These statistics should be considered as provisional and may be revised. Updates will be provided regularly on the Revenue statistics webpage.

More detailed information and guidance regarding the HTB scheme is available on the Revenue website. Any queries of a statistical nature in relation to HTB should be directed to [statistics@revenue.ie](mailto:statistics@revenue.ie)

## **Overview of the Incentive**

The Help To Buy (HTB) incentive, announced in Budget 2017 (October 2016), is designed to assist first-time buyers with the deposit required to purchase or self-build a new house or apartment to live in as their home.

The incentive provides for a refund of Income Tax and DIRT paid over the previous four tax years, limited to a maximum of 5% of the purchase value up to a value of €400,000. The HTB refund is capped at €20,000.

This incentive is available for the period from 19 July 2016 to 31 December 2019.

## **Qualifying Properties**

For a property to qualify under the scheme it must be purchased or built as the first-time buyer's home and, if purchased, it must be purchased from a qualifying contractor.

For a property to be eligible for HTB it cannot exceed a value of €600,000 in the period from 19 July to 31 December 2016 or €500,000 in the period from 1 January 2017 to 31 December 2019.

<b>Purchase Value</b>	<b>Amount of Relief</b>
Up to €400,000	Up to 5% of purchase price
Between €400,000 and €500,000, from 1 January 2017	Maximum relief will be €20,000
Over €500,000, from 1 January 2017	No relief
Between €400,000 and €600,000, between 19 July 2016 and 31 December 2016	Maximum relief will be €20,000
Over €600,000, between 19 July 2016 and 31 December 2016	No relief

The property must be occupied by the first-time buyer, or at least one of the first-time buyers in the case of multiple first-time buyers, within 2 years and for a minimum period of five years.

## **Qualifying Contractors**

For a contractor to become part of the HTB process, they must first apply to, and be approved by, Revenue to become registered as a 'Qualifying Contractor'.

A full list of all qualifying contractors is available on the Revenue website [here](#).

To date, there are 365 registered qualifying contractors.

## **Applications and Claims**

There are two stages to the HTB online process.

### **(1) Application Stage:**

First-time buyers / self-builders apply online via Revenue's myAccount or ROS systems.

Revenue encourages prospective applicants to file any necessary tax returns, and resolve any outstanding issues, before making the HTB application. This is because the processing time for applications depends on the applicant to resolve any outstanding matters and complete the application.

Compliant taxpayers who complete their HTB application are provided with an Application Number and a summary of the maximum relief available to them under the incentive. A mortgage provider, broker, qualifying contractor or solicitor can use this summary to verify the relief available to the applicant, for the purposes of mortgage approval or drawdown, or signing a house purchase contract.

To date, Revenue has received 10,547 HTB applications.

### **(2) Claim Stage:**

Applications will progress to the claim stage only if the applicant decides to purchase a property that is eligible for the scheme. Many applications may never progress to the claim stage because the applicant does not purchase a property or purchases a property not eligible for the scheme.

The decision on whether, or when, to progress to the claim stage rests with the applicant. First-time buyers can submit their claim once a contract is signed for the purchase of a property. In the case of self-builds, the claim can be submitted after the drawdown of the first tranche of the mortgage.

To make a claim, the claimant must confirm and provide documentary evidence of the details of the property, the purchase price, date of completion, mortgage and deposit paid. The claim can then be submitted online.

When a claim is submitted, the information provided must be verified by the qualifying contractor or the solicitor acting on behalf of the self-builder. Claims cannot be approved and paid until the qualifying contractor or solicitor has verified the claim. The time taken for this is outside Revenue's control.

In Budget 2017, it was projected that HTB would cost the Exchequer €50 million in the first year (2017). For the reasons outlined above, many HTB applications are unlikely to progress to the claim stage and therefore the number of applications does not provide a reliable basis to estimate the likely cost of the scheme. An evidence based update on the projected cost in 2017 will not be available until later in the year. To date, 4,088 HTB claims have been made, of which 3,451 are approved. The estimated total value of approved HTB claims to date is in the order of €49.4 million, of which €15.2 million represent retrospective claims (for the period 19 July to 31 December 2016).

**Table 1: Application Stage Statistics**

	Retrospective*	Non-Retrospective	Total	% of Total
Approved	1,317	6,024	7,341	69.60%
Pending**	172	3,034	3,206	30.40%
<b>Total</b>	<b>1,489</b>	<b>9,058</b>	<b>10,547</b>	<b>100%</b>

\*Retrospective refers to applications and claims in respect of the period from 19 July 2016 to 31 December 2016.

\*\*Pending means that the applicants either have to file an outstanding return or address a compliance issue, the application is to be reviewed by a Revenue caseworker, or the applicant needs to finalise his or her application.

Table 1 provides a breakdown of the total number of approved and pending HTB applications.

**Table 2: Claims Stage Statistics**

	Retrospective	Non-Retrospective	Total
Claims	1,237	2,851	4,088

**Table 3: Claims by Build Type**

Type	Total	% of Total
Purchased (Retrospective Claim)	974	23.83%
Purchased (Non-Retrospective Claim)	2,446	59.83%
Self-Build (Retrospective Claim)	263	6.43%
Self-Build (Non-Retrospective Claim)	405	9.91%
<b>Total</b>	<b>4,088</b>	<b>100%</b>

Table 3 provides a breakdown of the HTB claims by build type and when purchased or self-built.

**Table 4: Property Value of HTB Claims**

Property Value Range	Total	% of Total
0-150K	118	2.89%
151-225K	584	14.29%
226-300K	1,460	35.71%
301-375K	1,214	29.70%
376-450K	521	12.74%
Over 450K	191	4.67%
<b>Total</b>	<b>4,088</b>	<b>100%</b>

Table 4 provides a breakdown of the property value of the properties for which HTB claims have been made to date.

**Table 5: Loan-to-Value Ratio of HTB Claims**

Loan-to-Value Ratio	Total	% of Total
70%-74.99%	474	11.59%
75%-79.99%	461	11.28%
80%-84.99%	671	16.41%
85%-89.99%	1,194	29.21%
90% & over	1,288	31.51%
<b>Total</b>	<b>4,088</b>	<b>100%</b>

Table 5 provides a breakdown of the loan-to-value ratio of properties relating for which HTB claims have been made to date. The loan-to-value ratio is the amount of the mortgage as a percentage of the purchase value of the house or apartment. In order to avail of the HTB incentive, the loan-to-value ratio must be 70% or more.

**Table 6: HTB Claim Amounts**

Amount Claimed	Total	% of Total
€0 - €4,999	130	3.18%
€5,000 - €9,999	545	13.33%
€10,000 - €14,999	1,553	37.99%
€15,000 - €19,999	1,372	33.56%
€20,000	488	11.94%
<b>Total</b>	<b>4,088</b>	<b>100%</b>

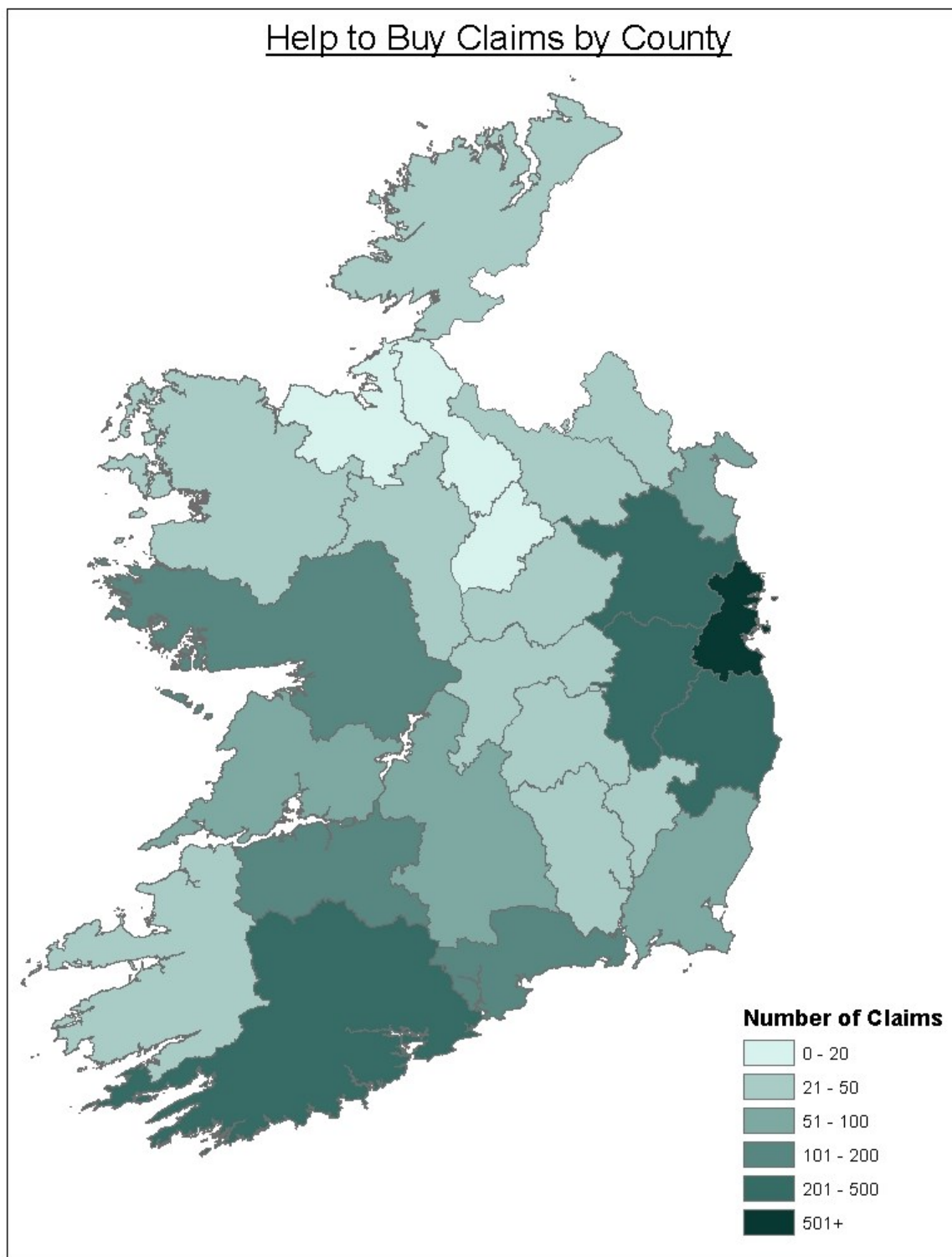
Table 6 provides a breakdown of the actual claim amounts for which HTB claims have been made to date.

**Table 7: Geographical Breakdown of HTB Claims**

	Number*
Carlow	23
Cavan	22
Clare	51
Cork	378
Donegal	31
Dublin	1,574
Galway	166
Kerry	33
Kildare	401
Kilkenny	29
Laois	49
Leitrim	11
Limerick	135
Longford	15
Louth	97
Mayo	38
Meath	445
Monaghan	24
Offaly	46
Roscommon	24
Sligo	18
Tipperary	66
Waterford	101
Westmeath	46
Wexford	52
Wicklow	213
<b>Total</b>	<b>4,088</b>

\* Revenue safeguards and respects taxpayer confidentiality. For this reason, where there are only small numbers of cases in a category, exact figures are not provided to protect confidential taxpayer information (marked as "≤10").

Table 7 provides the number of HTB claims to date by county, while Figure 1 below provides a visual breakdown of these numbers.



**Figure 1: Geographical Breakdown of HTB Claims**

Confidentiality is central to Revenue's relationship with our customers. Revenue's obligations in relation to safeguarding data are reinforced by a range of legislative and administrative provisions that are designed to protect the rights and interests of citizens and businesses. Further information regarding our Statistical Disclosure Control can be found [here](#).