

Appeal No: VA23/5/0153

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

**NA h ACHTANNA LUACHÁLA, 2001-2015
VALUATION ACTS, 2001-2015**

CLAR I.C.H. CLG.

APPELLANT

and

COMMISSIONER OF VALUATION

RESPONDENT

In relation to the valuation of

Property No. 2168681, Industrial Uses, at Unit 1 Clar Ird Ent. Centre, Ballindine Road, Claremorris,
County Mayo.

JUDGMENT OF THE VALUATION TRIBUNAL

ISSUED ON THE 9TH DAY OF DECEMBER 2025

BEFORE

Orla Coyne - Solicitor

Member

1. THE APPEAL

1.1 By Notice of Appeal received on the 3rd day of October, 2023 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ('the NAV') of the above relevant Property was fixed in the sum of €3,390.

1.2 The sole ground of appeal as set out in the Notice of appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19(5) of the Act because: (a) *“(e) Other grounds. Clar I.C.H. Clg. is a registered charity. CHY 14287. Charities Regulation Number: 20046187. This storage unit, is used to store Claremorris Christmas Lights.”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €0.

2. RE-VALUATION HISTORY

2.1 On the 23rd day of September, 2022 a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act, 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €3,390.

2.2 A Final Valuation Certificate issued on the 15th day of September, 2023 stating a valuation of €3,390.

2.3 The date by reference to which the value of the Property, the subject of this appeal, was determined is 1st February 2022.

3. DOCUMENT BASED APPEAL

3.1 The Tribunal considered it appropriate that this appeal be determined on the basis of documents without the need for an oral hearing and, on the agreement of the parties, the Chairperson assigned the appeal to one member of the Tribunal for determination.

3.2 In accordance with the Tribunal’s directions, the parties exchanged their respective summaries of evidence and submitted them to the Tribunal.

4. FACTS

4.1 The parties are agreed as to the following facts.

4.2 The Property is situated at Unit 1, Clar Business Park, Old Ballindine Road, Claremorris, Co. Mayo. It is located in the Clar Business Park and Industrial/Business Park, located off the Ballindine Road, approximately 1km south of Claremorris Town Centre.

4.3 The Property is a single storey unit, being one of five industrial units developed by local enterprise group, Clar Community Project Clg. It comprises a single storey end-terrace workshop currently used as a storage space.

4.4 The Property features block walls and double skin clad roof with a height of 4m.

4.5 The Property is in good condition.

4.6 The Property measures 13.25m² and was not disputed by the Appellant.

5. ISSUES

5.1 The primary issue raised on this appeal turns on the question whether the Subject Property is entitled to be treated as exempt from rates pursuant to paragraph 16(a) of the List of Properties designated as “Relevant Properties Not Rateable” in Schedule 4 of the Valuation Act 2001 (the Act) as amended

5.2 Specifically to determine that issue the Tribunal must decide whether the Subject Property falls under paragraph 16 Schedule 4 of the Act on the grounds that the building or part is used exclusively for charitable purposes.

6. RELEVANT STATUTORY PROVISIONS

6.1 The net annual value of the Property has to be determined in accordance with the provisions of Section 48(1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probably annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

7. APPELLANT’S CASE

7.1 The Appellant relied on the following documents:

1. Certificate of Incorporation of a Company – Clar I.C.H. Company Limited by Guarantee
2. Memo and Articles of Association – Clar I.C.H. Limited
3. Revenue letter dated 5th January 2015 confirming charitable exemption granted in accordance with the provisions of Section 207 of the Taxes Consolidation Act, 1997.
4. Clar I.C.H. Clg is a company limited by guarantee not having a share capital.

7.2 The Board of Directors of Clar I.C.H. Clg act in a voluntary capacity, and operates as a not-for-profit organisation. Clar I.C.H. Clg is a registered charity and voluntary housing organisation (AHB). Its main objects are under its Memorandum of Association are

- 2.(a) *To carry on for the benefit of the community the provision of housing and associated amenities for persons in deprived or necessitous circumstances*
- (b) *To provide for the relief of poverty and deprivation caused by poor housing conditions and homelessness or other social and economic circumstances*

7.3 Any surplus generated is reinvested back into the organisation for the benefit of the community.

7.4. Clar I.C.H. Clg submits its Annual Returns to the Charities Regulator and Approved Housing Bodies Regulatory Authority annually.

7.5 The storage unit/Property is used to store the Christmas lights for the town of Claremorris,Co.Mayo

8. RESPONDENT'S CASE

8.1 The Respondent in its précis of evidence states the Property is a workshop/store used to store Claremorris Christmas Lights.

8.2 The Property is not considered to fall under Paragraph 16 Schedule 4 of the Act, 2001 – 2020 on the grounds that the building or part is not used exclusively for charitable purposes.

8.3 The Appellant did not include any comparable evidence and did not dispute the levels applied to the floor area.

8.4 The Respondent furnished the rental income of the Property as €975 per annum, which rent was fixed on the 2nd March 2024 at a yearly rate.

8.5 The Respondent did not provide any key rental transactions and stated that the unit was valued “relative to the value of other properties comparable to that property on that valuation list in the rating authority area” in accordance with correctness of value, equity and uniformity and that the correct NAV for the property is €3,390 on the following basis:

Use	Floor Area (m ²)	NAV per m ²	NAV
Workshop	113.25	€30	€3,397.50
Total NAV			€3,397.50
Rounded NAV			€3,390.00

8.6 The Property consists of a workshop/store used to store Claremorris Christmas Lights and the Subject Property is not considered relevant property not rateable under paragraph 16 Schedule 4 of the Valuation Act, 2001-2020 on the grounds that the building or part is not used exclusively for charitable purposes.

The Respondent requested the Tribunal affirm the valuation of the Property appearing on the relevant valuation list as representing its Net Annual Value as €3,390.

9. SUBMISSIONS

9.1 There were no legal submissions.

10. FINDINGS AND CONCLUSIONS

10.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practicable, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Mayo County Council.

10.2 Schedule 4 of the Act sets out relevant property not rateable. In particular to the current property paragraph 16 (a) is the most relevant

16-Any land ,building or part of a building which is occupied by a body,

(a) a charitable organisation that uses the land,building or part exclusively for charitable purposes and otherwise than for profit,

10.3 The Appellant's argument stated that it is a company limited by guarantee and not having a share capital; it operates as a not-for-profit organisation; is a registered charity and voluntary housing association. Its main object is to provide housing and associated amenities for individuals in deprived or disadvantaged circumstances, as well as to alleviate poverty and deprivation caused by poor housing conditions, homelessness or other social and economic challenges. Any surplus generated is reinvested back into the organisation for the benefit of the community. The property is being used by the Appellant to house the Christmas Lights for the Town of Claremorris and is not rateable.

10.4 The property is exempt if the following conditions are satisfied:

- a. It is occupied by a charitable organisation and
- b. It is used for charitable purposes and otherwise than for private profit.

10.5 There is no doubt that the Appellant is a charitable organisation within the meaning of section 3 of the 2001 Act.

10.6 The issue for determination is whether the property is used exclusively for charitable purposes and otherwise than for private profit (whether it is exclusively so used).

10.7 The Appellant's Memorandum of Association as expressed in Article 2 "(a) and (b)" above are clearly charitable purposes. In this case the property is not used exclusively for charitable purposes. The

Act does not provide that a relevant property occupied by a charitable organisation is exempt for rates. The Property must be used for charitable purposes and exclusively so used.

10.8 In this case the Property is used for the sole purpose of storing the Christmas Lights for Claremorris Town.

10.9 Regarding the main objects of the Appellant, is there a correlation between these objects and the purpose for which the unit is being used, the Tribunal does not accept that there is a correlation.

10.10 The storing of the Christmas Lights for Claremorris Town is regarded by the Tribunal as a “charitable act” not purpose. Neither does it fall under either of the main objects of the Appellant, and is not a charitable purpose under its objects and therefore not exempt.

10.11 The onus is on the Appellant to satisfy the Tribunal that the Property satisfies the requirement imposed by Paragraph 16 (a) Schedule 4 of the Act. The Tribunal has not been satisfied or persuaded by the Appellant that the property is exempt as it has failed the conditions as set out in Paragraph 16 (a) Schedule 4 of the Act

10.12 In accordance with *Nangle Nurseries v. Commissioner for Valuation (2003 IEHC 73)* the exemption provisions of the Act are to be interpreted strictly as against the Appellant. In this case, the Appellant has not provided any argument as to whether or not the storing of the Claremorris Town Christmas Lights is a charitable purpose and would be regarded as to fall under the objects of the Appellant for which it was established it being ancillary or incidental to the charitable purposes as stated in 2 (a) and (b) of the Appellant’s Memorandum of Association.

10.13 The Tribunal could not construe the storing of the Christmas Lights for Claremorris Town as being part of the objects of the Company, namely (a) “for the benefit of the community and the provision of housing and associated amenities for persons in deprived and necessitous circumstances” or (b) to provide for the relief of poverty and deprivation caused by poor housing conditions and homelessness or other social and economic circumstances. The property therefore is not being used exclusively for charitable purposes.

DETERMINATION

Accordingly, for the above reasons, the Tribunal disallows the Appeal and confirms the NAV of €3,390 as stated in the Valuation certificate.

RIGHT OF APPEAL:

In accordance with Section 39 of the Valuation act 2001 any party who is dissatisfied with the Tribunal’s determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court.

This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.