

Appeal No: VA23/5/0657

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

**NA hAHTANNA LUACHÁLA, 2001 - 2015
VALUATION ACTS, 2001 - 2015**

K BROTHERS

APPELLANT

and

TAILTE ÉIREANN

RESPONDENT

In relation to the valuation of
Property No. 1362163, Fuel/Depot at Knock Road, Kiltimagh, County Mayo.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 21ST DAY OF MAY 2026

BEFORE

Eamonn Maguire - FRICS, FSCSI

Member

1. THE APPEAL

1.1 By Notice of Appeal received on the 16th 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 €95,000.

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) The Valuation is Incorrect

hi this very small size petrol station we have pay rents € 850 monthly .and still lost business . we dont understand how you count €95,000

we are still on minimum wages as director. maybe we have to close done if is going that way "

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €4,500.

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 €95,000.

2.2 A Final Valuation Certificate was issued on the 15th day of September 2023 stating a valuation of €95,000.

2.3 The date by reference to which the value of the Property, the subject of this appeal, was determined is 1st day of 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 following facts submitted are not disputed by the parties.

4.2 The Property is situated directly on Thomas Street, approximately 0.85 km from the centre of the village of Kiltimagh in County Mayo, accessible to the N5, N17, and N60 routes. The Property is situated approximately 8.5 km from Knock, 19 km from both Ballyhaunis and Claremorris, and about 14 km from Swinford.

4.3 The service station includes a retail shop with a deli area (currently not in operation), as well as vacant workshop and storage areas on either side. The forecourt accommodates four fuel pumps (eight nozzles in total) with carparking alongside the building. There are also two additional pumps for kerosene and green diesel, plus a vacant storage area on either side of the premises. The site contains three underground storage tanks with a combined capacity of 55,500 litres.

4.4 The shop and forecourt trading hours are 7:30 a.m. to 10:00 p.m., Monday to Saturday, and 9:00 a.m. to 9:00 p.m., on Sundays.

4.5 No floor areas were submitted in the Precis of either party for the retail shop.

4.6 The Respondent submitted a floor area of 154.34 m² for the workshop.

4.7 The title is held Freehold.

5. ISSUES

The only matter in dispute is one of the quantum of the valuation.

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 probable 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 represented by Mr. Samsu Uddin, submitted in his Notice of Appeal, that the Property was a very small service station, that a rent of €850 per month was paid, and that he was paid a minimum wage as a director, and that he still lost business and that the Valuation of €95,000, may force him to close the business.

7.2 Mr. Uddin submitted his opinion of the valuation of the property at €4,500.

8. RESPONDENT’S CASE

8.1 The Respondent represented by Ms. Ciara Marron, submitted that the Property comprised a good sized service station, with a workshop which were currently vacant, and at the time of inspection, there was no evidence that it was being marketed for letting.

8.2 She submitted that the building has frontage onto Thomas Street/Knock Road and is situated a short distance from Kiltimagh town centre. The Property was purchased by the occupiers in 2017.

8.3 She submitted that financial turnover figures for the Appellants business were provided at the Valuation Appeal stage (included in the Appendix 1, N/A to public), and that the Respondent had revised their opinion of value of the Property, having analysed the accounts and considered other comparable properties on the Valuation List.

8.4 Ms. Marron submitted that neither of the storage areas were considered when deriving the NAV in the Final Valuation Certificate.

8.5 Ms. Marron submitted the following NAV comparisons to support the valuation.

Comparison 1

PN:	2106908
Address	Kiltimagh, Co. Mayo
NAV	€54,200

Ms. Marron submitted that this comparable was situated a short distance from the Property but was in a superior location in the town. The valuation was reduced on appeal from €115,000, and was agreed with the Appellant's agent, prior to the Valuation Tribunal hearing.

Comparison 2

PN:	1358484
Address	Cong, Co. Mayo
NAV	€35,900

Ms. Marron stated that the occupier complied with the Section 45 notice and that no representations or appeals were submitted concerning the valuation.

Comparison 3

PN:	1362311
Address	Charlestown, Co. Mayo
NAV	€58,600

Ms. Marron submitted that this comparable is located in a similar sized town as the Property. It is similar in size to the Property and has the same number of fuel pumps. By agreement, the valuation was reduced at the appeal stage, from €115,000.

Ms. Marron submitted her valuation analysis as follows.

Use	Comment		Est FMT (€/lts)	Rate	NAV € (m ²)	
Shop Turnover			€1,100,000	2.5%	€27,500	
Shop Allowance	Low margin items		€180,000	-1.25%	-€2,250	
Shop Allowance	Low margin items (Mobile Top Up, Bill Pay etc.		€10,000	-2.5%	-€250	
Throughput (In Litres)			650,000	0.004	€2,600	<i>€27,600</i>
Block Number	Floor Level	Use	Floor Area (sqm)	NAV/m ²	NAV	
	0	Workshop	154.34	€22	€3,395.48	
						<u>€3,395</u>
					NAV	€30,995
					Say	€30,900

Ms. Marron submitted that a revised valuation of €30,600 is fair and equitable in accordance with Section 19(5) of the Valuation Act 2001, as amended.

9. ADDITIONAL INFORMATION SOUGHT

9.1 The Tribunal noted that whilst the Respondent submitted figures for throughput in litres of fuel, to support their assessment of the NAV of all three comparables submitted in their Precis, no such evidence for the throughput of litres was submitted by the Appellant.

9.2 The Tribunal requested additional information from the Respondent as to how they had derived a figure of 650,000 under ‘throughput (in litres)’ in their valuation analysis submitted to the Tribunal.

9.3 The Respondent replied in a follow up submission that in certain cases, the operator does not provide fuel throughput data expressed in litres. In such circumstances, the Respondent submitted that any monetary throughput figures supplied are converted into an equivalent volume in litres to facilitate the application of the scheme. For the purposes of consistency, a standard conversion factor of €1.00 per litre is applied. The Respondent submitted that in their Precis fuel throughput was not provided in volumetric terms. Instead, revenue figures were supplied (included here in

Appendix 1, N/A to public). Based on this information an estimate of Fair Maintainable Trade, fuel throughput, of €650,000 was determined. Applying the standard conversion rate this corresponds to an equivalent throughput of 650,000 litres.

9.4 The Tribunal forwarded this latter submission to the Appellant, should they wish to make a submission to the Tribunal on this evidence, and they confirmed to the Tribunal that they did not.

10. SUBMISSIONS

10.1 There were no legal submissions in this Appeal.

11. FINDINGS AND CONCLUSIONS

11.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, 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.

11.2 The Tribunal has considered all of the evidence and submissions furnished by the parties.

11.3 In this appeal, the Appellant sought to have the NAV of the Property on the List at €95,000, reduced to €4,500. The Respondent in their Precis contends for a revised NAV of €30,600.

11.4 The Appellant submitted that the Property is a small petrol station, that the business is experiencing financial difficulties, and that the directors are in receipt of a minimum wage.

11.5 The Tribunal finds from the evidence that apart from the turnover figures provided to the Respondent, the Appellant in this appeal did not submit any evidence of comparable properties on the List, nor any valuation analysis in support of the reduced NAV being sought of €4,500.

11.6 The Tribunal finds from the Respondent's evidence that their original valuation was reviewed following receipt of turnover figures from the Appellant, and the Tribunal finds that appropriate allowances were applied in line with their valuation scheme, for low margin sales.

11.7 The Tribunal finds from the evidence, that the Respondent's approach to the estimation of fuel throughput where volumetric figures were not supplied, appropriate in the circumstances. The Tribunal notes that the Appellant did not make any further submission in response to the Respondent's evidence in this regard.

11.8 The Tribunal is satisfied the comparable properties on the List and submitted in evidence by the Respondent, namely PN 2106908, PN 1358484 and PN 1362311 are similarly circumstanced to the Property and are of assistance to the Tribunal.

11.9 Property comparable PN 2106908, includes the only evidence concerning a workshop in a service station setting. The workshop measures 283.50 m². and is valued at €18 psm, whilst the Respondent contends for a value of €22 psm on the workshop in the Property. The Tribunal finds that the workshop in the Property should be similarly valued as in PN 2106908 at €18 psm.

11.10 Whilst the Tribunal has reviewed and considered the Appellant's evidence regarding the financial circumstances of the business, the commercial viability of a property as used by an Appellant, is not a matter that falls to be considered in this, or any Appeal before it, under the Valuation Act, 2001, as amended. The task of the Tribunal is to ensure that the Final Certificate of Valuation for a property fairly reflects a correct value and that value is relative to other similarly circumstanced properties in the local rating area, and that is not instructed by whether that value, and the consequent rates charge based on that valuation, is one the Appellant can afford. A rates bill is derived using two parts, namely, the valuation (Net Annual Value) on the List and the ARV- the annual rate on valuation, the latter fixed by the local rating authority. The Tribunal's jurisdiction is limited to only considering grounds of appeal concerning the determination of the valuation, to be applied to the List.

11.11 The Tribunal finds that the Respondent's approach to their revised valuation is in accordance with their adopted valuation scheme for service stations, and other than the value adopted for the workshop, is relative to the value of other comparable properties on the list in the rating authority area of Mayo County Council, in accordance with the Valuation Act 2001 as amended.

DETERMINATION:

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the Valuation Certificate to €30,300, and the Tribunal so determines.

Analysed as follows;

Use	Comment		Est FMT (€/lts)	Rate	NAV €	
Shop Turnover			€1,100,000	2.5%	€27,500	
Shop Allowance	Low margin items		€180,000	-1.25%	-€2,250	
Shop Allowance	Low margin items (Mobile Top Up, Bill Pay etc.		€10,000	-2.5%	-€250	
Throughput (In Litres)			650,000	0.004	€2,600	<i>€27,600</i>
Block Number	Floor Level	Use	Floor Area (sqm)	NAV/m ²	NAV	
	0	Workshop	154.34	€18	€2,778	
						<u>€2,778</u>
					NAV	€30,378
					Say	€30,300

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.