



Budget Stamp Duty change

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The recent budget announced on the 01/10/2024 applied an increased rate of stamp duty for property purchases above €1.5m to 6%. The increased rate of stamp duty applied overnight unless Contracts had been signed, Deposit paid, and deed is dated no later than 01/01/2025.

As a result of these changes, we have identified any potentially impacted customers in our pipeline and to support you and your customers through this change, have made contact with you to discuss the potential impact on your customer’s application. It is of **utmost importance** that you proactively engage with your impacted customers on a regular basis from now until year end. We also ask that you review your own pipeline to ensure all impacted customers have been contacted and informed of these changes.

Please see example on a purchase price of €3,000,000

Stamp duty for new purchases is now applied:

- 1% on the first €1,000,000
- 2% on > €1,000,000 to €1,500,000
- 6% >€1,500,000

| PP €3,000,000             |          |
|---------------------------|----------|
| Stamp duty = 1% first €1m | €10,000  |
| Stamp duty = 2% €1- €1.5m | €10,000  |
| Stamp duty = 6% €1.5m +   | €90,000  |
| Total                     | €110,000 |

Given there are customers at different stages of their mortgage journey in our pipeline, several separate actions are required depending on what stage each customer is at. The actions and breakdown are included in the next page of this Broker News.

The following case message has been issued on ROME to any cases that we have identified as potentially impacted by these changes. Please ensure you review your own pipeline as there may be additional cases that we have not identified.

**Please be advised, following the announcement of an increase in stamp duty to properties in excess of €1.5m in the recent budget, your client may now be required to pay a higher rate of stamp duty. Can you please confirm the following and revert at your earliest convenience:**

- **Has your customer signed contracts prior to October 2<sup>nd</sup>**
- **Has your customer been made aware of recent increases in stamp duty? If so, has customer been made aware of the criteria to be met to avail of pre-budget stamp duty?**
- **Has funding been discussed with client and where a shortfall has been identified has a discussion been held around same.**
- **Please provide updated funding table if applicable and documentary evidence of source.**

Actions required for impacted customers

| Status                                     | Contract Signed pre - 02.10.2024   | Action  | Broker action  |
|--|--|---|--|
| Househunter – AIP                          | No – property not yet identified, no formal Loan Offer issued and AIP                            | The Mortgage Store will require funding to be addressed as part of the Change in Proposal process when your customer finds a home.            | Your pro-active engagement with your customer will ensure they are aware of the impact of the budget change and will provide them with notice for any change in proposal they may be considering in the future.  |
| Property Specific – AIP                    | While property identified, no formal Loan Offer has issued and unlikely to have signed contracts | The Mortgage Store will require funding to be addressed as part of BAU Change in Proposal process before application can proceed any further. | Your pro-active engagement with your customer will ensure they are aware of the impact of the budget change and provide them with clarity on their approval and the requirements to progress their application. You and your customers will also be supported by our Relationship Manager and Pipeline management teams. |
| Property Specific – Loan Offer             | It is possible some of these customers may have signed their contracts                           | We would ask you to engage with us to ensure desired drawdown for these customers.  | <p>Your pro-active engagement with your customer will ensure they are aware of the impact of the budget change and provide them with clarity on their approval and the requirements to progress.</p> <p>You and your customers will also be supported by our Relationship Manager and Pipeline management teams.</p>     |
| Property Specific – Release for Completion | Most likely to have contract signed  | We would encourage you to engage with us to ensure desired drawdown for these customers.  | <p>Pro-active customer engagement ensures the customer is aware of the impact of the budget change and provides them with clarity on their approval and the requirements to progress.</p> <p>You and your customers will also be supported through CIPs where this is appropriate.</p>                                   |