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## **END IN SIGHT FOR MANY PRIVATE LANDLORDS UNLESS TAX TREATMENT IMPROVES - IPAV**

Latest figures from the Residential Tenancies Board (RTB) showing the number of tenancies registered by private landlords fell by nearly 6,000, or 1.8pc, to 307,348 in 2018 is likely to be just the tip of an iceberg and will almost certainly have worsened this year, IPAV, the Institute of Professional Auctioneers & Valuers said today.

Pat Davitt IPAV's Chief Executive said the RTB has acknowledged the drop is significant.

"Reality is dawning very slowly at policy level. Previous RTB figures for Q 3 2018 found there were 1,778 fewer landlords than three years previously and tenancies had declined by 8,829. Latest figures clearly show an acceleration in the figures. This very much ties in with the experience of our members," he said.

Latest Banking & Payments Federation Ireland figures on residential investment mortgage drawdowns for Q2 2019 show a drop of 10.6pc year-on-year while IPAV's own member survey last year found that for every landlord entering the market over two were leaving.

Mr Davitt said high taxes, onerous regulation and irresponsible tenants were among the top reasons cited.

"Many private landlords pay tax rates of 55pc on rental income and are subject to stamp duty and capital gains taxes on sales.

"Yet commercial landlords in the build-to-rent sector pay little or no tax.

"Investment in the private rented sector has become a deeply unattractive proposition for the private landlord, despite record high rents," he said.

This situation must be addressed in order to stem the flow from the market.

"Policymakers have been slow to recognise the reality, whether that stems from fear of being seen to do anything to help such landlords or whether they only have ears for those who shout loudest. Perceptions rather than reality often influence political debate and ultimately, policy.

"Unless the tax situation improves greatly for private landlords in the forthcoming Budget, and there is little indication so far that it will, we can expect more private landlords who are the primary providers of accommodation for the less well off, to flee the market," he warned.

**Ends**