



**Comhairle Contae  
Dhún na nGall**  
Donegal County Council

**Commercial Rates Incentive  
Scheme**



**GUIDANCE  
DOCUMENT**

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Oifig Fiontair Áitiúil   
Local Enterprise Office

The Local Enterprise Office Donegal is the first point of contact for anyone in business or thinking about starting a business in Donegal. The Local Enterprise Office provides a range of services including business advice, training and management development programmes, sector initiatives, access to Enterprise Europe Network (EEN), mentoring, and grant-aid to eligible projects employing up to 10 persons. To contact: call 074/9160735 or log on to [www.localenterprise.ie/donegal](http://www.localenterprise.ie/donegal)

## Introduction

From January 1<sup>st</sup> 2020 Donegal County Council introduced a Commercial Rates Incentive Scheme in order to encourage the use of vacant commercial premises in towns and villages in Donegal.

The new scheme is designed to assist new commercial businesses to set up in the traditional social and commercial heart of each town and village.

It is hoped that the new scheme will reduce the number of vacant premises, stimulate commercial activity, promote retail diversity, and reinvigorate town and village centres.

By encouraging the use of vacant properties, the scheme will support town and village regeneration, improve streetscapes, and lead to increased footfall for existing businesses.

The Commercial Rates Incentive Scheme complements other regeneration and business-support initiatives promoted by the Council as part of its ongoing work in these areas, including Local Enterprise Office services, Town & Village Renewal, Development Contribution Schemes, tourism promotion & development, and major economic and social infrastructure projects.

The Commercial Rates Incentive Scheme is separate to the Commercial Rates Small Business Grant, which rewards ratepayers who discharge their commercial rates liability in full prior to 31<sup>st</sup> October each year. However, businesses availing of the Commercial Rates Incentive Scheme cannot avail of the Commercial Rates Small Business Grant.

## Objectives of the Scheme

- To bring vacant property back into productive use
- To regenerate and revitalise town and village centres
- To increase footfall for existing businesses in towns and villages
- To provide a financial incentive for new businesses setting up in towns and villages
- To promote job creation and retention
- To improve the commercial and retail mix in towns and villages
- To increase the attractiveness of towns and villages and to improve streetscapes

## Summary of the Grant Available

The Grant is available to new businesses setting up in vacant premises in towns and villages in Donegal, subject to certain conditions. The premises must have been vacant for over two years. New businesses which could displace or unfairly compete with existing businesses are not eligible. Also, certain types of business are specifically excluded from availing of the scheme (see 'Eligibility Criteria').

### **Examples of Eligible Businesses**

- Shops/retail units
- Offices
- Crèches and childcare facilities
- Health/medical clinics
- Wellbeing and personal care

### **The Grant**

Eligible businesses can avail of a grant that is equivalent to:

Year 1: 75% of Commercial Rates Liability (subject to a maximum of €3,750 for the subject year)

Year 2: 50% of Commercial Rates Liability (subject to a maximum of €2,500 for the subject year)

Year 3: 25% of Commercial Rates Liability (subject to a maximum of €1,250 for the subject year)

Grant assistance will cease at the end of Year 3, with the Commercial Rates liability being payable in full from Year 4.

Note: each year of eligibility is equivalent to a 12-month trading period commencing from the date trading commences at the business premises. Grants will be allocated in January each year, based on a retrospective assessment of the qualifying status of the business for the calendar year just passed. The maximum period for which a business may be eligible is 36 months.

If the business that is awarded grant assistance under the scheme moves premises within years 1-3, they must advise the Local Authority, and the grant may be discontinued and/or a claw back repayment may apply.

### **Example**

The following example demonstrates the potential grant payable to an eligible business with an annual Commercial Rates liability of €1,000.

Year	Commercial Rates Bill	Grant Payable	Net Commercial Rates Payable
1	€1,000	€750	€250
2	€1,000	€500	€500
3	€1,000	€250	€750
<b>Totals</b>	<b>€3,000</b>	<b>€1,500</b>	<b>€1,500</b>

In each case, payment of the grant will be subject to the ratepayer having discharged the residual Commercial Rates liability for the year in question (i.e., 25% in Year 1, 50% in Year 2, and 75% in Year 3). The Grant will then be applied retrospectively to the accounts of eligible ratepayers at year-end each year in order to discharge the Commercial Rates liability in full.

## **Eligibility Criteria & Conditions**

### **Qualifying Conditions of the Property**

1. The property must be an existing rateable property in a town or village that has been vacant for a continuous period of two years or longer
2. The property must be owned by the applicant or subject to a minimum 12-month lease
3. The property must have the appropriate permissions and consents for the proposed use (including planning permission)
4. The property must have all Commercial Rates, contributions and local authority charges paid in full at the time of the application

### **Qualifying Conditions of the Applicant**

1. The Grant is available to new businesses only
2. The Grant is not available to existing businesses that are relocating to new premises
3. Successful applicants will be required to sign up for payment of Rates by standing order
4. Successful applicants must be in possession of a current Tax Clearance Certificate
5. The applicant must have discharged any outstanding local authority charges payable by them
6. Successful applicants must discharge the residual Commercial Rates liability before year-end (i.e., must pay 25% in Year 1, 50% in Year 2, and 75% in Year 3).

### **Activities Deemed Specifically Ineligible**

1. Fast food takeaways
2. Amusement arcades or premises with gaming machines
3. Betting offices
4. Public Houses, off-licences or nightclubs
5. Unwanted jewellery ('cash-for-gold') or unwanted clothes ('cash-for-clothes') establishments
6. E-Cigarette shops
7. Adult-themed shops
8. Head shops
9. Money lenders (excluding banks, building societies and credit unions)
10. Any unauthorised development, or premises subject to enforcement action

### **Displacement or Unfair Competition**

In addition to the activities deemed to be specifically ineligible, new businesses that are deemed to be operating in competition with existing businesses within the same town, village or functional area will not be eligible to avail of the Commercial Rates Incentive Scheme.

## Application Process

Applications can be submitted electronically or by post. The application form can be downloaded from Donegal County Council's website:

<https://www.donegalcoco.ie/services/incomecollectionunit/commercialrates/#commercialratesincentivescheme>

Applications may be submitted electronically to: [ratesincentive@donegalcoco.ie](mailto:ratesincentive@donegalcoco.ie)

### **Details to Accompany the Application**

The Council may request any such information which it deems necessary in order to make a decision on eligibility to avail of the Scheme. At a minimum, the following should be submitted:

1. Fully completed and signed application form
2. Evidence that the property has been vacant for a period exceeding two years
3. Confirmation of ownership of the property or formal entitlement to occupy the property for a period exceeding 12 months

### **Assessment of Application**

Donegal County Council will assess each application in accordance with the scheme guidelines and in accordance with the Council's discretion to interpret the guidelines in the spirit of the Scheme and the purposes for which it has been introduced. Additional information may be requested if deemed necessary. The Council reserves the right to exclude any premises or business type from the scheme on the basis that it does not satisfy, or is contrary to, the stated objectives of the Scheme.

The final decision on eligibility to qualify for the scheme rests with Donegal County Council in each case. The decision of the Council is final.

The Commercial Rates Incentive Scheme may be subject to review and amendment at any time by Donegal County Council.

## Further Information

**Income Collection Unit,**  
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County House,  
Lifford,  
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