



## March 2017 eNews

### Attention Landlords! New Minimum Standards for Rented Residential Accommodation

New standards for provision of rented residential accommodation will come into effect on 1 July 2017 with the introduction of the **Housing (Standards for Rented Houses) Regulations 2017**. Below is a summary of the new obligations imposed on private residential landlords by the regulations.



Landlords of residential houses, including flats and maisonettes, are already obliged to comply with the minimum standards set out in the Housing (Standards for Rented Houses) Regulations 2008 and Housing (Standards for Rented Houses) (Amendment) Regulations 2009. The Housing (Standards for Rented Houses) Regulations 2017 (the “**2017 Regulations**”) will come into operation on 1 July 2017 and will replace the existing regulations.

#### **1) Structural Condition**

The 2017 Regulations will increase the extent of the landlord's obligation to keep the rented property in a “*proper state of structural repair*”. The 2017 Regulations make it clear that the obligation relates to both the internal and external parts of the dwelling.

The full obligation is to ensure that the property is “*sound, internally and externally, with roof, roofing tiles and slates, windows, floors, ceilings, walls, stairs, doors, skirting boards, fascia, tiles on any floor, ceiling and wall, gutters, down pipes, fittings, furnishings, gardens and common areas maintained in good condition and repair and not defective due to dampness or otherwise.*”

The 2017 Regulations will introduce specific obligations to install safety restrictors on windows more than 1,400mm above external ground level and require the landlord to make efforts to prevent infestations of pests and vermin.

#### **2) Sanitary Facilities**

Landlords will be obliged to ensure that sanitary facilities are in “*a safe condition*” in addition to the existing obligation to keep them in good working order.

#### **3) Heating Facilities**

The 2017 Regulations will require that all houses contain suitably located carbon monoxide alarms. The obligation to provide effective heating appliances will now apply to all rooms including bathrooms or shower rooms but excluding kitchens having a floor area of less than 6.5 square metres.

#### **4) Fire Safety**

Under the 2017 Regulations, landlords will be obliged to ensure that suitable self-contained fire detection and alarm systems are provided. The 2017 Regulations will also introduce the requirement to provide suitable fire detection and alarm systems in the common areas of multi-unit buildings, that is, buildings with two or more houses that share a common access. As of 1 July 2017, all fire safety equipment will be required to be maintained in accordance with the standards produced by the National Standards Authority of Ireland.

#### **5) Information**

Tenants must also be provided with sufficient information about the rented property, the fixed building services, appliances and their routine maintenance requirements to ensure that tenants can operate them correctly.

#### **Conclusion:**

While the 2017 Regulations impose obligations on landlords in respect of ‘common areas’ and the exterior of properties, it is not clear how a landlord can comply with these obligations in circumstances where the landlord does not own or control them, for example in instances where they are owned or controlled by an owners’ management company.

These changes will be relevant to all private residential landlords from multi-unit portfolio landlords to single property landlords.



## COMPANY LAW CHANGES



The Companies (Accounting) Bill 2016 was published on Friday August 5 2016 and it introduces the "Micro Company" which will have less disclosures in the financial statements.

The Bill gives effect to the provisions in the Accounting Directive and amends Part 6 of the Companies Act 2014 regarding Financial Statements, Annual Returns and Audit.

The Bill contains a number of provisions to amend company law issues in the Companies Act 2014.

Once such provision is the ability for a company that files the first 6 month annual return late to retain audit exemption.

The Bill increases the threshold for small and medium companies and is illustrated in the table below, to qualify for a category, a company must not exceed 2 out of 3 thresholds:

	Micro company	Small company	Medium company
Net Turnover	€700,000	€12,000,000	€40,000,000
Balance sheet total	€350,000	€6,000,000	€20,000,000
Average No. Employees	10	50	250

These new Micro, Small and Medium companies will all be eligible to file abridged financial statements.

The proposed content requirements of each form of abridged financial statements are set out in the Bill. The Micro and Small companies will also be eligible for audit exemption.

Micro companies will also be able to avail of the reduced accounting disclosures in FRS105.

## NEW CA2014 COMPLIANT CONSTITUTION REQUIRED FOR CERTAIN COMPANY AMENDMENT APPLICATIONS



The Companies Registration Office (CRO) have recently advised that they are no longer accepting certain company amendment applications (e.g. change of company name, share restructure, creation of new share class) without a **Constitution** that references and is compliant with the **Companies Act 2014 (CA2014)**.

This applies to and is of particular importance to companies that:

1. incorporated prior to the commencement of CA2014 on 1st June 2015, and
2. did not convert during the transitional period and have an old Memorandum & Articles of Association referencing now obsolete legislation.

For more information on the above, or for assistance in adopting a new Constitution for your client companies please call us on (01) 836 3388, or email [info@johnmcelhinney.com](mailto:info@johnmcelhinney.com).

## INCOME TAX REFUNDS

If you are due a refund of tax for 2016, why not submit your return now and avail of an early tax refund?



Remember that tax relief can be claimed on such items as medical expenses, pension top-ups, tuition fees, Home Renovation Incentive (HRI) scheme, etc.



## RENT-A-ROOM RELIEF

Where an individual decides to let a room (or rooms), in their sole or main residence, as residential accommodation, and the gross rent and any amounts received for meals or other services supplied in connection with the letting is below **€12,000 for 2016** and **€14,000 for 2017**.

The rental income received must be declared on your annual tax return in order to qualify for the exemption.

The exemption does not affect any entitlement to mortgage interest relief or to capital gains tax exemption on the disposal of the residence.

## TAXATION PAY & FILE SUMMARY



### PAYE

P30 for February 2016

**14 March 2017**

### VAT

Bi-Monthly and 4 monthly ending in February 2017, return and payment

**19 March 2017**

### Relevant Payments Tax

Monthly return and payment

**23 March 2017**

### Corporation Tax

Filing date for Corporation Tax returns for accounting periods ending in 30 June 2016

**21 March 2017**

Payment of Corporation Tax balance for accounting periods ending in 30 June 2016

**21 March 2017**

Preliminary Tax for accounting periods ending in 31 April 2017

**21 March 2017**

Form 46G for accounting periods ending in 30 June 2016

**31 March 2017**

**Note:** *Extended date for certain taxes for customers who both file and pay electronically (via ROS)*



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Don't hesitate to contact me or a member of our team if you would like to discuss any of the issues raised or on any of our services.



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This newswire is intended to provide a general guide to the subject matter and is necessarily prepared in a condensed form. Advice should be sought before acting on the information contained in it.