

Mortgage Allowance Scheme

Application form and explanatory notes

This form is also available in large print.

Tá míle fáilte romhat an fhoirm seo a líonadh i nGaeilge agus tá leagan Gaeilge den fhoirm seo ar fáil chomh maith.



Comhairle Chontae na Gaillimhe Galway County Council



- Please read all questions carefully and fill out the form in block capitals
- Complete the statutory declaration and then sign the form.
- The complete form should be returned to the local authority for the area in which the private dwelling is being purchased or built.
- You must also have form MAT2B certified by your Inspector of Taxes

Applicant details

Name			
Spouse's name			
Address			
Telephone		Mobile	
Email			
Date(s) of birth		DoB (spouse)	

Household details

	Aged 16 or over	Aged under 16
Number in family		
Number of males in household		
Number of females in household		

Gross income details

Applicant/(s)(a)		Spouse (b)	
In previous tax year: 20 - 20			

Details of the dwelling you are handing back to the local authority

Address			
Name of local authority or voluntary agency to which you pay rent or purchase annuity			

Details of dwelling you are purchasing or building

Address			
Is the dwelling a house or flat?			
Is the dwelling new or previously occupied?			
If new, are you purchasing the dwelling or building on your own site?			
Give date you entered into a contract to purchase or build the dwelling			
If building has started on your own site, give date on which the foundations were poured.			
Name and address of lending agency providing the mortgage loan			
Amount of loan	€		
If mortgage executed, give date of execution			
If you have already occupied dwelling, give date of occupation			
Contract price of dwelling	€		
Will the dwelling be your normal place of residence?	Yes	No	

The following statutory declaration must be made by all applicants

I / we declare that the information given by me/us for the purpose of obtaining the mortgage allowance is correct. I / we am aware of the conditions of payment for the allowance and I / we believe that these conditions are fulfilled.

I/ we make this solemn declaration conscientiously believing the same true and by virtue of the statutory Declarations Act, 1938.

I / we authorise the local authority and the Minister for the Environment to make any enquiries from official sources, as it or he may consider necessary to establish entitlement to the allowance.

Applicant's signature

*Declared before me by _____ who is / are personally known
to me (or who is / are identified to me by _____ who is known to me) at
_____ this _____ day of _____ 20____

***To be completed by Commissioner of Oaths / Notary / Public Peace Commissioner / Member of Clergy / Garda Síochána.**

Signature of Witness		Date	
Occupation			
Address			

Warning: Any person who has given false or misleading information for the purpose of obtaining an allowance renders him/herself liable to severe penalties

Inspector of Taxes certificate in respect of mortgage allowance scheme

- Please read explanatory notes attached
- This form must accompany completed application forms for mortgage allowance.
- MAT2B – PART 2 should be completed if applicant is married or a joint application is made

Section 1 To be completed in full by the applicant

The builder's details are available only from the builder and must be inserted before the form is sent to the tax office.			
Name		PPS no	
Address of local authority dwelling			
Income tax district			
Employer's registered number			
Address of dwelling being purchased / built			
Is the dwelling new or previously occupied?	New		Previously occupied

Section 2 (Only necessary where a new building is being purchased or built)

Name & address of main builder			
Income tax reference no.		Tax district	
V.A.T Registration No.		Tax clearance	
C2 Certificate No		expiry date	

Section 3

I confirm that to the best of my knowledge that the information given above is correct any my tax affairs are in order.			
Applicant's signature		Date	
(Incomplete forms will not be certified by the Inspector of Taxes)			

Section 4: to be certified by the applicant's inspector of taxes

I hereby certify, in accordance with my records and to the best of my knowledge, that the applicant's Tax Reference Number quoted above is correct.			
Signature (Inspector of Taxes)		Date	

Section 1: To be completed if applicant is married or if a joint applicant is made.

The builder's details are available only from the builder and may be inserted before the form is sent to the tax office.			
Name of spouse / joint applicant		PPS no.	
Address of local authority dwelling			
Income tax district			
Employer's registered number			
Address of dwelling being purchased / built			
Is the dwelling new or previously occupied?	New		Previously occupied

Section 2 (Only necessary where a new building is being purchased or built)

Name & address of main builder			
Income tax reference no.		Tax district	
V.A.T Registration No.		Tax clearance	
C2 Certificate No		expiry date	

Section 3

I confirm that to the best of my knowledge that the information given above is correct any my tax affairs are in order.			
Applicant's signature		Date	
(Incomplete forms will not be certified by the Inspector of Taxes)			

Section 4: to be certified by the applicant's inspector of taxes

I hereby certify, in accordance with my records and to the best of my knowledge, that the applicant's Tax Reference Number quoted above is correct.			
Signature (Inspector of Taxes)		Date	

Explanatory notes

The Tax Certificate MAT2B – PART 1 must be completed by all applicants for a mortgage allowance. PART 2 of the form must be completed if the applicant is married or if a joint application is made. It is the applicant's responsibility to have the form certified by the Inspector of Taxes before returning it to the local authority.

Income tax number

If your tax is dealt with under PAYE, please give your own reference number. These references can be obtained from the Notice of Tax Free Allowance issued to you by the tax office or from your employer.

Inspector's certificate

The MAT2B Certificate will be certified by the Inspector of Taxes to whom you normally send your return of income. If you are not liable to income tax or you have not yet paid income tax in this country, you should send the form to the Inspector of Taxes for the district in which you reside.

Married couples or joint applicants

If two Inspectors of Taxes are involved, the part relating to the spouse / joint applicant may be detached and forwarded separately to the appropriate Inspector of Taxes.

1. What is the purpose of the mortgage allowance?

The allowance assists tenants and tenant purchasers of local authority dwellings and certain tenants of houses provided by voluntary housing bodies under the Rental Subsidy Scheme who wish to return their dwelling to the authority or voluntary body and purchase or build a private dwelling for their own occupation by reducing their mortgage repayments over the first five years of the mortgage.

2. Amount of allowance

The amount of the allowance is €11,450, payable over 5 years as follows:

Year	€
1	€3,560
2	€2,800
3	€2,040
4	€1,780
5	€1,270

3. Who qualifies for the allowance?

The allowance is payable to persons who:

- are tenants or tenant purchasers of local authority dwellings or are tenants, whose tenancies are of not less than one year's duration, of houses provided by an approved voluntary body under the Rental Subsidy Scheme, **and**
- return their existing dwelling to the authority or the voluntary body, as applicable, in a fit and tenable condition (having regard to reasonable wear and tear and any repairs for which the tenant is not responsible) and free of arrears of rent or tenant purchase annuities, **and**
- provide the private dwelling by way of a mortgage loan of not less than €38,092.

The spouse of a tenant or tenant purchaser, or a person who has been bona fide resident with a tenant/tenant purchaser may qualify for the allowance if s/he otherwise complies with the conditions of the scheme and the dwelling is returned to the local authority or the voluntary body, as applicable.

The allowance is not available to occupants of demountable dwellings provided by local authorities or to persons providing a dwelling under the shared ownership system.

Tenant purchasers to whom the allowance is given will not be compensated in respect of any annuity payments made in respect of the dwelling being returned to the local authority.

A person availing of the allowance may purchase or build a new dwelling or purchase an existing dwelling in the private sector (including dwellings formerly owned by a local authority).

4. How the allowance is paid

The allowance will be paid by the Department of the Environment, on behalf of person qualifying for it, to the lending agency i.e. building society, bank, local authority etc. The lending agency will calculate the borrower's monthly mortgage payment in the normal manner and then deduct the appropriate instalment of the mortgage allowance (i.e. €297 per month in year 1, €233 per month in year 2, €170 per month in year 3, €148 per month in year 4, and €106 per month in year 5). The amount as so reduced will be the monthly amount due by the borrower to the agency.

5. To whom should application for the allowance be made?

Application should be made to the local authority for the area in which the private dwelling is being purchased or built. For this purpose the relevant local authorities are county councils, city councils and Athlone, Bray and Dundalk Urban District Councils. Application forms may also be obtained from the offices of urban district councils.

6. Suitability of private dwelling

The local authority must be satisfied that the dwelling being purchased or built is free from structural defects and is of suitable size and standard to cater for the applicant's household. In the case of a previously occupied dwelling, it must have hot and cold water systems, a fixed shower or bath and an indoor toilet. If it is a new dwelling, it must meet the requirements for new house grants set out in the Department of the Environment's Memorandum HA1.

7. Occupancy of private dwelling

The applicant must continue to occupy the private dwelling as his/her normal place of residence throughout the five-year period to which the allowance relates.

8. How does the scheme operate?

The local authority will issue to an eligible applicant a letter of intent indicating that s/he will qualify for the mortgage allowance subject to the return of the existing dwelling and compliance with the terms of the scheme. It is in the applicant's own interest to obtain this letter of intent before entering into any commitment in relation to the private dwelling.

The letter of intent should be presented in support of an application to a lending agency for a mortgage loan. It is, however, a matter entirely for the lending agency to take a decision on individual loan applications. The agency will advance the loan to the applicant in the normal manner.

When the applicant has returned the existing dwelling or has given an irrevocable undertaking to return it within a period agreed with the local authority, and the authority is satisfied that the terms of the scheme will otherwise be complied with, the authority will issue a certificate of approval to the applicant certifying his/her entitlement to the allowance. This certificate should be given to the lending agency to enable them to claim the allowance from the Department of the Environment.

As long as the applicant, having returned the dwelling, continues to meet the reduced mortgage repayments and to occupy the private dwelling as his/her normal place of residence, the allowance will be paid to the lending agency by the Department without the need for further action by the applicant.

The allowance will cease to be payable by the Department from the date on which:

- (i) application for a Court Order for repossession of the dwelling is made by the lending agency, or
- (ii) the dwelling ceases to be occupied as the applicant's normal place of residence.

9. Information on loans

Loans for the purchase or building of dwellings may be obtained from the commercial lending agencies (e.g. building societies, banks, etc.) subject to meeting the conditions they lay down. Enquiries concerning the qualifying conditions for a loan from a commercial agency should be made directly to them.

If an applicant is unable to obtain a loan suitable to his requirements from a commercial agency, s/he may apply to the local authority for a loan. Evidence must be produced to the authority of a genuine refusal of a loan from both a building society and a bank. Details of the local authority house purchase loan scheme may be obtained from the authority.

10. Documents required in mortgage allowance scheme applications

An applicant should provide the local authority with such information as the authority might require in regard to the location, layout etc. of the dwelling being purchased or built.

Applicants should note

- The payment of a mortgage allowance involves no warranty on the part of the Minister for the Environment or the local authority as to the work carried out or the structural soundness of a dwelling.
- The applicant must purchase a house for his/her own occupation on return of the Local Authority House.
- The allowance will not be payable where the applicant has surrendered a Local Authority house and moved to other accommodation.

Return completed form to	☎ (091) 509300
Housing Unit	☎ (091) 509299
Galway County Council	housing@galwaycoco.ie
County Hall	www.galway.ie
Prospect Hill	
Galway	