

‘Move fast before stamp duty rules change’

But different regulations apply to people eyeing up holiday homes

By Margaret Canning

INVESTMENT properties such as holiday homes have contributed to a surge in demand in the housing market as the end of the stamp duty holiday looms this week, it's been claimed.

And one accountancy firm warned buyers of holiday homes — for which there has been high demand in key areas such as the north coast — to note pitfalls such as different stamp duty rules.

A stamp duty holiday which has applied to most residential property purchases, leaving homes priced at under £0.5m free of the tax, ends on Thursday.

As announced in Chancellor of the Exchequer Rishi Sunak's budget in March, a less generous stamp duty holiday will then apply to properties costing £250,000 and below, and will

remain in place until the end of September.

However, a separate stamp duty holiday for first time buyers buying homes below £300,000 will then be restored.

Janet Williamson, director of commercial and property at O'Reilly Stewart Solicitors in Belfast warned that if buyers hope to avail of the lower threshold, they should plan to agree the purchase by the end of next month.

She said firms were dealing with double the usual amount of conveyancing, with house deals usually taking 10 weeks to complete.

She said: “Despite the challenges of Covid over the past year there has been strong momentum in the local housing market.

“Levels of completions are at a point not seen for over 10 years with demand continuing to outstrip supply which has undoubt-



Janet Williamson

edly been buoyed by the stamp duty holiday.

“For clients we are representing we are working to ensure where possible they can avail of this significant saving.

“With so many parties involved in the process we would encourage those beginning their house selling or buying journey to instruct their solicitor as soon as they put their house on the

market or agree a house to buy, and not just the estate agent.

“If they wait until they are sale agreed before contacting a solicitor in a sale, they are already behind the curve.”

Accountancy firm Baker Tilly Mooney Moore said there was an increase in demand for NI holiday homes as people resigned themselves to staycationing in the short term.

Demand: The popularity of holiday homes such as this one in Castlerock has fuelled housing market growth

On the north coast, a three-bed cottage on Mussenden Road near Downhill Beach is on sale through Philip Tweedie estate agents for £325,000.

But tax director Angela Keery warned people to be aware of the different rules applying to holiday homes for your own use, and for homes which would be let out.

She said: “It is important to remember that if it is your second home/ residence in the UK, you will be liable to an additional 3% stamp duty surcharge.

“If you are purchasing a property to let out, you should consider whether you are buying an investment property, or a furnished holiday let and the different tax implications of each.

“A furnished holiday let is seen as a tax efficient investment when compared to an investment property.”

She said that with a furnished holiday let, there was a set period of time for which the property had to be available to let, restricting a buyer's use of the property as their own holiday home.

Report: Plan to reset Belfast's prospects



Report: Grainne Long, chief executive NI Housing Executive, Suzanne Wylie, chief executive Belfast City Council, Cllr Áine Groogan, chair of Belfast City Council's Strategic Policy and Resources Committee and Ann McGregor-Sistern MBE, chief executive, Northern Ireland Chamber of Commerce

By Emma Deighan

THE Belfast Innovation and Inclusive Growth Commission has published proposals for NI and Belfast's growth and prosperity.

The 'Reset for Growth' report by the commission, which is chaired by Sir Michael Lyons, former chairman of the BBC, focuses on inclusive growth.

It claims that urgent and radical action is needed to turn around Northern Ireland's struggling economy and deliver better future opportunities for its people.

Sir Michael was joined by global, national and local experts to draw up the report, which includes work on investment, climate change, housing development, stronger econom-

ic hubs and “world-renowned business clusters”.

He said: “We are confident that our recommendations, taken together, offer a serious plan to reset the city's prospects over the next 10 years.”

Councillor Áine Groogan said the council was “very impressed” with the report and would be making further announcements.

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