

Residential accommodation: allowance to owner-occupiers in respect of certain expenditure on construction or refurbishment. FA94 s46(1) to (4) and (7); FA95 s35(1)(i) and (2)(d) 349.—(1) In this section—

“qualifying expenditure”, in relation to an individual, means an amount equal to the amount of the expenditure incurred by the individual on the construction or, as the case may be, refurbishment of a qualifying premises which is a qualifying owner-occupied dwelling in relation to the individual after deducting from that amount of expenditure any sum in respect of or by reference to—

(a) that expenditure,

(b) the qualifying premises, or

(c) the construction or, as the case may be, refurbishment work in respect of which that expenditure was incurred,

which the individual has received or is entitled to receive, directly or indirectly, from the State, any board established by statute or any public or local authority;

“qualifying owner-occupied dwelling”, in relation to an individual, means a qualifying premises which is first used, after the qualifying expenditure has been incurred, by the individual as his or her only or main residence;

“qualifying premises”, in relation to the incurring of qualifying expenditure, means, subject to subsections (4) and (5) of section 350, a house—

(a) the site of which is wholly within a designated area, or which fronts on to a designated street,

(b) which is used solely as a dwelling,

(c) in respect of which, if it is not a new house of the Housing (Miscellaneous Provisions) Act, 1979 ) provided for sale, there is in force a certificate of reasonable cost the amount specified in which in respect of the cost of construction or, as the case may be, refurbishment of the house is not less than the expenditure actually incurred on such construction or refurbishment, as the case may be, and

(d) the total floor area of which—

(i) is not less than 30 square metres and not more than—

(I) 125 square metres, or

(II) as respects expenditure incurred before the 12th day of April, 1995, on the construction of a house, 90 square metres,

in the case where the house is a separate self-contained flat or maisonette in a building of 2 or more storeys, or

(ii) in any other case, is not less than 35 square metres and not more than 125 square metres;

“refurbishment” has the same meaning as in section 348.

(2) (a) Subject to subsection (3), where an individual, having made a claim in that behalf, proves to have incurred qualifying expenditure in a year of assessment, the individual shall be entitled, for that year of assessment and for any of the 9 subsequent years of assessment in which the qualifying premises in respect of which the individual incurred the qualifying expenditure is the only or main residence of the individual, to have a deduction made from his or her total income of an amount equal to—

(i) in the case where the qualifying expenditure has been incurred on the construction of the qualifying premises, 5 per cent of the amount of that expenditure, or

(ii) in the case where the qualifying expenditure has been incurred on the refurbishment of the qualifying premises, 10 per cent of the amount of that expenditure.

(b) A deduction shall be given under this section in respect of qualifying expenditure only in so far as that expenditure is to be treated under section 350 (7) as having been incurred in the qualifying period.

(3) Notwithstanding subsection (2), where qualifying expenditure has been incurred in relation to a qualifying premises which fronts on to a designated street, a deduction shall be given under this section only if that expenditure has been incurred on the refurbishment of the qualifying premises.

(4) Where qualifying expenditure in relation to a qualifying premises is incurred by 2 or more persons, each of those persons shall be treated as having incurred the expenditure in the proportions in which they actually bore the expenditure, and the expenditure shall be apportioned accordingly.

(5) Section 350 shall apply for the purposes of supplementing this section.