



**Surveyors say measures in Budget 2012 will stimulate activity in property and construction sector;**

- Commercial property stamp duty reduction and decision on leases welcomed**
- CGT relief on property transactions will encourage investment**
- Mortgage Interest Relief boost to buyers in the residential property market in 2012**
- Agricultural land transfer will assist export food industry**

**Tuesday 6<sup>th</sup> December 2011.** The Society of Chartered Surveyors Ireland has welcomed the Government's combined decision to reduce stamp duty from 6% to 2% on commercial property transactions and not to alter existing upwards only rent review lease structures.

It said this will encourage investment and will provide much needed certainty in the commercial property market. The Society also welcomed the decision to provide Capital Gains Tax relief for a defined period which will encourage property investment.

Roland O'Connell Vice President of the Society of Chartered Surveyors Ireland said "These decisions announced in Budget 2012 will stimulate activity in the market and encourage foreign investment and generate more tax revenue for the exchequer in the medium term".

"We are pleased that a decision has been made on upwards only rent reviews which will provide certainty in the market but we would encourage any landlords who have not yet engaged with their tenants to do so", he said.

The Society has also welcomed the arrangements to improve mortgage interest relief on residential properties.

"We hope that this will encourage activity in the residential market and consequently release tax revenues to the exchequer while also providing relief for existing mortgage holders and opportunities for first time buyers", said O'Connell.

The Society said the decision to retain section 23 reliefs for smaller investors while levying larger investors seems like an equitable approach given the possible implications of default for smaller investors.

"The provisions to assist inter-generational transfer of farm property will also provide a boost to the well performing agricultural sector" O'Connell concluded.