

# Help to Buy Initiative



Glenveagh  
Homes

Openhearted  
Homemaking



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Homes

## What is the Help to Buy Scheme?

The Help to Buy incentive is designed to assist first-time buyers with obtaining the deposit required to purchase a new home between 19th July 2016 and 31 December 2019.

The incentive provides for a refund of Income Tax and Deposit Interest Retention Tax (DIRT) paid over the previous four tax years to first-time buyers. The maximum relief is 5% of the purchase price up to a maximum of €20,000.

In order to qualify the developer must be a qualifying contractor. Glenveagh are a qualifying contractor.

### Do I Qualify?

- You must be a first-time buyer and must not have either individually or jointly with any other person (directly or indirectly), previously purchased, or built a house or apartment.
- Where more than one individual is involved in purchasing a new home, all of the individuals must be first-time buyers.
- You must be tax compliant. If you are self-assessed you must also have eTax clearance.
- For a property to qualify under the scheme it must be owner occupied
- It must be a new build home and the construction must be subject to VAT in Ireland.
- The purchase value of the property cannot be more than €500,000 for properties bought after 1 January 2017.
- You must take out a mortgage on the property with a qualifying lender and this loan must be used solely for the purchase or building of the property.
- The loan to value ratio must be greater than 70%.

### If I qualify what next?

- Provided that you are tax compliant you will be provided with an Application Number and a summary of the maximum relief available to you by Revenue. You will be issued with an Access Code. The developer will require this information to verify the tax relief claim.
- Once you have signed the contract for your home and are ready to make your claim you will need to upload a copy of a signed contract and evidence of mortgage approval to Revenue.



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- You will need the following information: the purchase price, estimated date of completion, mortgage details, and the deposit already paid.
- Once the claim is submitted, you should provide the developer with your claim number and the access code already provided. Before any refund is paid, the information you have given will need to be verified by the developer.
- The refund will be paid to the approved Developer/Contractor as part of the deposit required from the first-time buyer.

### **Top tips for getting a mortgage**

1. You should be finished probation and ideally working continuously in a permanent role for two years.
2. Have savings-Even if you are getting help with the deposit you have to show the capacity to save.
3. Tidy up your current account. Your records will be scrutinized for a minimum of six months.
4. Have no loans or rolling credit card debts. Any existing loan facility will come off your disposable income for mortgage calculation purposes.
5. Maintain good current accounts and stay out of your overdraft.
6. Good accounts mean no referral fees, and not being at a near zero balance at the end of the month.
7. Clean up your credit rating. It is assessed over two years (at least). Any missed payments or defaults on previous loans, credit cards or any court judgments will stand against you. Find out your rating in advance with [icb.ie](http://icb.ie).
8. Pay rent by standing order. This is important because it gives traceable account of how money is used.
9. Don't gamble online.
10. Don't make extravagant purchases and avoid big expenses in the six to twelve months before you apply for the home loan.
11. Consider mortgage coaching, a broker will look at your finances and put a plan in place to correct bad habits in your current account or patterns of spending with your credit card to make sure you succeed with your application.
12. Have patience. Getting a mortgage may take three to six months.