
STATUTORY RULES OF NORTHERN IRELAND

1996 No. 537

LANDLORD AND TENANT

**Housing Investment Trusts (Assured
Tenancies) Regulations (Northern Ireland) 1996**

Made - - - - 19th November 1996

Coming into operation 13th January 1997

The Department of the Environment for Northern Ireland in exercise of the powers conferred on it by section 508B(7) of the Income and Corporation Taxes Act 1988(1) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation and commencement

1. These regulations may be cited as the Housing Investment Trusts (Assured Tenancies) Regulations (Northern Ireland) 1996 and shall come into operation on 13th January 1997.

Assured tenancies

2.—(1) Subject to paragraph (2), a tenancy under which a dwelling house (which may be a house or part of a house) is let as a separate dwelling is an assured tenancy if and so long as:—

- (a) the tenancy is not a statutory or protected tenancy within the meaning of The Rent (Northern Ireland) Order 1978(2);
- (b) the term of the tenancy is fixed for a period of not less than 6 months and 2 months' notice for possession is required after the expiry of the initial fixed term;
- (c) the tenant or, as the case may be, each of the joint tenants is an individual; and
- (d) the tenant or, as the case may be, at least one of the joint tenants occupies the dwelling-house as his only or principal home.

(2) A tenancy cannot be an assured tenancy if it falls within any paragraph in the Schedule.

(1) 1988 c. 1

(2) S.I.1978/1050 (N.I. 20)

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

Sealed with the Official Seal of the Department of the Environment for Northern Ireland on 19th November 1996.

L.S.

J. McCormick
Assistant Secretary

SCHEDULE

Regulation 2(2)

Tenancies which cannot be assured tenancies

Part I

The Tenancies

Tenancies entered into before commencement

1. A tenancy which is entered into before, or pursuant to a contract made before, these regulations come into operation.

Tenancies of dwelling-houses with high net annual values

2. A tenancy under which the dwelling-house has for the time being a net annual value which exceeds £750.

Tenancies at a low rent

3.—(1) A tenancy under which either no rent is payable or the rent payable calculated on an annual basis is less than two-thirds of the rateable value of the dwelling-house for the time being.

(2) In determining whether the rent under a tenancy falls within sub-paragraph (1), there shall be disregarded such part (if any) of the sums payable by the tenant as is expressed (in whatever terms) to be payable in respect of rates, services, management, repairs, maintenance or insurance, unless it could not have been regarded by the parties to the tenancy as a part so payable.

Business tenancies

4. A tenancy to which Part I of the Business Tenancies Act (Northern Ireland) 1964⁽³⁾ applies.

Licensed premises

5. A tenancy under which the dwelling-house consists of or comprises premises licensed for the sale of intoxicating liquor for consumption on the premises.

Tenancies of agricultural land

6.—(1) A tenancy under which agricultural land, exceeding two acres, is let together with the dwelling-house.

(2) In paragraphs (1) and 7(2) and (3) “agricultural land” has the meaning set out in paragraph 1(a) of Schedule 1 to the Rates (Northern Ireland) Order 1977⁽⁴⁾.

Tenancies of agricultural holdings

7.—(1) A tenancy under which the dwelling-house:—

(a) is comprised in an agricultural holding; and

(b) is occupied by the person responsible for the control (whether as tenant or as servant or agent of the tenant) of the farming of the holding.

⁽³⁾ 1964 c. 36 (N.I.)

⁽⁴⁾ S.I. 1977/2157 (N.I. 28)

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(2) In sub-paragraph (1):—

“agricultural holding” means the aggregate of the land (whether agricultural land or not) comprised in an agricultural tenancy not being a tenancy under which the land is let to the tenant during his continuance in any office, appointment or employment held under the landlord;

(3) In sub-paragraph (2):—

“agricultural tenancy” means a tenancy of land under which having regard to:—

- (a) its terms;
- (b) the actual or contemplated use of the land and the time of the commencement of the tenancy and subsequently; and
- (c) any other relevant circumstances

the whole of the land comprised in the tenancy subject to such exceptions only as do not substantially affect the character of the tenancy, is let for use as agricultural land and is so used for the purpose of a trade or business.

Holiday lettings

8. A tenancy the purpose of which is to confer on the tenant the right to occupy the dwelling-house for a holiday.

Part II

Net Annual Values

9.—(1) The net annual value of a dwelling-house at any time shall be ascertained for the purposes of paragraph 2 as follows:—

- (a) if the dwelling-house is a hereditament for which a net annual value is then shown in the valuation list, it shall be that net annual value;
- (b) if the dwelling-house forms part only of such a hereditament or consists of or forms part of more than one such hereditament, its net annual value shall be taken to be such value as is found by a proper apportionment or aggregation of any value or values so shown.

(2) Any question arising under this paragraph as to the proper apportionment or aggregation of any value or values shall be determined by the Commissioner of Valuation for Northern Ireland.

10. Where, after the time at which the net annual value of a dwelling-house is material for the purposes of any provision of paragraph 2, the valuation list is altered so as to vary the net annual value of the hereditament of which the dwelling-house consists (in whole or in part) or forms part and the alteration has effect from that time or from an earlier time, the net annual value of the dwelling-house at the material time shall be ascertained as if the value shown in the valuation list at the material time had been the value shown in the list as altered.

EXPLANATORY NOTE

(This note is not part of the Regulations.)

Sections 508A and 508B of the Income and Corporation Taxes Act 1988 make provision conferring relief from corporation tax on companies that invest in housing. Under the scheme relief from corporation tax will be afforded to a company that is an investment trust and has eligible rental income deriving from lettings by the company of eligible properties let on assured tenancies.

These regulations prescribe the requirements and conditions with which a tenancy of a dwelling-house in Northern Ireland must comply if it is to be an “assured tenancy” within the meaning of the above-noted sections.