



4<sup>th</sup> December 2013

Dear Councillor,

I am writing to you on behalf of Cork's business community regarding the issue of commercial rates and local authority charges. Cork Chamber is the leading business representative organisation in the Cork region, representing the interests of approximately 1,100 member businesses, employing over 100,000 employees, and is committed to building a stronger Cork region by supporting its membership and by being the leading voice of business in the community.

As part of its remit, Cork Chamber engages with members on a frequent basis to assess the impact of the current rates system and consistently finds that the cost of commercial rates and other local authority charges comprise a significant burden for businesses, many of whom are struggling to remain in operation. Currently, revenue from commercial rates account for 33.6% of Cork County Councils total income. Cork Chamber is concerned with the recent speculation that the County Council is considering increasing commercial rates. In response to this concern, Cork Chamber urges Councillors to advocate that there is a reduction in commercial rates or at a minimum, no increase in rates for 2014. Any increase in rates would have a serious impact on business competitiveness directly resulting in job losses and constraining the potential for job growth in businesses that are starting to recover. Increasing rates would also have a negative effect on business confidence in the region, which according to the Chamber's most recent economic trends survey is up 12% from Q3, 2012.

Cork Chamber supported the introduction of the Local Property Tax (LPT) on the condition that the revenue raised would be used to broaden the tax base for Local Authorities, and result in savings for the business community through a reduction in Local Authority charges. Cork Chamber urges Councillors to support local businesses and advocate that revenue raised through the LPT remains in the area that it is collected by placing it in a Local Government Fund as originally planned, leading to targeted reductions in commercial rates in the Cork region.

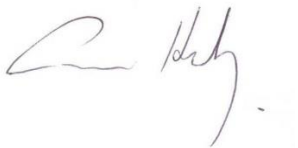
Cork Regional Chambers have consistently supported the reform of Local Government, however, they have concerns about areas where Town Councils are to be abolished and integrated into County Councils which have higher commercial rate charges. Cork Regional

Chambers requests support from Councillors to achieve commitment from Cork County Council to agree to a period of adjustment of 10 years for such Town Council areas to allow businesses the time to adapt to the costs resulting from increased rates.

Finally, Cork Chamber welcomes the Council's ring-fencing of 1% of rates income for economic development measures in the region and calls on the Council to protect the current fund to promote further economic development projects.

As we approach Budget 2014, the Chamber welcomes your support on these matters and in the meantime if you have any queries please do not hesitate to contact me.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Conor Healy', written over a light grey rectangular background.

---

Conor Healy  
Chief Executive