

Client Funds and Client Accounts

The Authority wishes to clarify matters relating to the management of Client Funds, in relation to the holding of security deposits, tax for non-resident landlords and the sale of entitlements in the licensee's Client Account.

The Authority sought legal advice concerning Client Funds and Client Accounts with regard to all four licence types. The Authority, in accepting the legal advice, wishes to clarify the position regarding the management of client monies.

ALL monies received in the provision of a "property service" as defined in the Property Services (Regulation) Act 2011, including receipt of rental income, security deposits, collection of non-resident tax for landlords and the sale of entitlements **must be placed in the licensee's Client Account** in the first instance. On agreement with the Client, the licensee may then transfer such monies to the Client. Where client monies, for example, security deposits, are held by the licensee on behalf of the Client, all such monies must be held in the Client Account until instructed otherwise by the client.

