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Number 52 *of* 2015

FINANCE ACT 2015

An Act to provide for the imposition, repeal, remission, alteration and regulation of taxation, of stamp duties and of duties relating to excise and otherwise to make further provision in connection with finance including the regulation of customs.

[21*st December*, 2015]

Be it enacted by the Oireachtas as follows:

PART 1

Universal Social Charge, Income Tax, Corporation Tax and Capital Gains Tax

Chapter 1

Interpretation

Interpretation (*Part 1*)

1. In this Part "Principal Act" means the Taxes Consolidation Act 1997.

Chapter 2

Universal Social Charge

Amendment of Part 18D of Principal Act (universal social charge)

2. (1) Part 18D of the Principal Act is amended—

(a) in section 531AM—

(i) in paragraph (a) of the Table to subsection (1)—

(I) in subparagraph (IV), by substituting "Schedule 3," for "Schedule 3, and",

(II) in subparagraph (V), by substituting "782A(3), and" for "782A(3).", and

(III) by inserting the following subparagraph after subparagraph (V):

"(VI) emoluments in the nature of a contribution by an employer to a PRSA (within the meaning of Chapter 2A of Part 30).",

and

(ii) in subsection (2), by substituting "€13,000" for "€12,012",

and

(b) in section 531AN—

(i) in subsection (3) by substituting—

(I) "€18,668" for "€17,576", and

(II) "3 per cent" for "3.5 per cent",

(ii) in subsection (3A)(a) by substituting "3 per cent" for "3.5 per cent",

(iii) by inserting the following after subsection (4):

"(5) Subject to subsection (7), where relevant emoluments are paid on 31 December in a tax year or, if that year is a leap year, on 30 or 31 December in that year (referred to in this section as the 'relevant date') to an individual who is paid weekly or fortnightly, the part of aggregate income specified in column (1) of Part 1 or column (1) of Part 2, as appropriate, of the Table to this section shall be increased by—

(a) where the individual is paid weekly, one-fifty second of the amounts referred to in the appropriate column, and

(b) where the individual is paid fortnightly, one-twenty sixth of the amounts referred to in the appropriate column,

but where the relevant emoluments paid on the relevant date is less than the increase provided in paragraph (a) or (b), as appropriate, the increase in the part of the aggregate income shall be limited to the amount of the relevant emoluments.

(6) Where subsection (5) applies in respect of an individual, each amount of aggregate income referred to in subsections (1) and (3) and section 531AM(2) shall be increased by—

(a) where the individual is paid weekly, one-fifty second of the amount, and

(b) where the individual is paid fortnightly, one-twenty sixth of the amount,

but where the amount of the relevant emoluments paid on the relevant date is less than the increase provided in paragraph (a) or (b), as appropriate, the increase shall be limited to the amount of the relevant emoluments.

(7) Subsection (5) shall not apply where the normal day on which relevant emoluments are paid to an individual, who is paid weekly or fortnightly, during a tax year changes either during that year or the preceding year.",

and

(iv) by substituting the following Table for the Table to that section:

"TABLE

PART 1

Part of aggregate income (1)	Rate of universal social charge (2)
The first €12,012	1 per cent
The next €6,656	3 per cent
The next €51,376	5.5 per cent
The remainder	8 per cent

PART 2

Part of aggregate income (1)	Rate of universal social charge (2)
The first €12,012	1 per cent
The remainder	3 per cent

".

(2) (a) *Subsection (1)*, other than *subparagraph (iii)* of *paragraph (b)*, applies for the year of assessment 2016 and each subsequent year of assessment.

(b) *Subsection (1)(b)(iii)* applies for the year of assessment 2015 and each subsequent year of assessment.

Chapter 3

Income Tax

Earned income tax credit

3. (1) The Principal Act is amended by inserting the following after section 472AA:

"472AB. (1) In this section—

'appropriate percentage', in relation to a year of assessment, means a percentage equal to the standard rate of tax for that year;

'qualifying earned income' means earned income but does not include emoluments within the meaning of section 472.

(2) Subject to subsection (3), where, for any year of assessment, a claimant proves that his or her total income for the year consists in whole or in part of qualifying earned income (including, in a case where the claimant is a married person assessed to tax in accordance with section 1017, or a civil partner assessed to tax in accordance with section 1031C, any qualifying earned income of the claimant's spouse or civil partner deemed to be income of the claimant by either of those sections for the purposes referred to in the relevant section) the claimant shall be entitled to a tax credit (to be known as the 'earned income tax credit') of—

(a) where the qualifying earned income (but not including, in the case where the claimant is a married person or a civil partner so assessed, the qualifying earned income, if any, of the claimant's spouse or civil partner, as the case may be) arises to the claimant, the lesser of an amount equal to the appropriate percentage of the qualifying earned income and €550, and

(b) where, in a case where the claimant is a married person or a civil partner so assessed, the qualifying earned income arises to the claimant's spouse or civil partner, as the case may be, the lesser of an amount equal to the appropriate percentage of the qualifying earned income and €550.

(3) Where the claimant is entitled to—

(a) employee tax credit in accordance with subsection (4)(a) of section 472 and earned income tax credit under paragraph (a) of subsection (2), the aggregate of those tax credits shall not exceed €1,650, and

(b) employee tax credit in accordance with subsection (4)(b) of section 472 and earned income tax credit under paragraph (b) of subsection (2), the aggregate of those tax credits shall not exceed €1,650.".

(2) *Subsection (1)* applies for the year of assessment 2016 and each subsequent year of assessment.

Amendment of section 466A of Principal Act (home carer tax credit)

4. (1) Section 466A of the Principal Act is amended—

(a) in subsection (2), by substituting "€1,000" for "€810", and

(b) in subsection (6)(a), by substituting "€7,200" for "€5,080".

(2) *Subsection (1)* applies for the year of assessment 2016 and each subsequent year of assessment.

Amendment of section 192A of Principal Act (exemption in respect of certain payments under employment law)

5. Section 192A(1) of the Principal Act is amended in the definition of "relevant authority"

by substituting the following for paragraph (b):

"(b) the Director of the Equality Tribunal,

(ba) an adjudication officer of the Workplace Relations Commission,

(bb) the Workplace Relations Commission,

(bc) the District Court,".

Exemption in respect of certain expense payments for relevant directors

6. The Principal Act is amended by inserting the following section after section 195A:

"Exemption in respect of certain expense payments for relevant directors

195B. (1) In this section—

'company' has the same meaning as it has in section 4;

'director' has the same meaning as it has in section 770;

'expenses' means vouched expenses;

'relevant director', in relation to a company, means a director who is not resident in the State and is a non-executive director of that company;

'relevant meeting' means a meeting attended by a relevant director in his or her capacity as a director for the purposes of the conduct of the affairs of the company;

'travel' means travel by car, motorcycle, taxi, bus, rail, boat or aircraft.

(2) This section applies to payments made by a company to or on behalf of a relevant director of that company in respect of expenses of travel and subsistence incurred by the relevant director, on and from 1 January 2016, solely for the purpose of the attendance by him or her at a relevant meeting.

(3) So much of a payment to which this section applies shall be exempt from income tax and shall not be reckoned in computing income for the purposes of the Income Tax Acts.".

Exemption in respect of certain expenses of State Examinations Commission examiners

7. The Principal Act is amended by inserting the following section after section 195B:

"Exemption in respect of certain expenses of State Examinations Commission examiners

195C. (1) In this section—

'civil servant' has the meaning assigned to it by the Civil Service Regulation Act 1956;

'employee' has the same meaning as in section 983;

‘examination purposes’ means:

(a) the development of examination papers or other examination materials;

(b) the marking of such papers or other such materials; or

(c) the carrying out of invigilator duties at an examination;

‘examination’ means any examination standing specified for the time being in Schedule 2 to the Education Act 1998;

‘examination paper’ includes any paper, plan, map, drawing, diagram, pictorial or graphic work or other document and any photograph, film or recording (whether of sound or images or both)—

(a) in which questions are set for answer by candidates as part of an examination or which are related to such questions, or

(b) in which projects or practical exercises are set which candidates are required to complete as part of an examination or which are related to such projects or exercises;

‘examiner’ means, other than a person employed as an Examinations and Assessment Manager, a person who is an employee of the relevant employer for examination purposes;

‘relevant employer’ means the State Examinations Commission;

‘travel’ means travel by car, motorcycle, taxi, bus or rail.

(2) This section applies to payments made by the relevant employer to or on behalf of an examiner in respect of expenses of travel and subsistence incurred by the examiner, on and from 1 January 2016, for examination purposes.

(3) So much of any payment to which this section applies, as does not exceed the upper of any relevant rate or rates laid down from time to time by the Minister for Public Expenditure and Reform in relation to the payment of expenses of travel and subsistence of a civil servant, shall be exempt from income tax and shall not be reckoned in computing income for the purposes of the Income Tax Acts.”.

Amendment of section 470 of Principal Act (relief for insurance against expenses of illness)

8. (1) Section 470 of the Principal Act is amended in subsection (1) by substituting the following for the definition of “child”:

“ ‘child’ means an individual under the age of 21 years in respect of whom the payment under a relevant contract has been reduced in accordance with paragraph (a)(ii) or (b)(i)(I) of section 7(5) of the Health Insurance Act 1994;”.

(2) This section shall apply in respect of relevant contracts (within the meaning of section 470 of the Principal Act) entered into or renewed on or after 1 May 2015.

Amendment of section 477B of Principal Act (home renovation incentive)

9. Section 477B of the Principal Act is amended in subsection (2)—

(a) in paragraph (a) by substituting "2016" for "2015" in each place where it occurs, and

(b) in paragraph (d)—

(i) by substituting "2016" for "2015" in each place where it occurs, and

(ii) by substituting "2017" for "2016" in each place where it occurs.

Professional services withholding tax

10. (1) The definition of "professional services" in section 520(1) of the Principal Act is amended—

(a) in paragraph (d) by substituting "other legal services, and" for "other legal services,",

(b) in paragraph (e) by substituting "geological services;" for "geological services, and", and

(c) by deleting paragraph (f).

(2) Schedule 13 to the Principal Act is amended—

(a) by deleting paragraphs 24, 28, 100, 101, 103, 114, 121, 149 and 182,

(b) by inserting the following paragraph after paragraph 195:

"196. Irish Human Rights and Equality Commission.

197. Competition and Consumer Protection Commission.

198. Regulator of the National Lottery.

199. Shannon Group plc.

200. Charities Regulatory Authority.",

and

(c) (i) in paragraph 35 by substituting "daa public limited company" for "Dublin Airport Authority public limited company",

(ii) in paragraph 40 by substituting "Ervia" for "Bord Gáis Éireann",

(iii) in paragraph 82 by substituting "The Pensions Authority" for "The Pensions Board", and

(iv) in paragraph 148 by substituting "Health Products Regulatory Authority" for "Irish Medicines Board".

Granting of vouchers

11. (1) The Principal Act is amended by inserting the following after section 112A:

"112B. (1) In this section—

'benefit' means a tangible asset other than cash;

'qualifying incentive' means either a voucher or a benefit that is given to an employee by his or her employer in a year of assessment where the following conditions are satisfied:

(a) the voucher or the benefit does not form part of a salary sacrifice arrangement;

(b) the voucher can only be used to purchase goods or services and cannot be redeemed, in full or in part, for cash;

(c) the voucher or the benefit cannot exceed €500 in value;

(d) not more than one voucher or benefit can be given to that employee in any year of assessment;

'salary sacrifice arrangement' means any arrangement under which an employee forgoes the right to receive any part of his or her remuneration due under his or her terms or contract of employment and in return his or her employer agrees to provide him or her with a qualifying incentive.

(2) A qualifying incentive shall be exempt from income tax and shall not be reckoned in computing income for the purposes of the Income Tax Acts.".

(2) *Subsection (1)* comes into operation on 22 October 2015.

Amendment of section 372AP of Principal Act (relief for lessors)

12. (1) Section 372AP of the Principal Act is amended by inserting the following subsection after subsection (13):

"(13A) Section 555 shall apply as if a deduction under this section were a capital allowance and, where subsection (7) applies, as if the amount represented by 'A' in the formula in that subsection were a balancing charge.".

(2) *Subsection (1)* shall have effect in relation to an event, referred to either in paragraph (a) or (b) of subsection (7) of section 372AP of the Principal Act, occurring on or after 1 January 2012.

Amendment of section 959B of Principal Act (supplemental interpretation provisions)

13. (1) Section 959B of the Principal Act is amended in subsection (1)(a) by substituting "€5,000" for "€3,174".

(2) *Subsection (1)* applies for the year of assessment 2016 and each subsequent year of

assessment.

Amendment of Schedule 25B to Principal Act (list of specified reliefs and method of determining amount of specified relief used in a tax year)

14. (1) Schedule 25B to the Principal Act is amended by deleting the entry at Reference Number 7 and the matters set out opposite that reference number.

(2) *Subsection (1)* applies as respects profits or gains, to which section 232 of the Principal Act applies, arising on or after 1 January 2016.

CHAPTER 4

Income Tax, Corporation Tax and Capital Gains Tax

Amendment of section 97 of Principal Act (computational rules and allowable deductions)

15. (1) Section 97 of the Principal Act is amended by inserting the following subsection after subsection (2J):

"(2K) (a) In this subsection—

'Board' means the Private Residential Tenancies Board;

'household' has the meaning assigned by the Housing (Miscellaneous Provisions) Act 2009;

'housing authority' has the meaning assigned by the Housing (Miscellaneous Provisions) Act 1992;

'lease' means any lease or tenancy in respect of a residential premises required to be registered by the person chargeable under Part 7 of the Residential Tenancies Act 2004;

'Minister' means Minister for the Environment, Community and Local Government;

'qualifying lease' means a lease granted by the person chargeable to a qualifying tenant;

'qualifying tenant', in relation to a qualifying lease, means—

(i) a household in respect of which rent is payable by a housing authority—

(I) in accordance with Part 4 of the Housing (Miscellaneous Provisions) Act 2014, or

(II) under a contract under section 19 of the Housing (Miscellaneous Provisions) Act 2009, between the housing authority and the person chargeable,

or

(ii) an individual in respect of whom a rent supplement is payable

by, or on behalf of, the Minister for Social Protection;

'register' means the private residential tenancies register maintained by the Board under Part 7 of the Residential Tenancies Act 2004;

'relevant borrowings' means borrowed money employed in the purchase, improvement or repair of a premises or a part of a premises which, at a time interest accrues on the borrowings, is a residential premises let under a qualifying lease;

'relevant interest', in relation to relevant borrowings and a specified period, means the amount by which the aggregate deductions authorised by subsection (2)(e) are reduced by the application of subsection (2J) in respect of that part of the chargeable periods (within the meaning of section 321) that falls within the specified period and, for the purposes of this definition, interest shall be treated as accruing from day to day;

'relevant undertaking', in relation to a residential premises, means an undertaking under paragraph (b)(i);

'rent supplement' means any payment under section 198 of the Social Welfare Consolidation Act 2005 towards the amount of rent payable by an individual in respect of a residential premises;

'specified period' means a continuous period of 3 years commencing on or after 1 January 2016 but not later than 31 December 2019.

(b) (i) The person chargeable shall submit to the Board, in such form and containing such information as shall be prescribed by the Minister for the purposes of this subsection, an undertaking to the effect that the person chargeable will let a residential premises under a qualifying lease for the duration of a specified period commencing on—

(I) in the case of a qualifying lease commencing on or after 1 January 2016, the date of commencement of that lease, or

(II) in the case of a lease that commenced prior to 1 January 2016, which would, if the lease commenced on that date, be a qualifying lease, 1 January 2016.

(ii) The Board shall register the relevant undertaking in the register, and the provisions of Part 7 of the Residential Tenancies Act 2004 shall apply to information regarding a relevant undertaking registered in the register as they apply to information regarding a tenancy registered in the register, subject to any necessary modifications.

(iii) A relevant undertaking shall be submitted to the Board under

subparagraph (i)—

(I) in the case of a lease referred to in clause (I) of that subparagraph, at the time the person chargeable is required to make an application to register the tenancy under section 134 of the Residential Tenancies Act 2004, and

(II) in any other case, by 31 March 2016.

(iv) Where the person chargeable submits a relevant undertaking in accordance with this paragraph and, following the end of the specified period (in this subparagraph referred to as the 'first period'), submits a relevant undertaking (in this subparagraph referred to as the 'subsequent undertaking') in respect of a subsequent specified period (in this subparagraph referred to as the 'second period'), the second period shall commence on—

(I) in the case of a qualifying lease commencing on or after the day following the end of the first period, the date of commencement of that lease, and

(II) in the case of a qualifying lease that commenced before the end of the first period, the day following the end of the first period, and

the subsequent undertaking shall be submitted to the Board—

(A) in the case of a lease referred to in clause (I), at the time referred to in subparagraph (iii)(I), and

(B) in any other case, not later than 3 months after the second period commences,

and subparagraph (ii) shall apply to a subsequent undertaking as it applies to an undertaking.

(c) For the purposes of this subsection, where a lease has commenced before 1 January 2016, which would, if the lease commenced on that date, be a qualifying lease and a relevant undertaking is submitted to and registered by the Board, the lease shall be deemed to be a qualifying lease commencing on 1 January 2016.

(d) (i) For the purposes of this subsection, where a qualifying lease (in this subparagraph referred to as the 'first lease') terminates during a specified period the currency of that lease shall be deemed to include a period immediately following its termination (in this paragraph referred to as the 'intervening period') if—

(I) at the end of the intervening period, the person chargeable grants a subsequent qualifying lease in respect of the residential premises (in this paragraph referred to as the 'subsequent lease'), and

(II) during the intervening period—

(A) the premises was not let under a lease that was not a qualifying lease,

(B) the person chargeable immediately before the termination was not in occupation of the premises or any part of the premises but was entitled to possession of the premises, and

(C) a person connected (within the meaning of section 10) with the person chargeable was not in occupation of the premises or any part of the premises,

and the first lease and the subsequent lease shall be taken together and treated as one qualifying lease.

(ii) More than one subsequent lease may be granted in respect of a premises under and in accordance with subparagraph (i).

(e) For the purposes of this subsection, where a qualifying tenant ceases to be a qualifying tenant during a specified period, the lease shall nonetheless be treated as a qualifying lease for so much of that period as the tenant occupies the premises under the lease.

(f) This subsection shall apply where the following conditions are met:

(i) a residential premises is let under a qualifying lease for one or more than one specified period, and

(ii) a relevant undertaking in respect of that premises for each specified period is submitted to and registered by the Board.

(g) (i) Subject to this section, a person chargeable who meets the conditions referred to in paragraph (f) may, after the end of the specified period, make a claim to have a deduction authorised by subsection (2)(e) in respect of the residential premises referred to in paragraph (f) computed as if the relevant interest for the specified period accrued on the day immediately following the end of that specified period, and subsection (2J) shall not apply to that relevant interest.

(ii) The relevant interest referred to in subparagraph (i) shall not be included in any computation of relevant interest for a specified period subsequent to the specified period referred to in that subparagraph.

(h) Any claim under this subsection shall—

(i) contain a statement to the effect that the conditions referred to in paragraph (f) are satisfied, and

(ii) be furnished to the Revenue Commissioners by electronic means and through such electronic systems as the Revenue Commissioners may make available for the time being for the purpose of a claim, and the relevant provisions of Chapter 6 of Part 38 shall apply.

(i) Where a premises in respect of which the person chargeable is entitled to a rent is let in part under a qualifying lease and in part under a lease other than a qualifying lease (in this paragraph referred to as the 'other lease'), the amount of deduction authorised under subsection (2)(e) by reference to interest on borrowed money employed in the purchase, improvement or repair of those premises shall be computed on the amount of interest on that part of the borrowed money which can, on a just and reasonable basis, be respectively attributed to the parts of the premises which are let under the qualifying lease and the other lease.

(j) Notwithstanding section 886, where a person chargeable makes a claim under this subsection, the period for which the linking documents and records (within the meaning of that section) relating to the claim are to be retained by the person required to keep the records under that section shall commence on the final day of the specified period in respect of which the claim is made.".

(2) *Subsection (1)* shall come into operation on 1 January 2016.

Amendment of section 256 of Principal Act (interpretation (Chapter 4))

16. Section 256(1) of the Principal Act is amended in the definition of "relevant deposit" by inserting the following subparagraph after paragraph (a)(iiif):

"(iiig) the Minister for Social Protection in respect of accounts held under section 9 of the Social Welfare Consolidation Act 2005,".

Amendment of section 481 (relief for investment in films) and section 851A (confidentiality of taxpayer information) of Principal Act

17. (1) Section 481 of the Principal Act is amended—

(a) in subsection (1)—

(i) by substituting the following for the definitions of "broadcast" and "broadcaster":

" 'broadcast' has the meaning assigned to it by section 2 of the Broadcasting Act 2009;

'broadcaster' means a person who has responsibility for a 'broadcasting service' as defined in section 2 of the Broadcasting Act 2009;",

and

(ii) in paragraph (c) of the definition of "film corporation tax credit" by substituting "€70,000,000" for "€50,000,000",

and

(b) in subsection (3A)(c)(II) by substituting "fortieths" for "forty-firsts".

(2) Section 851A of the Principal Act is amended—

(a) in subsection (1) by inserting the following definition after the definition of "agent":

" 'film corporation tax credit' means that credit within the meaning assigned to it by section 481;",

and

(b) in subsection (8A)—

(i) by deleting paragraph (c),

(ii) by substituting the following for paragraph (d):

"(d) the amount of film corporation tax credit granted, by reference to ranges set out in page 30, paragraph 166(vi) of the Guidelines on State Aid to Promote Risk Finance[1], inserted by Communication from the Commission (2014/C 198/02)[2];",

and

(iii) by inserting the following paragraphs after paragraph (d):

"(e) whether the company is—

(i) a category of enterprise referred to Article 2.1 of Annex 1 to Commission Regulation (EU) No. 651/2014 of 17 June 2014[3], or

(ii) a category of enterprise which is larger than the categories of enterprise referred to in subparagraph (i);

(f) the territorial unit, within the meaning of the NUTS Level 2 classification specified in Annex 1 to Regulation (EC) No. 1059/2003 of the European Parliament and of the Council of 26 May 2003[4] amended by Regulation (EC) No. 1888/2005 of the European Parliament and of the Council of 26 October 2005[5], Commission Regulation (EC) No. 105/2007 of 1 February 2007[6], Regulation (EC) No. 176/2008 of the European Parliament and of the Council of 20 February 2008[7], Regulation (EC) No. 1137/2008

1 OJ No. C19, 22.1.2014, p.4
2 OJ No. C198, 27.6.2014, p.30
3 OJ No. L187, 26.6.2014, p.70
4 OJ No. L154, 21.6.2003, p.1
5 OJ No. L309, 25.11.2005, p.1
6 OJ No. L39, 10.2.2007, p.1
7 OJ No. L61, 5.3.2008, p.1

of the European Parliament and of the Council of 22 October 2008[8], Commission Regulation (EU) No. 31/2011 of 17 January 2011[9], Council Regulation (EU) No. 517/2013 of 13 May 2013[10], Commission Regulation (EU) No. 1319/2013 of 9 December 2013[11], and Commission Regulation (EU) No. 868/2014 of 8 August 2014[12], in which the company is located;

(g) the date on which film corporation tax credit is granted.".

(3) (a) *Paragraph (b)* of *subsection (1)* shall apply for the year of assessment 2016 and subsequent years.

(b) *Paragraph (a)(ii)* of *subsection (1)* shall come into operation on such day or days as the Minister for Finance may by order or orders appoint either generally or with reference to any particular purpose or provision of it and different days may be so appointed for different purposes or different provisions.

Income tax relief for investment in corporate trades – employment and investment incentive and seed capital scheme

18. (1) Section 27 of the Finance Act 2014 is amended—

(a) in subsection (1)(a)(ii), in paragraph (d) of the definition of "relevant period", by substituting " 'relevant amount' " for " 'average relevant amount' ",

(b) in subsection (1)(g) by substituting "Article 11 of Commission Regulation (EU) No. 651/2014 of 17 June 2014[13]" for "section 5.4 of the Community Guidelines on State aid to promote risk finance investments[3]", and

(c) in subsection (2) by substituting the following for paragraph (b):

"(b) Paragraphs (a) and (c) to (g) of subsection (1) have effect in respect of shares issued on or after 13 October 2015.".

(2) Part 16 of the Principal Act is amended—

(a) in section 488(1)—

(i) by deleting the definitions of "average relevant amount" and "average threshold amount",

(ii) in the definition of "eligible shares" by substituting "the relevant period" for "the period of 3 years beginning on the date on which they are issued",

(iii) by substituting the following for the definition of "qualifying employee":

" 'qualifying employee', in relation to a qualifying company, means an employee (within the meaning of section 983), other than a director, of that company—

8 OJ No. L311, 21.11.2008, p.1
9 OJ No. L13, 18.1.2011, p.3
10 OJ No. L158, 10.6.2013, p.1
11 OJ No. L342, 18.12.2013, p.1
12 OJ No. L241, 13.8.2014, p.1
13 OJ No. L187, 26.6.2014, p.1

(i) who throughout his or her period of employment with that company is employed by that company for at least 30 hours duration per week, and

(ii) his or her employment is capable of lasting at least 12 months;",

and

(iv) by inserting the following definitions:

" 'qualifying nursing home' means—

(a) a nursing home within the meaning of section 2 of the Health (Nursing Homes) Act 1990 and which is registered under section 4 of that Act, and

(b) where applicable, a qualifying residential unit constructed on the site of, and operated by, a nursing home within the meaning of paragraph (a),

but does not include any nursing home or qualifying residential unit which is subject to any power on the exercise of which the nursing home or residential units, or any part or interest in the nursing home or residential units, may be revested in the person from whom it was purchased or exchanged or in any person on behalf of such person;

'qualifying residential unit' means a house which—

(a) is constructed on the site of, or on a site which is immediately adjacent to the site of, a registered nursing home,

(b) is—

(i) a single storey house, or

(ii) a house that is comprised in a building of one or more storeys in relation to which building a fire safety certificate under Part III of the Building Control Regulations 1997 (S.I. No. 496 of 1997) is required, and prior to the commencement of the construction works on the building, is granted by the building control authority (within the meaning of section 2 of the Building Control Act 1990) in whose functional area the building is situated where—

(I) the house is, or (as the case may be) the house and the building in which it is comprised are, designed and constructed to meet the needs of persons with disabilities, including in particular the needs of persons who are confined to wheelchairs, and

(II) the house consists of one or two bedrooms, a kitchen, a living room, bath or shower facilities, toilet facilities and a nurse call system linked to the registered nursing home,

and

(c) is comprised in a development where—

(i) those units are operated or managed by the registered nursing home and an on-site caretaker is provided, and

(ii) back-up medical care, including nursing care, is provided by the registered nursing home to the occupants of those units when required by those occupants;

'relevant amount' means total emoluments (other than non-pecuniary emoluments) paid by a qualifying company to qualifying employees as referred to in the definition of 'employment relevant number', in the year of assessment in which, in relation to a subscription for eligible shares, a relevant period ends;

'threshold amount' means the total of the emoluments (other than non-pecuniary emoluments) paid by a qualifying company to the qualifying employees referred to in the definition of 'employment threshold number', in the year of assessment preceding the year of assessment in which the subscription for eligible shares was made but where there was a general reduction in the basic pay rate of qualifying employees then the threshold amount shall be reduced accordingly;",

(b) in section 489—

(i) by substituting the following for subsection (1)(b):

"(b) those shares are issued to the individual for the purpose of raising money by a qualifying company where that money was used, is being used or is intended to be used by the qualifying company—

(i) for the purposes of carrying on relevant trading activities,

(ii) in the case of a company which has not commenced to trade, in incurring expenditure on research and development within the meaning of section 766, or

(iii) in the case of a company that owns and operates a qualifying nursing home, for the purposes of enlarging the capacity of the qualifying nursing home,

and",

(ii) by inserting the following after subsection (3):

"(3A) Notwithstanding subsection (3), where—

(a) in accordance with section 506, relief is due in respect of an amount subscribed between 1 January 2014 and 31 December 2014 as nominee for a qualifying individual by the managers of a designated fund, and

(b) the eligible shares in respect of which the amount is subscribed are

issued between 1 January 2016 and 31 January 2016,

the individual may elect by notice in writing to the inspector to have the relief due under subsection (2)(a) given as a deduction from his or her total income for the year of assessment in which the amount was subscribed to the designated fund instead of (as provided for in subsection (2)(a)) as a deduction from his or her total income for the year of assessment in which the shares are issued.",

and

(iii) by substituting the following for subsection (10)(a):

"(a) (i) the employment relevant number exceeds the employment threshold number by at least one qualifying employee, and

(ii) the relevant amount exceeds the threshold amount by at least the total emoluments of one qualifying employee in the year of assessment in which the relevant period ends,

or",

and

(c) in section 494—

(i) by inserting the following after subsection (4):

"(4A) A company that does not meet the requirements of paragraphs 5 and 6 of Article 21 of Commission Regulation (EU) No. 651/2014 of 17 June 2014[14] shall not be a qualifying company.",

and

(ii) by inserting the following after subsection (7):

"(7A) A company whose relevant trading activities includes operating a qualifying nursing home and is engaged in enlarging its capacity pursuant to section 489(1)(b)(iii) shall cease to be a qualifying company unless it has expended all of the money subscribed for eligible shares on such activities, within a period ending 30 days before the end of the relevant period.".

(3) *Subsections (1)* and *(2)* shall apply to shares issued on or after 13 October 2015.

Farming and market gardening

19. (1) Section 598 of the Principal Act is amended—

(a) in subsection (1)(a), by inserting the following definition:

" 'farm partnership' means a milk production partnership or a registered farm partnership (within the meaning of section 667C);",

and

14 OJ No. L187, 26.6.2014, p.43

(b) in subsection (1)(d)(iib), by substituting "farm partnership" for "milk production partnership" in both places where it occurs.

(2) Part 23 of the Principal Act is amended—

(a) in section 657—

(i) in subsection (8)—

(I) in paragraph (c), by substituting "section 959AA" for "section 959Z", and

(II) in paragraph (d), by substituting "section 959AA" for "section 959Z",

and

(ii) in subsection (10A) by substituting "section 667C applies" for "European Communities (Milk Quota) (Amendment) Regulations 2002 (S.I. No. 97 of 2002) apply",

(b) in section 664—

(i) in subsection (1)(a)—

(I) by inserting the following definition before the definition of "farm land":

" 'EU Single Payment Scheme' means the scheme administered by the Minister for Agriculture, Food and the Marine under Regulation (EU) No. 1307/2013 of the European Parliament and of the Council of 17 December 2013[15], amended by Commission Delegated Regulation (EU) No. 639/2014 of 11 March 2014[16], Commission Delegated Regulation (EU) 994/2014 of 13 May 2014[17], Commission Delegated Regulation (EU) 1001/2014 of 18 July 2014[18], Commission Delegated Regulation (EU) 1378/2014 of 17 October 2014[19] and Commission Delegated Regulation (EU) 2015/851 of 27 March 2015[20];",

(II) in the definition of "the specified amount"—

(A) in subparagraph (ii)(VII)(B) by deleting "or", and

(B) in subparagraph (ii)(VIII)(C) by substituting "case, or" for "case,",

(ii) in subsection (7), by deleting "operated by the Department of Agriculture and Food under Council Regulation (EC) No. 1782/2003 of 29 September 2003 (OJ No. L270 of 21.10.2003, p 1)", and

(iii) by inserting the following subsection after subsection (7):

"(8) A lease which would otherwise be a qualifying lease shall not be a qualifying lease if—

15 OJ No. L347, 20.12.2013, p.865
16 OJ No. L181, 20.6.2014, p.1
17 OJ No. L280, 24.9.2014, p.1
18 OJ No. L281, 25.9.2014, p.1
19 OJ No. L367, 23.12.2014, p.16
20 OJ No. L135, 2.6.2015, p.8

(a) a qualifying lessee of the lease (the 'first mentioned lease'), or a person connected with that qualifying lessee of the first mentioned lease, is a qualifying lessor of another qualifying lease (the 'second mentioned lease') where the qualifying lessee of the first mentioned lease is a qualifying lessor of the second mentioned lease,

(b) a qualifying lessee of the lease (the 'first mentioned lease') is a qualifying lessor of another qualifying lease (the 'second mentioned lease') where that qualifying lessee of the first mentioned lease, or a person connected with that qualifying lessee, is a qualifying lessor of the second mentioned lease, or

(c) the farm land which is the subject of the lease is farmed, in whole or in part, by the qualifying lessor.",

(c) in section 666(4)—

(i) in paragraph (a), by substituting "31 December 2018" for "31 December 2015", and

(ii) in paragraph (b), by substituting "year 2018" for "year 2015",

(d) in section 667B—

(i) in subsection (5)(b), by substituting "2018" for "2015", and

(ii) in paragraph 2 of the Table to that section—

(I) in subparagraph (q), by substituting "Sustainable Agriculture," for "Sustainable Agriculture.", and

(II) by inserting the following after subparagraph (q):

"(r) Bachelor of Science (Honours) in Agriculture.",

(e) in section 667C—

(i) in subsection (1) by—

(I) substituting "In this section and sections 667D to 667G" for "In this section",

(II) inserting the following definitions:

" 'common agricultural payments' means any payment arising directly to a partner under the Common Agricultural Policy of the European Union;

'excluded farm asset' means farm land or livestock or machinery used for any of the following farming activities where that activity is excluded, by the terms of the partnership agreement, from the partnership:

(a) pig farming;

(b) poultry farming;

(c) mushroom farming;

(d) forestry;

(e) bloodstock farming;

(f) intensive horticultural cropping;

(g) on-farm milk processing, other than milking and storage of milk;

(h) generation of fuel or electricity;

'farm asset', other than an excluded farm asset, means—

(a) farm land,

(b) an entitlement to common agricultural payments, and

(c) livestock or machinery used for farming,

but shall not include farm land which is to be disposed of to an authority possessing compulsory purchase powers where the disposal would not be made but for the exercise of those powers, or the giving by the authority concerned of formal notice of its intention to exercise those powers;

'farm land' means land which includes a building (other than a building or part of a building used as a dwelling) occupied by a partner for the purposes of farming that land;

'Minister' means Minister for Agriculture, Food and the Marine;

'non-active partner' means—

(a) in the case of an individual, an individual who, during the accounting period spends not more than an average of at least 10 hours per week personally engaged in the activities of the several trade, or

(b) in the case of a company, a company whose officers and employees, during the accounting period between them, spend an average of not more than 10 hours per week personally engaged in the activities of the several trade,

where the activities of the several trade are carried on on a commercial basis and in such a way that profits of the several trade could reasonably be expected to be made in that period or within a reasonable time thereafter;

'partner' means a person who is a partner in a registered farm partnership;

'primary participant' means the precedent partner, within the meaning of section 1007;

‘register’ means the register of farm partnerships established and maintained by the Minister under and in accordance with this section and regulations under subsection (4A);

‘register of succession farm partnerships’ shall be construed in accordance with section 667D(1);

‘several trade’ has the meaning given to it by section 1008.”,

and

(III) substituting the following for the definition of registered farm partnership:

“ ‘registered farm partnership’ means a farm partnership entered on the register;”,

and

(ii) by inserting the following subsection after subsection (1):

“(1A) (a) A primary participant, in relation to a farm partnership, may apply to the Minister to enter the farm partnership on the register and shall comply with all requirements relating to the application specified in regulations made under subsection (4A).

(b) In order to be entered on the register, a farm partnership shall comply with all of the following conditions:

(i) the farm partnership shall exist wholly for the purpose of carrying on the trade of farming;

(ii) the farm partnership agreement shall be in writing and shall:

(I) comply with the Partnership Act 1890;

(II) include information identifying the partners, the farm land farmed by the partnership, relating to their shares in the partnership and to the operation of the partnership;

(III) commit the partners to the agreement to a period of operation as a farm partnership of not less than 5 years,

(iii) subject to subsection (1C), the farm partnership shall have at least 2 members and not more than 10 members;

(iv) no member of the farm partnership shall be a non-active partner;

(v) of the members of the farm partnership—

(I) at least one shall be a person who has been engaged in the trade of farming on farm land owned or leased by that person, consisting of at least 3 hectares of useable farm land, for at least 2 years immediately preceding the date of formation of the partnership, and

(II) other than the person referred to in clause (I), at least one is a natural person and either satisfies the requirements of clause (I) or—

(A) has a qualification in agriculture specified in regulations made under subsection (4A) or, if not so specified a qualification determined by Teagasc - the Agriculture and Food Development Authority, to the satisfaction of the Minister, as being equivalent to a qualification so specified, and

(B) under the terms of the farm partnership, holds an entitlement to at least 20 per cent of the profits of the partnership;

(vi) other than an excluded farm asset, a partner in a farm partnership shall not have an interest in any farm asset outside of the farm partnership at any time during the period of registration of the farm partnership, and for the purposes of this section, farm land owned or leased by a partner but licensed to the farm partnership concerned shall not be treated as the partner having an interest in land outside of the farm partnership;

(vii) any payment arising to a partner in a farm partnership, from the trade of farming for the purposes of the farm partnership agreement is liable to be, and shall be paid by the partner to the farm partnership.".

(iii) by inserting the following subsection after subsection (1A) (inserted by *subparagraph (ii)*):

"(1B) (a) The primary participant shall notify the Minister within 21 days of any change to the farm partnership or its activities and failure to do so shall result in the removal of the partnership from the register from the date of the change unless the Minister is satisfied that—

(i) the change does not affect the farm partnership's eligibility to be entered, and remain on, the register, and

(ii) the failure was neither the result of careless nor deliberate behaviour on the part of the precedent partner and it is remedied without unreasonable delay upon the precedent partner becoming aware of the failure.

(b) (i) The primary participant shall notify the Minister, prior to a new partner joining, or an existing partner ceasing to be a partner in the farm partnership (in this paragraph referred to as an 'alteration'), of the proposed alteration and shall request the Minister to amend the relevant entry on the register accordingly.

(ii) The Minister shall not approve a proposed alteration and amend

the relevant entry on the register under subparagraph (i) unless he or she is satisfied that the farm partnership will continue to comply with the requirements of this section, and that the proposed alteration is made for *bona fide* commercial purposes.",

(iv) by inserting the following subsection after subsection (1B) (inserted by *subparagraph (iii)*):

"(1C) A farm partnership shall not be eligible to be entered on the register if any partner in that partnership—

(a) is a director of a company that is also a partner in that farm partnership, or

(b) has a shareholding in a company—

(i) that is also a partner in that farm partnership, or

(ii) has a shareholding in a company which directly or indirectly has a shareholding in a company which is a partner in that farm partnership.",

(v) by inserting the following subsection after subsection (1C) (inserted by *subparagraph (iv)*):

"(1D) (a) The Minister shall only enter a farm partnership on the register where he or she is satisfied that the farm partnership has met the conditions set out in subsection (1A).

(b) Where the Minister is not satisfied that the farm partnership is continuing to meet the conditions set out in subsection (1A), then the Minister shall remove the partnership from the register with effect from the date upon which the partnership ceased to meet those conditions.

(c) A farm partnership shall stand suspended from the register where an order has been made under section 9 of the Animal Health and Welfare Act 2013, which relates to an area where any part of the farm land of the partnership is situated, but each partner in a partnership that is so suspended shall continue to be treated as a partner in a registered farm partnership for the purposes of subsection (2).".

(vi) in subsection (2)(b), by substituting "2018" for "2015" in both places where it occurs,

(vii) in subsection (3A)(a), in paragraph (ii) of the definition of "qualifying period" by substituting "years of assessment" for "years of assessment where the specified person is not a company",

(viii) in subsection (4) by substituting "2018" for "2015", and

(ix) in subsection (4A)(a)—

(I) by substituting "The Minister," for "The Minister for Agriculture, Food and the Marine (in this subsection referred to as the 'Minister'),"

(II) by substituting "and those regulations may make separate provision for different classes of farm partner and farm partnership and may provide for-" for "and those regulations may provide for-", and

(III) by substituting the following for subparagraphs (i) to (vi):

"(i) different divisions of the register relating to different classes of registered farm partnership,

(ii) the form and manner of, and information and documentation required for, an application for entry on the register,

(iii) the form and manner of registration of a farm partnership on the register,

(iv) the assignment of a unique identifier to a farm partnership entered on the register and purposes for which and conditions subject to which, it may be used,

(v) procedures where subsection (1B) or subsection (1D)(b) applies,

(vi) the agriculture qualifications required by a person for the purposes of subsection (1A)(c),

(vii) conditions relating to what the Minister considers to be an appropriate distance between farm land to be used by the partners in carrying on the several trade, having regard to resources and best agricultural practice, provided that no part shall be more than 75 kilometres from another part, and

(viii) such supplemental, transitional and incidental matters as appear to the Minister to be necessary and appropriate.",

(f) by inserting the following section after section 667C—

"Succession farm partnerships

667D.(1) A primary participant, in relation to a registered farm partnership may apply to the Minister to also enter the registered farm partnership on the register of succession farm partnerships established and maintained under and in accordance with this section and regulations under subsection (7) (in this section referred to as the 'register of succession farm partnerships') and shall comply with all requirements relating to the application so specified.

(2) In order to be entered on the register of succession farm partnerships, a registered farm partnership shall comply with all of the following conditions:

(a) subject to subsections (3) and (4), the farm partnership shall have at least 2 members, each of whom shall be a natural person,

(b) of the members of the farm partnership—

(i) at least one shall comply with clause (I) of section 667C(1A)(b)(v), in so far as that clause refers to owned farm land, (in this section referred to as the 'farmer'), and

(ii) of the others, each member shall not yet have reached 40 years of age and shall comply with subclauses (A) and (B) of section 667C(1A)(b)(v)(II) (in this section referred to as a 'successor'),

(c) the business plan of the farm partnership shall have been submitted to, and approved by, the Minister,

(d) subject to subsection (3)(a), the farmer shall enter an agreement with one or more than one of the successors (in this section referred to as an 'agreement') to transfer or sell at least 80 per cent of the farm assets to which the farm partnership applies, to the successor, or successors, at a time during the period beginning 3 years after and ending 10 years after the date that the application is made under subsection (1), and

(e) the terms of the partnership agreement shall include—

(i) the farm assets of the farm partnership on the day that the application is made under subsection (1),

(ii) any conditions to which the transfer or sale will be subject,

(iii) the year in which the proposed transfer may take place, and

(iv) any other terms agreed between the farmer and successor, or successors, including in relation to the farm assets, the conduct of the farming trade or the creation of any rights of residence in dwellings on the farm land.

(3) Where the farm assets, or an interest in the farm assets, referred to in a succession farm partnership—

(a) are jointly owned prior to the formation of the succession farm partnership, no agreement under subsection (2)(d) shall be made unless each person who jointly owns or jointly holds an interest in the land concerned, gives full and informed consent to the agreement to the transfer of those assets under subsection (2)(d) and joins in the agreement,

(b) are jointly farmed prior to the formation of the succession farm partnership, whether jointly owned or not, any individual who jointly farmed the lands which are to be transferred under subsection (2)(d) with the farmer, may, notwithstanding subsection (2)(a), become a partner in the partnership notwithstanding that that individual would be a non-active partner.

(4) Where the farmer wishes to form a succession farm partnership with

both the successor and that successor's spouse or civil partner then that spouse or civil partner may become a partner in the partnership notwithstanding that that individual would be a non-active partner and the agreement under subsection (2)(d) may provide for the joint transfer or sale of the farm assets concerned to both a successor and that successor's spouse or civil partner.

(5) (a) The Minister shall only enter a farm partnership on the register of succession farm partnerships where he or she is satisfied that the farm partnership has met the conditions set out in subsection (2).

(b) Where the Minister is not satisfied that the farm partnership is continuing to meet the conditions set out in subsection (2), then the Minister shall remove the partnership from the register of succession farm partnerships with effect from the date upon which the partnership ceased to meet those conditions.

(6) (a) Subject to paragraph (b), for the year of assessment in which the farm partnership is registered as a succession farm partnership and the 4 years of assessment immediately following that year of assessment, each partner in that partnership shall be entitled to a tax credit (to be known as the 'succession tax credit') of the lesser amount of—

(i) €5,000 per year of assessment divided between the partners in accordance with their profit sharing ratio under their partnership agreement, or

(ii) the assessable profits (after deducting any capital allowances related to that trade) of that partner's several trade.

(b) No partner in a succession farm partnership shall be entitled to the succession tax credit in a year of assessment where a successor has attained the age of 40 years at the commencement of that year of assessment.

(c) If the farm assets are not transferred in accordance with the agreement under subsection (2)(d) then, subject to paragraphs (d) and (e), the farmer shall be deemed to have paid an annual payment, to which section 238 applies, of €125,000, or such lower amount as would result in the tax due under section 238 equalling the succession tax credit claimed by all partners, in the latest year of assessment in which the transfer could have taken place.

(d) If it is shown to the satisfaction of a Revenue officer that the farm assets would have been transferred in accordance with subsection (2)(d) but the successor was no longer willing to proceed in accordance with the agreement under that subsection, then paragraph (c) shall apply as if references to the farmer were references to the successor.

(e) If it is shown to the satisfaction of a Revenue officer that the farm assets were not transferred because of mutual agreement between the farmer and the successor, then each partner shall be deemed to have paid an annual payment in an amount that would result in the tax due pursuant to section 238 equalling the succession tax credit claimed by that partner, in the year of assessment in which the mutual agreement not to transfer the farm assets takes place.

(7) The Minister, having consulted and obtained the approval of the Minister for Finance, may, by regulations, establish and maintain a register of succession farm partnerships and those regulations may provide for—

(a) the form and manner of, and information and documentation required for, an application for entry on the register of succession farm partnerships, and in particular, the form and content of the business plan referred to in subsection (2)(c), and agreements and other evidence required to satisfy the Minister regarding compliance with subsection (2)(d) or (e),

(b) the form and manner of registration of a succession farm partnership on the register of succession farm partnerships,

(c) the assignment of an identifier to a succession farm partnership the purposes for which and conditions subject to which, it may be used and any link to the unique identifier referred to in section 667C (4A)(iv), and

(d) such supplemental and incidental matters as appear to the Minister to be necessary and appropriate.",

(g) by inserting the following section after section 667D (inserted by *paragraph (f)*)—

"Authorised officers

667E. (1) In this section—

'relevant statutory provisions' means sections 667C and 667D;

'person in charge' means, in relation to a place, any of the following:

(a) the owner;

(b) the person under whose direction and control the activities at that place are being conducted;

(c) the person whom the authorised officer has reasonable grounds for believing is in control of that place;

(d) the driver of a vehicle;

'place' includes a vehicle or any attachment to a vehicle.

(2) (a) The Minister may appoint such and so many persons as he or she considers appropriate to be authorised officers for the purposes of

the enforcement of the relevant statutory provisions.

(b) Authorised officers appointed under paragraph (a) shall be furnished by the Minister with a warrant of their appointment as an authorised officer.

(c) When exercising a power under this section, an authorised officer shall, if requested by a person affected, produce the warrant of his or her appointment, or a copy of it, to that person and a form of personal identification.

(d) An appointment under this section may be revoked at any time by the Minister.

(3) An authorised officer shall, for the purposes of the relevant statutory provisions, have power to do any one or more of the following:

(a) subject to subsection (4), at all reasonable times enter, inspect, examine and search any lands or place to which the authorised officer has reasonable grounds for believing that this section applies, including for the purpose of surveying or mapping any land for any purpose under those provisions;

(b) while on the lands or at the place referred to in paragraph (a), may inquire into, search, examine and inspect any records relating to the operation of the farm partnership, registered farm partnership or, as the case may be, succession farm partnership;

(c) inspect and take copies of or extracts from any such records or any electronic information system at that place, including in the case of information in a non-legible form, copies of or extracts from such information in a permanent legible form or require that such copies be provided;

(d) require the person in charge to give the authorised officer such information as the authorised officer may reasonably require for the purposes of any search, examination, investigation, inspection or inquiry under those provisions, including the name and address of the owner or manager of the lands;

(e) require any person whom the authorised officer reasonably believes to be able to give to the authorised officer information relevant to any search, examination, investigation, inspection or inquiry under those provisions to answer such questions as the authorised officer may reasonably require relative to the search, examination, investigation, inspection or inquiry and to sign a declaration of the truth of the answers.

(4) An authorised officer shall not enter a dwelling other than—

(a) with the consent of the occupier, or

(b) in accordance with a warrant of the District Court issued under

subsection (6) authorising such entry.

(5) Where an authorised officer, in the exercise of his or her powers under this section, is prevented from entering any place or lands, an application may be made to the District Court for a warrant under subsection (6) authorising such entry.

(6) Without prejudice to the powers conferred on an authorised officer under this section, if a judge of the District Court is satisfied, by information on oath by an authorised officer that there are reasonable grounds for believing that—

(a) there is anything at any place or any records (including documents stored in a non-legible form) or information relating to a place or lands that the authorised officer requires to inspect for the purposes of the relevant statutory provisions, held at any place, or

(b) there is, or such an inspection is likely to disclose, evidence of a contravention of the relevant statutory provisions,

the judge may issue a warrant authorising an authorised officer, accompanied by such other authorised officers or such other competent persons as may be appropriate, at any time or times, within one month from the date of issue of the warrant, on production of the warrant if requested, to enter the place or lands, if necessary by the use of reasonable force, and perform the functions conferred on an authorised officer under the relevant statutory provisions.

(7) Where an authorised officer has reasonable grounds for apprehending any serious obstruction in the performance of his or her functions or otherwise considers it necessary, the officer may be accompanied by other authorised officers or any other person authorised by the Minister for this purpose, when performing any functions conferred on him or her by or under the relevant statutory provisions.",

(h) by inserting the following section after section 667E (inserted by *paragraph (g)*):

"Appeals officer

667F.(1) The Minister may appoint a person to be an appeals officer (in this section and section 667G referred to as an 'appeals officer') for the purposes of an appeal under section 667G.

(2) An appeals officer shall be either a practising solicitor or a practising barrister, either of whom shall have not less than 5 years experience.

(3) A solicitor or barrister in the full-time service of the State shall not be an appeals officer.

(4) An appeals officer shall—

(a) hold office for a term of 3 years and, subject to subsection (6), shall be eligible for reappointment on the expiry of that term of office,

(b) be independent in the performance of his or her functions,

(c) be paid such fees and allowances for expenses as the Minister, with the consent of the Minister for Public Expenditure and Reform, may determine, and

(d) at such intervals and in relation to such periods as are specified by the Minister, submit a report in writing to the Minister in relation to the performance of his or her functions as an appeals officer during the period to which the report refers.

(5) An appeals officer may—

(a) resign from office by letter addressed to the Minister and the resignation shall take effect on the date on which the Minister receives the letter, or

(b) be removed from office by the Minister where in the opinion of the Minister the appeals officer—

(i) has become incapable through ill-health of effectively performing his or her functions under this section, or

(ii) has committed stated misbehaviour.

(6) An appeals officer may not serve more than two consecutive terms of office.

(7) The appeals officer may, in consultation with the Minister, establish the procedures to be followed by him or her regarding—

(a) the holding of a hearing,

(b) the examination by the appeals officer of the parties to the appeal or other persons,

(c) requests by the appeals officer for information or further information, for the purposes of the appeal, from the parties to the appeal or other persons,

(d) provision by the appeals officer to the parties to the appeal of all information for the purposes of the appeal, received by the appeals officer, and

(e) any other matter as the appeals officer considers appropriate for the proper performance by the appeals officer of his or her functions.

(8) The Minister shall, subject to the provisions of any enactment or rule of law, indemnify an appeals officer appointed by the Minister in respect of any act done or omitted to be done by him or her in the performance or purported performance of his or her functions as such appeals officer, unless the act or omission concerned was done in bad faith.",

and

(i) by inserting the following after section 667F (inserted by *paragraph (h)*):

"Appeals

667G.(1) The Minister shall give notice in writing to the primary participant concerned of his or her decision—

(a) to refuse to enter, under section 667C(1D)(a), the farm partnership on the register,

(b) to refuse to enter, under section 667D(5)(a), the farm partnership on the register of succession farm partnerships,

(c) to remove, under section 667C(1B)(a), the farm partnership from the register,

(d) not to amend an entry on the register under section 667C(1B)(b),

(e) to refuse to approve the business plan of a farm partnership for the purposes of section 667D(2)(c),

(f) to remove, under section 667C(1D)(b), the farm partnership from the register, or

(g) to remove, under section 667D(5)(b), the farm partnership from the register of succession farm partnerships.

(2) A notice under subsection (1) shall—

(a) include reasons for the decision,

(b) inform the primary participant that—

(i) he or she may appeal the decision, in writing, within 21 days of the date of the notice to the appeals officer, and

(ii) the notice of appeal shall specify the grounds for the appeal,

and

(c) inform the primary participant that the decision shall be suspended until—

(i) the decision becomes final under subsection (3), or

(ii) the disposal of an appeal under this section.

(3) If, on the expiration of the period of 21 days beginning on the date of the notice under subsection (2), no appeal under this section is made by the primary participant, the Minister's decision under subsection (1) is final.

(4) A notice of appeal shall comply with subsection (2)(b) and shall be accompanied by such fee as may be determined by the Minister from time to time and published in such manner as the Minister considers appropriate, including on the internet.

(5) For the purposes of an appeal the appeals officer—

(a) shall notify the Minister of the appeal,

(b) shall request submissions from the parties to the appeal and they shall furnish the submissions to the appeals officer within the period, which shall be not less than 7 days, specified in the request,

(c) following consideration of the submissions, may hold a hearing, and

(d) may request information from the parties to the appeal, or any other person as the appeals officer considers necessary for the proper performance of his or her functions and the parties to the appeal, or other person as the case may be, shall furnish the information to the appeals officer within the period specified in the request.

(6) If a hearing is held—

(a) each of the parties to the appeal is entitled to be heard at the hearing, and

(b) the appeals officer may adjourn the hearing of the matter at any stage in the proceedings until a date specified by the appeals officer.

(7) In considering an appeal under this section the appeals officer shall consider—

(a) submissions from the parties to the appeal,

(b) the evidence presented at any hearing of the matter, and

(c) all information furnished to the appeals officer.

(8) On completion of his or her consideration of the appeal the appeals officer shall make a decision determining the appeal as soon as practicable in all the circumstances of the case, and in any case not more than 42 days after the date of the notice of appeal, which may be a decision to—

(a) affirm the decision of the Minister, or

(b) quash the decision of the Minister and allow the appeal.

(9) The appeals officer shall notify the parties to the appeal of the decision under subsection (8) as soon as practicable after it is made.

(10) (a) A party to the appeal may apply to the High Court regarding a decision of the appeals officer on a point of law and the determination of the High Court on such an appeal shall be final and conclusive.

(b) An application to the High Court under paragraph (a) shall be made not later than 14 days after the notification, under subsection (9), to the parties of the decision of the appeals officer.".

(3) Section 851A(8) of the Principal Act is amended—

(a) in paragraph (j), by substituting "enactment," for "enactment, and",

(b) in paragraph (k), by substituting "purpose, and" for "purpose.", and

(c) by inserting the following after paragraph (k):

"(l) where it relates to a failure, by a registered farm partnership, within the meaning of section 667C, to continue to meet conditions set out in section 667C(1A) or 667D(2), as the case may be, and the information is disclosed only to the Minister for Agriculture, Food and the Marine.".

(4) Regulations made under section 667C(4A) and in force immediately before the commencement of *subsection (2)* shall continue in force as if they were regulations made under subsection (4A) amended under *subsection (2)* and may be amended or revoked accordingly.

(5) *Paragraph (f)* of *subsection (2)* shall come into operation on such day or days as the Minister for Finance may by order or orders appoint.

Petroleum production tax

20. The Principal Act is amended in Part 24 by inserting the following Chapter after Chapter 3:

"Chapter 4

Petroleum production tax

Interpretation and application (Chapter 4)

696G. (1) In this Chapter—

'cumulative field costs', in relation to a relevant period of a company in respect of a taxable field, means the aggregate of field costs—

(a) for that relevant period, and

(b) for any preceding relevant period;

'cumulative field gross revenue', in relation to a relevant period of a company in respect of a taxable field, means the aggregate of the gross revenues—

(a) for that relevant period, and

(b) for any preceding relevant period,

less the aggregate petroleum production tax payable by the company in respect of the same taxable field for all preceding relevant periods;

'eligible expenditure', in relation to a relevant period of a company in respect of a taxable field, means the aggregate of the amounts of—

(a) all expenditure, including exploration and development expenditure

wholly and exclusively incurred by the company in the carrying on of petroleum activities for the relevant period in respect of a taxable field,

(b) all expenditure, including exploration and development expenditure wholly and exclusively incurred by the company in the carrying on of petroleum activities in respect of any preceding relevant period where such expenditure was not previously allowed as a deduction in computing petroleum production tax, and

(c) all abandonment expenditure where an allowance may be claimed by reference to the provisions of section 695;

'field costs', in relation to a relevant period of a company in respect of a taxable field, means the aggregate of all expenditure, including exploration expenditure, development expenditure and transportation expenditure, wholly and exclusively incurred by the company in the carrying on of petroleum activities in respect of that taxable field;

'gross revenue' means all sales of petroleum extracted for a relevant period from a taxable field including any amounts derived from the assignment, disposal or sale of any assets, interests, options or rights attaching to or related to a taxable field;

'net income', in relation to a relevant period of a company in respect of a taxable field, means the gross revenue less eligible expenditure incurred in respect of that taxable field;

'petroleum production tax' has the meaning given to it by section 696H;

'relevant period' means an accounting period or part of an accounting period which commences on or after 18 June 2014;

'R factor' in relation to a relevant period of a company in respect of a taxable field, means an amount determined by the formula—

$$\frac{A}{B}$$

where—

A is the cumulative field gross revenue of the company in respect of the taxable field in relation to that relevant period, and

B is the cumulative field costs of the company in respect of the taxable field in relation to that relevant period;

'specified licence' means—

(a) an exploration licence (other than a licence arising from the exercise of a licensing option issued prior to 18 June 2014),

(b) a reserved area licence, or

(c) a licensing option,

that is granted on or after 18 June 2014;

'taxable field' means an area which was the subject of a specified licence and which is now the subject of a petroleum lease;

'transportation expenditure' means expenses incurred wholly and exclusively on the transportation of petroleum via pipeline from the taxable field to a place where it is first landed in the State or if produced on a platform, from the wellhead to the carrier if the carrier serves as the point of export.

(2) In this Chapter, section 684 shall apply subject to the modification that the section shall be read, as if references to expenditure and activities carried on under a licence within the meaning of section 684, are references to expenditure and activities carried on under a specified licence and to any other necessary modifications.

(3) For the purposes of applying this Chapter—

(a) where a part of an accounting period of a company is a relevant period, all amounts referable to the accounting period shall be apportioned, on the basis of the proportion which the length of the relevant period bears to the length of the accounting period of the company, for the purpose of ascertaining any amount required to be taken into account in respect of the relevant period, and

(b) expenditure incurred on or after 18 June 2014 by a company in an area which is not a taxable field but which subsequently becomes a taxable field (or part of such a field) shall be treated as if it had been incurred by the company on the day on which the area first becomes a taxable field (or part of such a field).

Charge to petroleum production tax

696H. (1) (a) An additional duty (in this Chapter referred to as a 'petroleum production tax') shall be charged for each taxable field in a relevant period of a company and the amount so charged shall be an amount calculated in accordance with paragraph (b).

(b) The amount calculated in accordance with this paragraph shall be the greater of—

(i) 5 per cent of the gross revenue less transportation expenditure,

or

(ii) (I) 10 per cent of the net income, where the R factor in relation to a taxable field is equal to 1.5,

(II) an amount determined by the formula—

$$10 \text{ per cent} + \left\{ \frac{(\text{R factor} - 1.5) \times (40 \text{ per cent} - 10 \text{ per cent})}{(4.5 - 1.5)} \right\}$$

multiplied by the net income, where the R factor in relation to a taxable field is greater than 1.5 and less than 4.5, or

(III) 40 per cent of the net income, where the R factor in relation to a taxable field is equal to or greater than 4.5.

(2) For the purpose of calculating petroleum production tax for a relevant period, section 696 shall apply as if the provisions of that section were extended to petroleum related assets.

(3) No charge to profit resource rent tax under section 696C shall apply to a taxable field to which this section applies.

Petroleum production tax and corporation tax

696I. In computing the amount of profits or gains to be charged to corporation tax a company shall be entitled to claim a deduction in respect of any petroleum production tax payable in respect of any taxable field for that relevant period.

Provisions relating to groups

696J. (1) Where eligible expenditure in respect of a taxable field is incurred by a company (in this section referred to as the 'first company'), and

(a) another company is a wholly-owned subsidiary of the first company, or

(b) the first company is, at the time the eligible expenditure is incurred, a wholly-owned subsidiary of another company (in this section referred to as the 'parent company'),

then, the expenditure or so much of it as the first company specifies, may at the election of that company be deemed to be eligible expenditure in respect of the taxable field incurred—

(i) in the case referred to in paragraph (a), by such other company (being a wholly-owned subsidiary of the first company) as the first company specifies, and

(ii) in the case referred to in paragraph (b), by the parent company or by such other company (being a wholly-owned subsidiary of the parent company) as the first company specifies.

(2) Where under subsection (1) eligible expenditure incurred by a first company is deemed to have been incurred by another company (in this subsection referred to as the 'other company')—

(a) the expenditure shall be deemed to have been incurred by the other company at the time at which the expenditure was actually incurred by the first company, and

(b) in the application of this Chapter the expenditure shall be deemed—

(i) to have been incurred by the other company for the purposes of determining the cumulative field costs of that company, and

(ii) not to have been incurred by the first company for the purposes of determining the cumulative field costs of that company.

(3) The same expenditure shall not be taken into account in relation to the determination of cumulative expenditure for more than one taxable field by virtue of this section.

(4) Subsection (5) of section 694 applies for the purposes of subsection (1) as it applies for the purposes of that subsection.

Returns

696K.(1) In this section 'prescribed form' means a form prescribed by the Revenue Commissioners or a form used under the authority of the Revenue Commissioners.

(2) A company carrying on petroleum activities in a taxable field shall, in addition to the return required to be delivered under section 959I, prepare and deliver to the Collector-General on or before the specified return date, within the meaning of Part 41A, for the relevant period a full and true statement in a prescribed form of the details required by the form in respect of—

(a) the amounts constituting the aggregate of the cumulative field costs for each field,

(b) the amounts constituting the aggregate of the cumulative field gross revenue for each field,

(c) the breakdown of the amounts specified in paragraphs (a) and (b), and

(d) the amount of petroleum production tax payable in respect of each field,

and of such further particulars in relation to this Chapter as may be required by the prescribed form.

(3) A statement required under this section shall be made by electronic means and the relevant provisions of Chapter 6 of Part 38 shall apply.

(4) An officer of the Revenue Commissioners may make such enquiries or take such actions within his or her powers as he or she considers necessary for the purposes of determining the accuracy or otherwise of any details or particulars contained in the statement referred to in subsection (2).

(5) Subsection (5) of section 959I and subsections (2) and (3) of section 959O shall apply to a statement required to be delivered under this section as they apply to a return required to be delivered under

Chapter 3 of Part 41A, and for that purpose a reference in those subsections to a return, other than a reference to the specified return date for the chargeable period, shall be construed as a reference to a statement under this section.

(6) Section 1052 shall apply to a failure by a person to deliver a statement under this section or the details or particulars referred to in subsection (2) as it applies to a failure to deliver a return referred to in section 1052.

(7) Section 1077E shall apply to an incorrect statement delivered under this section as it applies to an incorrect return or statement of a kind mentioned in any of the provisions specified in column 1 of Schedule 29.

Payment of tax

696L. Petroleum production tax appropriate to a relevant period is due and payable on or before the day on which a company carrying on petroleum activities in a taxable field is required to deliver a return, under section 959I, for that relevant period.

Collection and general provisions

696M. (1) The provisions of Part 41A relating to—

(a) assessments to corporation tax, and

(b) the collection and recovery of corporation tax,

shall apply in relation to petroleum production tax as they apply to corporation tax charged otherwise than under this Chapter.

(2) Section 1080 shall apply, with any necessary modifications, to any tax due and payable under this section as if it was an amount of corporation tax due and payable for the relevant period.

(3) (a) Subject to paragraph (b), a company aggrieved by an assessment made on the company under this Chapter may appeal the assessment to the Appeal Commissioners, in accordance with section 949I, within the period of 30 days after the date of the notice of assessment.

(b) Where, in accordance with this section, a company is required to make a return and account for petroleum production tax to the Collector-General, no appeal lies against an assessment until such time as the company makes the return and pays or has paid the amount of the petroleum production tax payable on the basis of that return.".

Amendment of Chapter 1 of Part 33 of Principal Act (anti-avoidance)

21. (1) Chapter 1 of Part 33 of the Principal Act is amended—

(a) in section 806 by inserting the following after subsection (10):

"(11) (a) For the purposes of this subsection—

'non-resident person' means a person resident or domiciled out of the State as referred to in subsection (3) or (5);

'relevant Member State' means a state, other than the State, which is a Member State of the European Union, or not being such a Member State, a state which is a contracting party to the Agreement on the European Economic Area signed at Oporto on 2 May 1992 as adjusted by the Protocol signed at Brussels on 17 March 1993;

'relevant transactions' has the same meaning as it has in subsection (10).

(b) Where a non-resident person is resident in a relevant Member State, subsection (10) shall apply as if the following were substituted for paragraphs (b), (c), (d) and (e) of that subsection:

'(b) Subsections (4) and (5) shall not apply where the individual concerned shows in writing or otherwise to the satisfaction of the Revenue Commissioners that—

(i) it would not be reasonable to draw the conclusion that the relevant transactions form part of any arrangement or scheme of which the main purpose is, or one of the main purposes is, the avoidance of a liability to tax, and

(ii) genuine economic activities are carried on by the non-resident person in the relevant Member State.'.",

(b) in section 807 by deleting subsection (5), and

(c) in section 807A—

(i) by deleting subsection (5), and

(ii) in subsection (7) by substituting ", (10) and (11)" for "and (10)".

(2) *Paragraphs (b)* and *(c)(i)* of *subsection (1)* shall apply to income arising on or after 1 January 2016.

Amendment of Schedule 2 to Principal Act (machinery for assessment, charge and payment of tax under Schedule C and, in certain cases, Schedule D)

22. Schedule 2 to the Principal Act is amended in Part 4 by substituting "46 days" for "20 days" in paragraph 15(1).

Amendment of section 730E of Principal Act (declarations)

23. (1) Section 730E(2) of the Principal Act is amended by deleting "at or about the time of the inception of the life policy" in paragraph (a).

(2) (a) *Subsection (1)* shall apply to any life policy (within the meaning of Part 26 of the Principal Act) commenced on or after 1 May 2006.

(b) As respects chargeable events occurring on or prior to 31 December 2015 in relation to policies referred to in paragraph (a), section 865(4) of the Principal Act shall apply as if the reference in that subsection to the making of a claim within 4 years after the end of the chargeable period to which the claim relates was a reference to the making of a claim within 4 years after the end of the chargeable period ending on 31 December 2016.

Charities Regulatory Authority and Common Investment Fund

24. (1) The Principal Act is amended by inserting the following section after section 207:

"207A. (1) In this section—

'Fund' means the Common Investment Fund (formerly known as the 'The Commissioners Common Investment Fund') established by the Commissioners of Charitable Donations and Bequests for Ireland under section 46 of the Charities Act 1961 with effect from 23 April 1985 and vested in the Charities Regulatory Authority on the establishment of that Authority on 16 October 2014;

'relevant income' means the income of the Fund.

(2) The Charities Regulatory Authority shall, in relation to relevant income, be deemed to be a body that has made a claim for, and has been granted, such exemption from income tax as is to be allowed under section 207.".

(2) This section shall have effect on and from 16 October 2014.

Amendment of Part 18 of Principal Act (payments in respect of professional services by certain persons and payments to subcontractors in certain industries)

25. Part 18 of the Principal Act is amended—

(a) in section 530(1) by inserting the following definition:

" 'designated area' has the meaning assigned to it by section 13(1);",

and

(b) in section 530(4) by inserting "or in a designated area" after "carried out in the State".

Amendment of Part 27 of Principal Act (unit trusts and offshore funds)

26. Chapter 1 of Part 27 of the Principal Act is amended in section 734(1)(a) in the definition of "collective investment undertaking"—

(a) by substituting "undertaking," for "undertaking, and" in subparagraph (iii),

(b) by substituting "investors," for "investors;" in subparagraph (iv)(II)(B)(cc), and

(c) by inserting the following after subparagraph (iv):

"and

(v) an authorised ICAV (within the meaning of section 2 of the Irish Collective Asset-management Vehicles Act 2015 (No. 2 of 2015));".

Industrial building allowances: aviation services facilities

27. (1) The Principal Act is amended—

(a) in section 268—

(i) in subsection (1F), by substituting "then, notwithstanding that subsection, that capital expenditure shall not, as regards a claim for any allowance under this Part by any such person, be regarded as specified capital expenditure for the purposes of this Part," for "then, notwithstanding that subsection, that building or structure shall not, as regards a claim for any allowance under this Part by any such person, be regarded as an industrial building or structure for the purposes of this Part,",

(ii) by substituting the following for subsection (5A):

"(5A) Subject to subsection (5C), expenditure incurred by a person on the construction of an industrial building or structure (within the meaning of subsection (1)(n)) shall be treated as specified capital expenditure for the purposes of this Part—

(a) only to the extent that the aggregate of such expenditure does not exceed—

(i) €5,000,000, where the person concerned is a company, and

(ii) €1,250,000, where the person concerned is an individual,

and

(b) where the following information has been provided to the Revenue Commissioners before the first claim for a writing-down allowance is made, in accordance with section 272, by the person:

(i) the name, address and tax reference number (within the meaning of section 477B(1)) of the person making the claim;

(ii) the address of the building or structure in respect of which the expenditure was incurred or deemed to have been incurred;

(iii) details of the aggregate of the amount of such expenditure which has been incurred or deemed to have been incurred by the person making the claim.",

(iii) in subsection (5B)—

(I) by substituting "subsection (5A)(b)" for "subsection (5A)(c)", and

(II) by substituting "necessary to ensure compliance with the provisions of this Part and any European Commission guidelines, regulations or other reporting requirements, as the case may be, that may be relevant." for "reasonably related to achieving the following objective.",

(iv) by substituting the following for subsection (5C):

"(5C) Where capital expenditure has been incurred, or deemed to have been incurred, on the construction of an industrial building or structure (within the meaning of subsection (1)(n)) by 2 or more persons, being either individuals or companies, or both, the amount of such expenditure which is to be treated as specified capital expenditure for the purposes of this Part shall, if necessary and notwithstanding section 279, be reduced such that the amount determined by the formula—

(A x 50 per cent) + (B x 12½ per cent)

does not exceed €625,000, where—

A is the aggregate of all such specified capital expenditure which has been incurred, or deemed to have been incurred, by the individual or individuals concerned, and

B is the aggregate of all such specified capital expenditure which has been incurred, or deemed to have been incurred, by the company or companies concerned.",

(v) by deleting subsections (5D) and (5E),

(vi) in subsection (9), by substituting the following for paragraph (k):

"(k) by reference to paragraph (n), as respects—

(i) specified capital expenditure incurred in the period commencing on the date of the coming into operation of section 31 of the Finance Act 2013 and ending on the fifth anniversary of that date, and

(ii) capital expenditure other than specified capital expenditure incurred on or after the date of the coming into operation of section 31 of the Finance Act 2013.",

and

(vii) by inserting the following after subsection (11):

"(11A) Notwithstanding any other provision of this Part, capital expenditure which has been incurred on the construction of an industrial building (within the meaning of subsection (1)(n)) shall not be treated as specified capital expenditure where any part of that expenditure has been or is to be met, directly or indirectly, by grant assistance or any other assistance which is granted by or through the State, any board established by statute, any public or local authority or any other

agency of the State.",

(b) in section 272—

(i) by substituting the following for paragraph (k) of subsection (3):

"(k) in relation to a building or structure which is to be regarded as an industrial building or structure within the meaning of paragraph (n) of section 268(1)—

(i) 15 per cent of the expenditure referred to in subsection (2)(c), if that expenditure is specified capital expenditure, and

(ii) 4 per cent of the expenditure referred to in subsection (2)(c), if that expenditure is not specified capital expenditure.",

and

(ii) by substituting the following for paragraph (k) of subsection (4):

"(k) in relation to a building or structure which is to be regarded as an industrial building or structure within the meaning of paragraph (n) of section 268(1)—

(i) where the expenditure is specified capital expenditure, 7 years beginning with the time when—

(I) the building or structure was first used, or

(II) where the expenditure is incurred on refurbishment, the building or structure was first used subsequent to the incurring of that expenditure,

and

(ii) where the expenditure is not specified capital expenditure, 25 years beginning with the time when—

(I) the building or structure was first used, or

(II) where the expenditure is incurred on refurbishment, the building or structure was first used subsequent to the incurring of that expenditure.",

(c) in section 274(1)(b) by substituting the following for subparagraph (x):

"(x) in relation to a building or structure which is to be regarded as an industrial building or structure within the meaning of paragraph (n) of section 268(1)—

(I) where the expenditure is specified capital expenditure—

(A) 7 years after the building or structure was first used, or

(B) where the expenditure is incurred on refurbishment of the building or structure, 7 years after the building or structure was first used subsequent to the incurring of

that expenditure,

and

(II) where the expenditure is not specified capital expenditure—

(A) 25 years after the building or structure was first used, or

(B) where the expenditure is incurred on refurbishment of the building or structure, 25 years after the building or structure was first used subsequent to the incurring of that expenditure.",

and

(d) in Schedule 25B—

(i) by substituting the following for clause (VIII) of paragraph (a)(i) of the matter set out opposite reference number 13:

"(VIII) section 268(1)(n) (inserted by the Finance Act 2013) to the extent that the writing-down allowances are referable to specified capital expenditure (within the meaning of section 268),",

and

(ii) by substituting the following for clause (VIII) of paragraph (a)(i) of the matter set out opposite reference number 15:

"(VIII) section 268(1)(n) (inserted by the Finance Act 2013) to the extent that the balancing allowances are referable to specified capital expenditure (within the meaning of section 268),".

(2) Section 31 of the Finance Act 2013 is amended by substituting the following for subsection (2):

"(2) This section comes into operation on 13 October 2015.".

(3) Section 33 of the Finance Act 2014 is amended by substituting the following for subsection (2):

"(2) This section comes into operation on 13 October 2015.".

Amendment of section 1035A of Principal Act (relieving provision to section 1035)

28. Section 1035A of the Principal Act is amended in subsection (1)—

(a) by inserting the following definitions:

" 'AIF' has the same meaning as in section 747G;

'AIFM' has the same meaning as in section 747G;

'branch or agency' has the same meaning as in section 4;

'EEA state' has the same meaning as in section 747B;

'relevant AIFM Directives' has the same meaning as in section 747G;",

and

(b) in the definition of "authorised agent"—

(i) by substituting "revoked," for "revoked, or" in paragraph (b), and

(ii) by inserting the following after paragraph (c):

"or

(d) an AIFM authorised—

(i) under any laws of the State which implement the relevant AIFM Directives, or

(ii) under the laws of an EEA state and which manages one, or more than one, AIF through a branch or agency in the State,".

Amendment of Part 36 of Principal Act (miscellaneous special provisions)

29. Part 36 of the Principal Act is amended by inserting the following after section 845B:

"Treatment of Additional Tier 1 instruments

845C. (1) In this section—

'Additional Tier 1 instrument' means an instrument which qualifies, or has qualified, as an Additional Tier 1 instrument under Article 52 of the Capital Requirements Regulation;

'Capital Requirements Regulation' means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013[21] on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012[22];

'coupon' means a distribution, within the meaning of Article 4 of the Capital Requirements Regulation, in respect of an Additional Tier 1 instrument.

(2) For the purposes of the Tax Acts, an Additional Tier 1 instrument shall be regarded as a debt instrument.

(3) For the purposes of the Tax Acts, a coupon in respect of an Additional Tier 1 instrument—

(a) shall be regarded as interest, and

(b) shall not be regarded as a distribution or a charge on income.

(4) Section 64 shall apply, with any necessary modifications, to an Additional Tier 1 instrument as it applies to a quoted Eurobond.

21 OJ No. L176, 27.6.2013, p.1
22 OJ No. L201, 27.7.2012, p.1

(5) This section shall not apply to an Additional Tier 1 instrument that forms part of any arrangement or scheme the main purpose, or one of the main purposes, of which is avoidance of liability to tax.".

Chapter 5

Corporation Tax

Amendment of section 486C of Principal Act (relief from tax for certain start-up companies)

30. Section 486C of the Principal Act is amended in subsection (2)(a) by substituting "31 December 2018" for "31 December 2015".

Amendment of section 765 of Principal Act (allowances for capital expenditure on scientific research)

31. Section 765 of the Principal Act is amended—

(a) in subsection (1), by substituting the following paragraph for paragraph (d):

"(d) so applies—

(i) in the case where the expenditure was incurred while carrying on the trade, within 24 months after the end of the chargeable period in which it was incurred, or

(ii) in the case where the expenditure was incurred before the setting up and commencement of the trade, within 24 months after the end of the chargeable period in which the trade was set up and commenced,

and any asset representing such capital expenditure on scientific research is in use for the purposes of scientific research at the end of the chargeable period,",

and

(b) in subsection (4) by inserting "or any subsequent" after "284 for that".

Amendment of Part 29 of Principal Act (patents, scientific and certain other research, know-how and certain training)

32. (1) The Principal Act is amended—

(a) in Part 29 by inserting the following Chapter after Chapter 4:

"Chapter 5

Taxation of companies engaged in knowledge development

Interpretation and general

769G. (1) In this Chapter—

'accounting period' in relation to a company, means an accounting period determined in accordance with section 27;

'acquisition costs', in relation to expenditure incurred on a qualifying asset, means the expenditure incurred on the acquisition of intellectual property, or rights over intellectual property, where that intellectual property is reflected in the value of the qualifying asset, but where expenditure incurred on acquiring the intellectual property is incurred otherwise than by means of a bargain made at arm's length, that acquisition shall, for the purposes of this Chapter, be deemed to be for a consideration equal to the open market value of the intellectual property;

'group' means a company and all of its 51 per cent subsidiaries;

'group outsourcing costs', in relation to a qualifying asset, means any amount incurred in carrying on research and development activities which results in a qualifying asset, where that amount is not qualifying expenditure but would be qualifying expenditure on a qualifying asset—

(a) if the research and development activities were carried on in a Member State, or

(b) but for subsection (2)(b)(iii) or (vi),

and shall not include any amount of qualifying expenditure or acquisition costs;

'intellectual property', other than for the purposes of the definition of 'acquisition costs' or 'marketing-related intellectual property' in this subsection and without prejudice to section 769R, means—

(a) a computer program, within the meaning of the Copyright and Related Rights Act 2000, but, where a computer program is a derivative work or adaptation, the portion of the computer program that represents the derivative work or the adaptation of the original work and the original work shall be treated as two separate computer programs, or

(b) an invention protected by—

(i) a qualifying patent,

(ii) any supplementary protection certificate issued under Council Regulation (EC) No. 469/2009 of 6 May 2009[23] concerning protection for medicinal products or any such certificate extended in accordance with Article 36 of Regulation (EC) 1901/2006,

(iii) any supplementary protection certificate issued under Regulation (EC) No. 1610/96 of the European Parliament and of

23 OJ No. L152, 16.6.2009, p.1

the Council of 23 July 1996[24] concerning protection for plant protection products, or

(iv) any plant breeders' rights within the meaning of section 4 of the Plant Varieties (Proprietary Rights) Act 1980;

'interest', unless the context otherwise requires, includes any interest payable on a debt instrument, any discount on the issue of such an instrument, and any premiums paid or payable on redemption of such an instrument, or on the capital represented by such an instrument;

'marketing-related intellectual property' includes trademarks, brands, image rights and other intellectual property used to market goods or services;

'Member State' has the same meaning as 'relevant Member State' has in section 766;

'overall expenditure on the qualifying asset', means—

(a) the qualifying expenditure incurred in relation to that qualifying asset, and

(b) the aggregate of the acquisition costs and the group outsourcing costs relating to that qualifying asset, incurred in any accounting period;

'overall income from the qualifying asset' means the following amounts arising in respect of an accounting period—

(a) any royalty or other sums in respect of the use of that qualifying asset,

(b) where the sales price of a product or service, excluding both duty due or payable and any amount of value-added tax charged in the sales price, includes an amount which is attributable to a qualifying asset, such portion of the income from those sales as, on a just and reasonable basis, is attributable to the value of the qualifying asset,

(c) any amount for the grant of a licence to exploit that qualifying asset, and

(d) any amount of insurance, damages or compensation in relation to the qualifying asset,

where that amount is taken into account in computing, for the purposes of assessment to corporation tax, the profits of a trade, and overall income from qualifying assets shall be construed accordingly;

'qualifying asset' means an asset which is intellectual property, other than marketing-related intellectual property, and which is the result of research and development activities;

24 OJ No. L198, 8.8.1996, p.30

'qualifying expenditure on the qualifying asset' has the meaning assigned to it in subsection (2) and qualifying expenditure in relation to all qualifying assets shall be construed accordingly;

'qualifying patent' means—

(a) a patent granted following substantive examination for novelty and inventive step, or

(b) a patent, other than a short term patent within the meaning of section 63 of the Patents Act 1992, or an equivalent provision in another jurisdiction, where—

(i) the Patents Office in the State, or equivalent Office elsewhere, has caused a search to be undertaken in relation to the invention and a search report (within the meaning of section 29 of the Patents Act 1992) prepared, and

(ii) either—

(I) the patent was granted prior to 1 January 2016, or

(II) the patent was granted on or after 1 January 2016 and before 1 January 2017 and a patent agent, within the meaning of section 106 of the Patents Act 1992, certifies that in his or her opinion such a patent meets the patentability criteria, in that the invention is susceptible of industrial application, new and involves an inventive step,

but this paragraph is subject to section 769I(6)(a)(i)(VII);

'relevant company' means a company which carries on a specified trade and is within the charge to tax in the State, and where two or more companies carry on that specified trade in partnership then each company that is within the charge to tax in the State shall be a relevant company;

'research and development activities' has the meaning assigned to it in section 766;

'specified trade' has the meaning assigned to it in subsection (3);

'up-lift expenditure', in relation to a qualifying asset, is the lower of—

(a) 30 per cent of the amount of the qualifying expenditure on the qualifying asset, or

(b) the aggregate of acquisition costs and group outsourcing costs.

(2) (a) Subject to paragraph (b), for the purposes of this Chapter, qualifying expenditure in relation to the qualifying asset, in respect of a company, means expenditure incurred by a relevant company, in any accounting period, wholly and exclusively in the carrying on by it of research and development activities in a Member State

where such activities lead to the development, improvement or creation of the qualifying asset, being an amount—

(i) which is allowable as a deduction in computing the profits or gains from a trade (otherwise than by virtue of section 307), or would be so allowable but for the fact that for accounting purposes it is brought into account in determining the value of an asset,

(ii) expended on machinery or plant (other than specified intangible assets within the meaning of section 291A treated as machinery or plant by virtue of subsection (2) of that section where the specified intangible asset was acquired directly or indirectly from a member of the group) which qualifies for any allowance under Part 9,

and for the purposes of this section, where a company engages a person who is not a member of the group, to carry on research and development activities on behalf of that company, then any sum payable to that person in respect of those activities shall be treated as if it were expenditure incurred by the company in the carrying on by it of research and development activities in a Member State.

(b) Qualifying expenditure on the qualifying asset shall not include—

(i) any amount of acquisition costs in relation to the qualifying asset,

(ii) any amount of interest paid or payable,

(iii) an amount paid or payable directly or indirectly to a member of the group to carry on research and development activities, whether under a cost sharing arrangement or otherwise,

(iv) expenditure incurred under a cost sharing arrangement with another company to the extent that such expenditure exceeds an amount that would be determined by means of a bargain made at arm's length,

(v) any additional amount, agreed between members of the group, on an expense paid or payable indirectly through a group member to a person who is not a member of the group to carry on research and development activities, where that additional amount is to be retained by the group member, or

(vi) any amount incurred if that amount—

(I) may be taken into account as an expense in computing income of the company,

(II) is expenditure in respect of which an allowance for capital expenditure may be made to the company, or

(III) may otherwise be allowed or relieved in relation to the company,

for the purposes of tax in a territory other than the State.

(3) (a) Subject to paragraph (b), for the purposes of this Chapter, specified trade means a trade or part of a trade, other than an excepted trade within the meaning of section 21A, consisting of or including one or more of the following categories of activities—

(i) the managing, developing, maintaining, protecting, enhancing or exploiting of intellectual property,

(ii) the researching, planning, processing, experimenting, testing, devising, developing or other similar activity leading to an invention or creation of intellectual property, or

(iii) the sale of goods or the supply of services that derive part of their value from activities described in subparagraphs (i) and (ii), where those activities were carried on by the relevant company.

(b) In the case of a trade consisting partly of the carrying on of such activities, as described in paragraph (a), and partly of the carrying on of other activities, that part of the trade consisting solely of the carrying on of activities described in paragraph (a) shall be a specified trade.

(4) Where a relevant company incurs expenditure for the purposes of a specified trade before the time that trade has been set up and commenced, then for the purposes of this Chapter other than section 769O, that expenditure shall be deemed to have been incurred in the first accounting period of that company.

Families of products and assets

769H. (1) This section has effect where—

(a) a relevant company has a number of qualifying assets, and

(b) owing to the interlinked nature of the qualifying assets and their use in the specified trade, it would be reasonable to conclude that it would not be possible for the relevant company to identify the overall expenditure on each qualifying asset or the overall income from each qualifying asset.

(2) In subsection (3) 'family of assets' means the smallest grouping of assets referred to in subsection (1) for which the expenditure and income referred to in that subsection can reasonably be identified.

(3) Where—

(a) this section has effect, and

(b) the relevant company opts for this Chapter to so apply,

then this Chapter shall apply, in relation to the relevant company, as if references to qualifying assets were references to a family of assets.

Corporation tax referable to a specified trade

769I. (1) For the purposes of this section qualifying profits, in relation to a qualifying asset, shall be the amount determined by the formula—

$$\frac{QE + UE}{OE} \times QA$$

where—

QE is the qualifying expenditure on the qualifying asset,

UE is the uplift expenditure,

OE is the overall expenditure on the qualifying asset, and

QA is the profit of the specified trade relevant to the qualifying asset before taking account of any allowance available under subsection (5).

(2) (a) Where qualifying profits in respect of a qualifying asset arise in the course of a specified trade, then a relevant company may make a claim in respect of that qualifying asset under this section, in the return required to be filed pursuant to section 959I.

(b) Subject to section 769P, any claim under this section shall be made once in respect of each qualifying asset and shall be made within 24 months from the end of the accounting period to which the claim relates.

(c) Where under this section a claim is made to include the overall income from the qualifying asset in the income of a specified trade in any accounting period, then all amounts of income and expenditure related to that qualifying asset shall be taken to continue to relate to that specified trade until such time as the qualifying asset is disposed of or ceases to be used.

(3) Where during an accounting period a relevant company, which has made a claim under this section, carries on a specified trade, those activities shall be treated for the purposes of this Chapter, Chapter 2 of Part 8, Chapter 3 of Part 12 and Part 41A, as a separate trade distinct from any other trade carried on by the company.

(4) (a) Subject to paragraph (b), in order to determine the profits or gains of the specified trade to be charged to tax under Case I of Schedule D—

(i) the income of the trade shall be the overall income from qualifying assets in respect of which a claim has been made under this section, and

(ii) any necessary apportionment shall be made so that expenses laid out or expended in earning the income referred to in

subparagraph (i) shall be attributed to the specified trade on a just and reasonable basis and the amount of the expenses shall be an amount which would be attributed to a distinct and separate company, engaged in the same activities, if it were independent of, and dealing at arm's length with the relevant company.

(b) Where a relevant company has carried on a specified trade for one or more previous accounting periods, then the method or methods of apportionment used for the purposes of this section shall be applied consistently between accounting periods, unless there has been a significant change in the conduct of the relevant company's trade or business.

(5) In computing for the purposes of corporation tax the profits of a relevant company's specified trade for an accounting period, insofar as the profits are referable to qualifying profits from a qualifying asset in respect of which a claim was made under this section, there shall be made an allowance equal to 50 per cent of the qualifying profits and that allowance shall be treated as a trading expense of the trade in that period.

(6) (a) The Revenue Commissioners may, in relation to a claim by a relevant company that a profit is a qualifying profit—

(i) consult with any person (in this subsection referred to as an 'expert') who in their opinion may be of assistance in ascertaining the extent to which:

(I) expenditure is qualifying expenditure on the qualifying asset;

(II) expenditure is overall expenditure on the qualifying asset;

(III) income is overall income from the qualifying asset;

(IV) intellectual property is, or forms part of, a qualifying asset;

(V) any apportionment is done on a just and reasonable basis;

(VI) arm's length values have been correctly determined; or

(VII) a patent, referred to in paragraph (b) of the definition of 'qualifying patent' in section 769G(1), meets the patentability criteria set out in that paragraph,

and

(ii) notwithstanding any obligation as to secrecy or other restriction on the disclosure of information imposed by, or under, the Tax Acts or any other statute or otherwise, but subject to paragraph (b), disclose to the expert any detail in the company's claim under this section which they consider necessary for the

purposes of such consultation.

(b) (i) Before disclosing information to any expert under paragraph (a), the officer of the Revenue Commissioners shall give the company a notice in writing of—

(I) the officer's intention to disclose information to an expert,

(II) the information that the officer intends to disclose,

(III) the identity of the expert whom the officer intends to consult,

and shall allow the company a period of 30 days after the date of the notice to show to the officer's satisfaction that disclosure of such information to that expert could prejudice the company's trade or business.

(ii) Where, on the expiry of the period referred to in subparagraph (i), it is not shown to the satisfaction of the officer that disclosure could prejudice the company's trade or business, the officer may disclose the information on the expiry of a further period of 30 days after giving notice in writing of the officer's decision to disclose the information.

(iii) A company aggrieved by an officer's decision made under subparagraph (ii) in respect of it may appeal the decision to the Appeal Commissioners, in accordance with section 949I, within the period of 30 days after the date of that decision.

Interaction with sections 766, 766A and 766B

769J. For the purposes of determining the amount of any claim made pursuant to section 766(4B)(a), the excess referred to in that section shall be calculated as if this Chapter did not apply.

Adaptation of provisions relating to relief for relevant trading losses and relevant charges on income

769K. (1) For the purposes of this section relevant trading losses and relevant trading charges relating to a specified trade relevant to a qualifying asset which was the subject of a claim under section 769I(2) shall be the amount of such losses or charges as reduced by—

$$\frac{QE + UE}{OE}$$

where—

QE is the qualifying expenditure on the qualifying asset,

UE is the uplift expenditure, and

OE is the overall expenditure on the qualifying asset.

(2) Notwithstanding any other provision of the Tax Acts, where a relevant

company makes a claim for relief under—

(a) section 243A, that section shall apply, with any necessary modifications, as if the amount of relevant trading charges on income relating to a specified trade were reduced by 50 per cent,

(b) section 396A or 420A, the section shall apply, with any necessary modifications, as if the amount of a relevant trading loss arising in the course of a specified trade were reduced by 50 per cent, or

(c) section 243B, 396B or 420B, the section shall apply, with any necessary modification, as if the reference in the formula to 'R' were a reference to 'R as reduced by 50 per cent'.

Documentation

769L.(1) (a) A relevant company in relation to all qualifying assets in respect of which a claim was made under section 769I(2) shall have available such records as may reasonably be required for the purposes of determining whether, in relation to such an asset, the qualifying profits has been computed in accordance with this Chapter.

(b) The records shall demonstrate that—

(i) overall income from the qualifying asset,

(ii) qualifying expenditure on the qualifying asset, and

(iii) overall expenditure on the qualifying asset,

have been tracked, and the relevant company shall have available documentation on this tracking which shows how such expenditures and income are linked to the qualifying asset.

(c) If the relevant company has opted under subsection (3) of section 769H for this Chapter to apply in the manner specified in that subsection, then, in relation to any family of assets referred to in that subsection, the relevant company shall also have available records that support the reasonableness of the company having opted as mentioned in this paragraph, including such records as are required to support—

(i) the commonality of scientific, technological or engineering challenges underlying the research and development activities which were undertaken and which resulted in the qualifying assets,

(ii) the consistency of the chosen method of grouping with the organisation of research and development activities carried on by the relevant company,

(iii) the creation of a nexus between expenditures and a family of assets, or

(iv) the choice of a family of assets with which to create that nexus,

as may be relevant in each case.

(d) A relevant company in claiming that a derivative work or an adaptation represents a qualifying asset shall have available records which—

(i) identify the original work and the derivation or adaptation therefrom,

(ii) the costs associated with both the original work and the derivative work or the adaptation, and

(iii) support any method of apportionment of income between the original work and the derivative work or adaptation.

(2) The requirements of this section shall not apply to expenditures incurred prior to 1 January 2016.

(3) The records referred to in subsection (1) shall be prepared on a timely basis and, subject to subsection (4), the obligations contained in subsections (3) and (4) of section 886 to keep and retain records and linking documents apply to all records, documents or other data created or maintained manually or by any electronic means for the purposes of this Chapter.

(4) For the purposes of this section, section 886(4)(a) shall apply as if for subparagraphs (i) and (ii) there were substituted:

'in respect of each qualifying asset, for a period of 6 years from the end of the accounting period in which a return has been delivered in respect of the last accounting period in which that asset was a qualifying asset and'.

(5) An officer of the Revenue Commissioners may by notice in writing require a relevant company to furnish the officer with such information or particulars as may be necessary for the purposes of giving effect to this Chapter.

(6) (a) The Revenue Commissioners may make regulations for the purposes of this section and those regulations may contain such incidental, supplemental or consequential provisions as appear to the Revenue Commissioners to be necessary or expedient—

(i) to enable persons to fulfil their obligations under this Chapter or under regulations made under this section, or

(ii) to facilitate the operation of the provisions of this Chapter or regulations made under this section in an efficient manner.

(b) Regulations made under this section shall be laid before Dáil Éireann as soon as may be after they are made, and if a resolution annulling those regulations is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the regulations are

laid before it, the regulations shall be annulled accordingly, but without prejudice to the validity of anything previously done under them.

(7) Failure to have available such documentation as is required under this section shall, notwithstanding anything else in this Chapter, result in a company not being a relevant company for the purposes of this Chapter in respect of the accounting period to which the failure relates.

Anti-avoidance

769M. Qualifying expenditure on the qualifying asset and overall income from the qualifying asset shall not include any amount unless that amount is expended or received for *bona fide* commercial purposes and is not part of a scheme or arrangement the main purpose, or one of the main purposes, of which is the avoidance of tax.

Application of Part 35A

769N. Where a relevant company is a company to which Part 35A applies, then section 835D shall apply, with any necessary modifications, to:

(a) determining the market value of the intellectual property, as required by the definition of acquisition costs;

(b) apportioning income, as required in the definition of 'overall income from the qualifying asset';

(c) apportionments of research and development activities as required in the definition of 'qualifying expenditure on the qualifying asset';

(d) any apportionments required under section 769I; and

(e) any apportionments required under section 769O.

Transitional measures

769O.(1) Subject to subsection (4) for the purposes of determining the qualifying profits in relation to a qualifying asset for accounting periods beginning on or after 1 January 2016 but on or before 31 December 2019—

(a) acquisition costs in relation to a qualifying asset shall include any acquisition costs incurred prior to 1 January 2016,

(b) group outsourcing costs in relation to a qualifying asset shall include any group outsourcing costs incurred prior to 1 January 2016 and where group outsourcing costs incurred prior to 1 January 2016 related to more than one qualifying asset, those costs shall be apportioned on a just and reasonable basis, and

(c) qualifying expenditure on the qualifying asset shall—

(i) be calculated with reference to qualifying expenditure in relation to all qualifying assets in the 48 month period ending on

the last day of the accounting period, and

(ii) be—

(I) calculated in accordance with this Chapter, and

(II) calculated as a portion of the total qualifying expenditure on qualifying assets, where the expenditure is incurred prior to 1 January 2016.

(2) Subject to subsection (4), for the purposes of determining the qualifying profits in relation to a qualifying asset for accounting periods beginning on or after 1 January 2020—

(a) acquisition costs in relation to a qualifying asset shall include any acquisition costs incurred prior to 1 January 2016.

(b) group outsourcing costs in relation to a qualifying asset shall include any group outsourcing costs incurred prior to 1 January 2016 and where such group outsourcing costs incurred prior to 1 January 2016 related to more than one qualifying asset, those costs shall be apportioned on a just and reasonable basis.

(c) qualifying expenditure on the qualifying asset shall not include any amount incurred prior to 1 January 2016.

(3) A relevant company in relation to all qualifying assets to which this section applies shall have available such records as may reasonably be required for the purposes of determining whether, in relation to such an asset, the qualifying profit has been computed in accordance with this Chapter and section 769L shall apply to these records.

(4) Where, in advance of first making a claim under section 769I, a company has documentation in respect of—

(a) group outsourcing costs in relation to a qualifying asset, or

(b) qualifying expenditure on the qualifying asset,

incurred prior to 1 January 2016 which satisfies the requirements of section 769L(1) then notwithstanding subsections (1) and (2) that company may use amounts calculated with reference to that documentation in applying section 769I.

Time limits

769P. (1) Where a company has submitted an application to a Patents Office which would result in a qualifying asset if the patent or protection sought were granted, then the company may make a claim under section 769I(2)—

(a) in the accounting period in which the application is submitted, and if the application is subsequently refused then the company shall amend each return, within the meaning of section 959A, in which a deduction under section 769I(5) was claimed, and pay any

additional tax and interest due accordingly, or

(b) subject to subsection (2), in the accounting period in which the application is granted, and notwithstanding anything to the contrary in section 959AA or section 865, a Revenue officer shall amend an assessment for each accounting period in which overall income from a qualifying asset arose, and any tax to be repaid shall be repaid accordingly and for the purposes of section 865A any such claim shall not be a valid claim on any date before the return, within the meaning of section 959A, for the accounting period in which the application is granted is filed.

(2) Where a company intends to make a claim pursuant to subsection (1)(b), then in respect of each accounting period prior to the accounting period in which the application is granted the company shall make a claim (a 'protective claim') for the amount of the allowance that may be claimed upon the application being granted, and any subsequent claim pursuant to subsection (1)(b) shall not exceed the amount of those protective claims.

Application

769Q. This Chapter shall apply to accounting periods which commence on or after 1 January 2016 and before 1 January 2021.",

(b) in Chapter 5 of Part 29 by inserting the following after section 769Q (inserted by *paragraph (a)*):

"Companies with income arising from intellectual property of less than €7,500,000

769R. (1) In this section—

'average overall income from intellectual property' in respect of an accounting period means the lower of—

(a) the overall income from intellectual property for an accounting period, or

(b) an amount calculated as:

$$A \times N$$

where—

A is the average monthly overall income from intellectual property for the last 60 months, and

N is the number of months in the accounting period;

'company threshold amount' means €7,500,000 and where an accounting period is shorter than 12 months, this amount shall be reduced proportionately;

'intellectual property for small companies' means inventions that are certified by the Controller of Patents, Designs and Trade Marks as

being novel, non-obvious and useful;

'overall income from intellectual property' means the following amounts arising to the company in respect of an accounting period—

(a) any royalty or other sums in respect of the use of intellectual property,

(b) where the sales price of a product or service, excluding both duty due or payable and any amount of value-added tax charged in the sales price, includes an amount which is attributable to a qualifying asset, such portion of the income from those sales as, on a just and reasonable basis, is attributable to the value of the qualifying asset,

(c) any amount for the grant of a licence to exploit intellectual property, and

(d) any amounts of insurance, damages or compensation in relation to intellectual property,

where that amount is taken into account in computing, for the purposes of assessment to corporation tax, the profits of a trade;

'turnover threshold amount' means €50,000,000 and where an accounting period is shorter than 12 months, this amount shall be reduced proportionately.

(2) (a) This section shall apply to a relevant company and an accounting period, where the relevant company satisfies the conditions set out in paragraph (b).

(b) The conditions required by this paragraph are—

(i) the company has average overall income from intellectual property not in excess of the company threshold amount,

(ii) where that company is a member of a group, the group has turnover not in excess of the turnover threshold amount, and

(iii) the company is a micro, small or medium-sized enterprise within the meaning of the Annex to Commission Recommendation 2003/361/EC of 6 May 2003[25] concerning the definition of micro, small and medium-sized enterprises.

(3) In relation to a relevant company and an accounting period to which this section applies, this Chapter shall apply as if the definition of 'intellectual property' in section 769G(1) also included intellectual property for small companies.

(4) A company claiming to be a relevant company to which this section applies shall have available such records as may reasonably be required for the purposes of determining whether it is a relevant company to which this section applies and section 769L shall apply to

25 OJ No. L124, 20.5.2003, p.36

those documents.",

and

(c) in paragraph (I)(A) of the definition of "expenditure on research and development" in section 766(1)(a) by substituting "is part of overall income from a qualifying asset within the meaning of section 769G" for "is income from a qualifying patent within the meaning of section 234".

(2) *Paragraph (b)* of *subsection (1)* shall come into operation on such day or days as the Minister for Finance may by order or orders appoint.

Country-by-country reporting

33. The Principal Act is amended in Chapter 3 of Part 38 by inserting the following after section 891G (inserted by *section 74*):

"891H. (1) In this section—

'constituent entity', 'fiscal year', 'MNE group', 'qualifying competent authority agreement', 'reporting entity', 'surrogate parent entity', 'systemic failure' and 'ultimate parent entity', have the meanings given to them respectively by Article 1 of the OECD model legislation;

'competent authority' means a competent authority for the purposes of a qualifying competent authority agreement;

'income tax' means income tax or corporation tax or any foreign tax that corresponds to income tax or corporation tax in the State;

'country-by-country report', in relation to an MNE group, means a report that contains the information set out in subsection (4);

'OECD' means the Organisation for Economic Co-operation and Development;

'OECD model legislation' means the Model Legislation Related to Country-by-Country Reporting contained in Annex IV to Chapter V of the OECD Report of 2015;

'OECD Report of 2015' means the 'Transfer Pricing Documentation and Country-by-Country Reporting, Action 13 – 2015 Final Report' published by the OECD on 5 October 2015.

(2) An ultimate parent entity, which is resident in the State for tax purposes, of an MNE group, shall provide to the Revenue Commissioners not later than 12 months after the last day of its fiscal year, being a fiscal year commencing on or after 1 January 2016, a country-by-country report with respect to the MNE group which relates to that year.

(3) An ultimate parent entity, which is resident in the State for tax purposes, of an MNE group, shall notify the Revenue Commissioners,

within the period specified and in such manner as is provided for in regulations to be made under this section, that the ultimate parent entity is an ultimate parent entity for the purposes of this section.

(4) A country-by-country report provided under subsection (2) shall contain the following information in respect of the MNE group concerned:

(a) with regard to each jurisdiction in which the MNE group concerned operates, aggregate information relating to the amount of its—

(i) revenue, including such further information in relation to such revenue as is necessary to complete the Model Template for the Country-by-Country Report set out in Annex III to Chapter V of the OECD Report of 2015,

(ii) profit or loss before income tax,

(iii) income tax paid,

(iv) income tax accrued,

(v) stated capital,

(vi) accumulated earnings,

(vii) number of employees, and

(viii) tangible assets other than cash or cash equivalents;

(b) information setting out—

(i) the identification of each constituent entity of the MNE group concerned,

(ii) the jurisdiction of tax residence of such constituent entity and, where different from such jurisdiction of tax residence, the jurisdiction under the laws of which such constituent entity is organised, and

(iii) the nature of the main business activity or activities of such constituent entity.

(5) The Revenue Commissioners shall make regulations under this section with respect to the manner and form in which a country-by-country report is to be provided.

(6) Regulations made under this section may, in particular—

(a) make provision for a surrogate parent entity or an entity described in paragraph (2) of Article 2 of the OECD model legislation, as the case may be, to provide a country-by-country report to the Revenue Commissioners,

(b) determine the date by which a surrogate parent entity or an entity described in paragraph (2) of Article 2 of the OECD model

legislation, as the case may be, is required to provide a country-by-country report to the Revenue Commissioners,

(c) make provision to amend the information to be included in a country-by-country report required to be provided by an entity described in paragraph (2) of Article 2 of the OECD model legislation,

(d) require an ultimate parent entity, a surrogate parent entity or an entity described in paragraph (2) of Article 2 of the OECD model legislation, as the case may be, to notify the Revenue Commissioners within the period specified, and in such manner as is specified, that the ultimate parent entity, surrogate parent entity or entity described in paragraph (2) of Article 2 of the OECD model legislation, as the case may be, are such entities,

(e) require a constituent entity resident in the State for tax purposes which is not the ultimate parent entity, surrogate parent entity or entity described in paragraph (2) of Article 2 of the OECD model legislation, as the case may be, to notify the Revenue Commissioners within a period and in such manner as is to be specified, of the identity and jurisdiction of tax residence of the reporting entity,

(f) provide for the serving of a notice to a constituent entity resident in the State for tax purposes that there has been a systemic failure by the state of tax residence of the parent entity,

(g) specify and modify, as required, the manner and form in which a country-by-country report is to be provided,

(h) make provision as to how information contained in a country-by-country report is to be used,

(i) make provision for preserving the confidentiality of the information contained in a country-by-country report, and

(j) contain such supplemental and incidental matters as appear to the Revenue Commissioners to be necessary—

(i) to enable entities to fulfil their obligations under this section or regulations made under this section, and

(ii) for the operation, administration and implementation of this section or regulations made under this section.

(7) Section 898O shall apply to—

(a) a failure by a reporting entity to provide a country-by-country report to the Revenue Commissioners as required by this section or by regulations made under this section, and

(b) the provision of an incorrect or incomplete country-by-country

report under this section or regulations made under this section,

as it applies to a failure to make a return or to the making of an incorrect or incomplete return referred to in section 898O.

(8) (a) A reporting entity required by this section, or by regulations made under this section, to provide a country-by-country report to the Revenue Commissioners shall, in relation to that report have available for inspection, on the request of an officer of the Revenue Commissioners, such records as may reasonably be required for the purposes of determining whether the report is correct and complete.

(b) The records referred to in paragraph (a)—

(i) shall be prepared on a timely basis and subsection (3) of section 886 shall apply to such records as it applies to records required by that section, and

(ii) shall be retained by the reporting entity concerned for a period of 6 years beginning at the end of the fiscal year to which the country-by-country report relates.

(c) Sections 900 and 901 shall apply, with any necessary modification—

(i) to records referred to in paragraph (a) as if they were books, records or other documents within the meaning of section 900, and

(ii) to information, explanations and particulars that the authorised officer, within the meaning of those sections, may reasonably require, being information, explanations and particulars which are related to, or in connection with, a country-by-country report.

(9) Every regulation made under this section shall be laid before Dáil Éireann as soon as may be after it is made and, if a resolution annulling the regulation is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the regulation is laid before it, the regulation shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.

(10) Notwithstanding section 851A, the Revenue Commissioners are authorised to communicate to the competent authority of a state, other than the State, information which is contained in a country-by-country report required under this section or in regulations made under this section, provided that there is a qualifying competent authority agreement in place which allows for the exchange of such information.

(11) Any word or expression which has a meaning given to it by Article 1 of the OECD model legislation shall, where it is used in regulations made under this section and unless the contrary intention appears, have the same meaning in those regulations as it has in that OECD

model legislation.".

Amendment of section 831 of Principal Act (implementation of Council Directive No. 90/435/EEC concerning the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States)

34. (1) Section 831 of the Principal Act is amended—

(a) in subsection (1)(a) by deleting the definition of "arrangements",

(b) in subsection (1)(a), in the definition of "bilateral agreement", by substituting "arrangements having the force of law by virtue of section 826(1)" for "arrangements",

(c) in subsection (3)(a), by substituting "arrangements having the force of law by virtue of section 826(1)" for "arrangements", and

(d) by inserting the following after subsection (6)—

"(7) (a) Subsections (1) to (5) shall not apply to an arrangement or a series of arrangements which—

(i) has been put in place for the main purpose of, or one of the main purposes of which is, obtaining a tax advantage that defeats the object or purpose of the Directive, and

(ii) is not genuine having regard to all the facts and circumstances.

(b) For the purposes of paragraph (a)(ii), an arrangement or series of arrangements shall be regarded as not genuine to the extent that it is not put into place for valid commercial reasons which reflect economic reality.

(c) In this subsection and subsection (6), an arrangement may comprise more than one step or part.".

(2) This section shall have effect in respect of distributions made or received on or after the date of passing of this Act.

Chapter 6

Capital Gains Tax

Entrepreneur relief

35. The Principal Act is amended—

(a) in section 597A, by inserting the following after subsection (5):

"(6) Subject to section 597AA(5)—

(a) subsection (2) shall not apply where the subsequent disposal referred to in that subsection is made on or after 1 January 2016, and

(b) subsection (3) shall not apply where the second-mentioned subsequent disposal in that subsection is made on or after 1 January 2016.",

and

(b) by inserting the following after section 597A:

"Revised entrepreneur relief

597AA.(1) (a) In this section—

'51 per cent subsidiary' has the same meaning as it has in section 9(1)(a);

'development land' has the same meaning as it has in section 648;

'group' means a holding company and all companies which are 51 per cent subsidiaries of the holding company;

'holding company' means a company whose business consists wholly or mainly of the holding of shares of all companies which are its 51 per cent subsidiaries;

'qualifying business' means a business other than—

(a) the holding of securities or other assets as investments,

(b) the holding of development land, or

(c) the development or letting of land;

'qualifying group' means a group, the business of each 51 per cent subsidiary (other than a holding company) in which consists wholly or mainly of the carrying on of a qualifying business;

'qualifying person' means an individual who is or has been a director or employee of a company (or companies in a qualifying group) who—

(a) is or was required to spend not less than 50 per cent of that individual's working time in the service of that company (or those companies) in a managerial or technical capacity, and

(b) has served in that capacity for a continuous period of 3 years in the period of 5 years immediately prior to the disposal of the chargeable business assets of which the disposal of shares in the company (or one of those companies) forms the whole or part;

'relevant company' means a company (including a company in a qualifying group) the disposal of shares in which forms the whole or part of the disposal of chargeable business assets;

'relevant individual' means an individual who has been the beneficial owner of the chargeable business assets for a continuous period of not less than 3 years in the 5 years immediately prior to

the disposal of those assets;

'working time' means any time that an employee or director is—

(a) at his or her place of work or, in the case of an employee, at his or her employer's disposal, and

(b) carrying on or performing the activities or duties of his or her work.

(b) (i) For the purposes of the definition of 'qualifying person' in paragraph (a), any period during which the individual was a director or employee of—

(I) a company that was treated as being the same company, for the purposes of section 586, as a relevant company, or

(II) a company involved in a scheme of reconstruction or amalgamation under section 587 with a relevant company,

shall be taken into account in calculating the periods during which the individual was a director or employee.

(ii) For the purposes of the definition of 'relevant individual' in paragraph (a), any period during which the individual owned shares in—

(I) a company that was treated as being the same company, for the purposes of section 586, as a relevant company, or

(II) a company involved in a scheme of reconstruction or amalgamation under section 587 with a relevant company,

shall be taken into account in calculating the periods during which the individual was a beneficial owner.

(2) (a) Subject to paragraph (b), 'chargeable business asset' means an asset, including goodwill which—

(i) is, or is an interest in, an asset used for the purposes of a qualifying business carried on by an individual, or

(ii) is a holding of ordinary shares in—

(I) a company whose business consists wholly or mainly of carrying on a qualifying business, or

(II) a holding company of a qualifying group,

in respect of which an individual—

(A) owns not less than 5 per cent of the ordinary share capital, and

(B) is a qualifying person in respect of the company or, if the company is a member of a qualifying group, of one or more

companies which are members of the qualifying group.

(b) 'Chargeable business asset' does not include—

(i) shares (other than shares mentioned in paragraph (a)(ii)), securities or other assets held as investments,

(ii) development land, or

(iii) assets on the disposal of which no gains accruing would be chargeable gains.

(3) Subject to subsection (4), the rate of capital gains tax chargeable on a chargeable gain or chargeable gains accruing in respect of a disposal or disposals of the whole or part of chargeable business assets made by a relevant individual shall be 20 per cent.

(4) (a) The rate of capital gains tax referred to in subsection (3) shall be chargeable only on so much, if any, of the chargeable gain or chargeable gains accruing, when added to the aggregate amount of any chargeable gain or chargeable gains accruing in respect of any previous disposal of the whole or part of chargeable business assets made by the relevant individual in the lifetime of that individual on or after 1 January 2016, that does not exceed €1,000,000.

(b) The rate of capital gains tax referred to in section 28(3) shall be chargeable on so much, if any, of the chargeable gain or chargeable gains accruing, when added to the aggregate amount of any chargeable gain or chargeable gains accruing in respect of any previous disposal of the whole or part of chargeable business assets made by the relevant individual in the lifetime of that individual on or after 1 January 2016, that exceeds €1,000,000.

(5) This section shall not apply, and section 597A shall apply, to a disposal of the whole or part of chargeable business assets made by a relevant individual where the amount of capital gains tax payable in respect of the disposal under this section is greater than the amount of capital gains tax payable in respect of the disposal were section 597A to apply.".

Amendment of section 29 of Principal Act (persons chargeable)

36. (1) Section 29 of the Principal Act is amended—

(a) in subsection (1) by—

(i) substituting "company." for "company;" in the definition of "security", and

(ii) deleting "references to the disposal of assets mentioned in paragraphs (a) and (b) of subsection (3) and in subsection (6) include references to the disposal of shares deriving their value or the greater part of their value directly or indirectly from those assets, other than shares quoted on a stock exchange.",

and

(b) by inserting the following subsection after subsection (1)—

"(1A) (a) In this subsection—

'arrangement' includes any agreement, understanding, scheme, transaction or series of transactions;

'relevant assets' means assets mentioned in—

(i) subsection (3)(a) or (b), or

(ii) subsection (6).

(b) A disposal of relevant assets, for the purpose of this section, includes the disposal of shares deriving their value or the greater part of their value directly or indirectly from those assets, other than shares quoted on a stock exchange.

(c) In calculating the portion of the value of shares attributable directly or indirectly to relevant assets for the purposes of paragraph (b), account shall not be taken of any arrangement that—

(i) involves a transfer of money from a person connected with the company in which those shares are held,

(ii) is made before a disposal of relevant assets, and

(iii) the main purpose or one of the main purposes of which is the avoidance of tax.".

(2) This section applies to disposals made on or after 22 October 2015.

Amendment of section 541B of Principal Act (restrictive covenants)

37. (1) Section 541B of the Principal Act is amended in subsection (1) by substituting "the person referred to in paragraph (a)" for "the person to whom it is paid".

(2) This section applies to sums paid on or after 22 October 2015 in respect of the giving of an undertaking referred to in section 541B(1)(a) of the Principal Act.

Amendment of section 542 of Principal Act (time of disposal and acquisition)

38. Section 542 of the Principal Act is amended by inserting the following subsections after subsection (1):

"(1A) Notwithstanding subsection (1)(c), the time of the disposal of land which has been compulsorily acquired shall be the time at which the compensation amount in respect of that compulsory acquisition is received, where that amount is received on or after 1 January 2016.

(1B) Notwithstanding subsection (1)(d), the time of the deemed accrual of a chargeable gain in respect of a disposal of land which has been compulsorily acquired shall be the time at which the compensation

amount in respect of that compulsory acquisition is received, where that amount is received on or after 1 January 2016.".

Amendment of section 590 of Principal Act (attribution to participators of chargeable gains accruing to non-resident company)

39. Section 590(7) of the Principal Act is amended by inserting the following after paragraph (a):

"(aa) a chargeable gain accruing on the disposal of assets where it is shown to the satisfaction of the Revenue Commissioners that the disposal was made for *bona fide* commercial reasons and did not form part of an arrangement of which the main purpose or one of the main purposes was the avoidance of liability to capital gains tax or corporation tax,".

Amendment of Part 20 of Principal Act (companies' chargeable gains)

40. Chapter 1 of Part 20 of the Principal Act is amended—

(a) in section 615(2)(a), by substituting the following for subparagraph (iv):

"(iv) the company acquiring the assets is not—

(I) an authorised investment company (within the meaning of Part XIII of the Companies Act 1990) that is an investment undertaking (within the meaning of section 739B), or

(II) an authorised ICAV (within the meaning of section 2 of the Irish Collective Asset-management Vehicles Act 2015 (No. 2 of 2015)),",

and

(b) in section 617(1)(c)(ii), by—

(i) substituting "section 739B)," for "section 739B), or" in Clause I,

(ii) substituting "section 705A), or" for "section 705A)," in Clause II, and

(iii) inserting the following after Clause II:

"(III) an authorised ICAV (within the meaning of section 2 of the Irish Collective Asset-management Vehicles Act 2015 (No. 2 of 2015)),".

Amendment of section 615 of Principal Act (company reconstruction or amalgamation: transfer of assets)

41. (1) Section 615 of the Principal Act is amended by inserting the following after subsection (4):

"(4A) (a) In this subsection—

'arrangement' includes any agreement, understanding, scheme,

transaction or series of transactions (whether or not legally enforceable);

'tax' means income tax, corporation tax or capital gains tax.

(b) This section shall not apply to a scheme of reconstruction or amalgamation involving the transfer of the whole or part of a company's business to another company unless it is shown that the reconstruction or amalgamation is effected for *bona fide* commercial reasons and does not form part of an arrangement the main purpose, or one of the main purposes, of which is the avoidance of liability to tax.".

(2) This section applies to disposals made on or after 22 October 2015.

Amendment of section 980 of Principal Act (deduction from consideration on disposal of certain assets)

42. Section 980(3) of the Principal Act is amended by inserting "(or the sum of €1,000,000 if the asset disposed of is a house (within the meaning of section 372AK))" after "€500,000".

PART 2

EXCISE

Amendment of Chapter 1 of Part 2 of Finance Act 2003 (alcohol products tax)

43. (1) Chapter 1 of Part 2 of the Finance Act 2003 is amended—

(a) in section 73 in the definition of "counterfeit goods" by substituting "Regulation (EU) No. 608/2013 of the European Parliament and of the Council of 12 June 2013[26]" for "Council Regulation (EC) No. 1383/2003 of 22 July 2003[27]", and

(b) in section 78A by substituting the following for subsection (2):

"(2) Relief under subsection (1) shall be granted by the Commissioners either by means of remission or repayment.".

(2) *Subsection (1)(b)* comes into operation on such day as the Minister for Finance may appoint by order.

Amendment of Chapter 4 of Part 2 of Finance Act 2001 (powers of officers)

44. Chapter 4 of Part 2 of the Finance Act 2001 is amended—

(a) in section 133 by inserting the following definitions:

" 'the Acts' has the meaning assigned to it by section 1078(1) of the Taxes Consolidation Act 1997;

26 OJ No. L181, 29.6.2013, p.15
27 OJ No. L196, 2.8.2003, p.7

‘computer’ means any electronic device used for information storage or retrieval and includes a mobile phone or any other electronic means of information storage or retrieval;

‘computer at the premises or place which is being searched’, includes any other computer, whether at that premises or place, or at any other premises or place, which is lawfully accessible by means of the computer at the premises or place being searched;

‘information in a non-legible form’ has the meaning assigned to it by section 908C of the Taxes Consolidation Act 1997;

‘premises or place’ means any building (or part of a building), dwelling, vehicle, any other vessel or place (or part of a place), whatsoever;”,

(b) in section 135 by inserting the following subsection after subsection (1):

“(1A) Where an officer carrying out a search under subsection (1) reasonably suspects that any excisable products in the vehicle are liable to forfeiture under excise law, then that officer, or any officer accompanying that officer, may—

(a) search the vehicle for any record or thing that the officer reasonably believes is likely to be of value (whether by itself or together with other information) to the investigation of excisable products liable to forfeiture, or for any legal proceedings under excise law,

(b) inspect and take copies of, or extracts from, any such record (including, in the case of any information in a non-legible form, a copy of, or of an extract from, such information in a permanent legible form),

(c) remove, retain and operate any computer found in the vehicle, or in the possession of a person in the vehicle, for the purpose of accessing, reproducing or copying records that an officer reasonably believes to contain information likely to be of value in the investigation of excisable products liable to forfeiture or for any legal proceedings under excise law and to retain such computer for so long as it is reasonably required for this purpose, and

(d) require a person who appears to an officer to be in a position to facilitate access to the records and information held on, or which can be accessed by the use of, a computer retained under paragraph (c), to give to the officer any password or guidance necessary to operate the computer for the purpose of accessing the records and information held on, or accessible, by the computer, in a form in which the information is visible and legible.”,

and

(c) in section 136—

(i) by substituting "premises or place" for "premises or other place" in subsections (1) and (2),

(ii) by substituting the following for paragraph (c) of subsection (3):

"(c) in relation to any records referred to in subsection (1)(f)—

(i) search for, inspect and take copies of or extracts from any such records (including, in the case of any information in a non-legible form, a copy of, or of an extract from, such information in a permanent legible form),

(ii) require any person present to produce any such records which are in that person's possession, custody or procurement and in the case of information in a non-legible form, to produce it in a legible form or to reproduce it in a permanent legible form,

(iii) remove and, for as long as necessary, retain (or cause to be removed and retained) any record found there, or in the possession of a person present there at the time of the search, where an officer reasonably believes the record is likely to be of value (whether by itself or together with other information)—

(I) to the investigation of an offence under excise law, or for the purpose of any legal proceedings under excise law, or

(II) as evidence of, or relating to, the commission of an offence under excise law, or

(III) in the assessment of any duty payable under excise law or any other tax payable under the Acts,

and

(iv) take any other steps which may appear to the officer to be necessary for preserving any such record and preventing interference with it,",

(iii) by substituting the following for subsection (6):

"(6) A search warrant issued under this section shall be expressed and shall operate to authorise a named officer accompanied by such other officers and such other persons as the officer considers necessary—

(a) to enter, at any time or times within one month of the date of issuing of the warrant, (if necessary by the use of reasonable force) the premises or place named or specified in the warrant,

(b) to search, or cause to be searched, such premises or place and to inspect any thing or record found there,

(c) to require any person present to produce for inspection any record or thing in that person's possession, custody, or procurement,

(d) to seize any thing found there, or in the possession of a person there, if there are reasonable grounds for suspecting that the thing is liable to forfeiture under the law relating to excise, or exercise, in relation to any thing so found or in the possession of such a person, the power of detention under section 140,

(e) to remove, or cause to be removed, from there any thing or record that the officer has reason to believe may be of value to the investigation of an excise offence, or as evidence in proceedings under excise law, or for the purpose of assessing any duty payable under excise law or any other tax payable under the Acts, and to retain such thing or record for so long as it is reasonably required for these purposes,

(f) to take any other steps which may appear to the officer to be necessary for preserving any such thing or record and preventing interference with it.",

and

(iv) by the addition of the following subsections after subsection (6):

"(7) The authority conferred by a search warrant issued under this section to retain (or to cause to be retained) any record or thing includes—

(a) in the case of books, documents or records, authority to make and retain a copy of the books, documents or records, and

(b) authority to remove and, for as long as necessary, retain, any computer or other storage medium in which records are kept and to inspect, copy, or cause to be copied, such records.

(8) An officer acting pursuant to a search warrant under this section may—

(a) operate any computer at the premises or place being searched, or cause any such computer to be operated by a person accompanying the officer,

(b) operate any computer removed from a premises or place searched under this section or cause any such computer to be operated by a person accompanying the officer, and

(c) require any person at that premises or place who appears to the officer to be in a position to facilitate access to the records and information held in a computer, or to records and information that can be accessed by the use of that computer—

(i) to give to the officer any password or guidance necessary to operate it,

(ii) to enable the officer to examine the information accessible by the computer in a form in which the information is visible and legible, or

(iii) to produce the information in a form in which it can be removed and in which it is, or can be made, visible and legible.

(9) Any record or thing retained by an officer under this section which is required for the purposes of any legal proceedings, whether criminal proceedings or otherwise, may be retained for so long as it is reasonably required for those purposes.".

Rates of tobacco products tax

45. The Finance Act 2005 is amended with effect as on and from 14 October 2015 by substituting the following for Schedule 2 (as amended by section 60 of the Finance Act 2014 (No. 37 of 2014)) to that Act:

"SCHEDULE 2

Rates of Tobacco Products Tax

(With effect as on and from 14 October 2015)

Description of Product	Rate of Tax
Cigarettes	Rate of tax at— (a) except where paragraph (b) applies, €271.96 per thousand together with an amount equal to 9.20 per cent of the price at which the cigarettes are sold by retail, or (b) €307.61 per thousand in respect of cigarettes sold by retail where the rate of tax would be less than that rate had the rate been calculated in accordance with paragraph (a).
Cigars.....	Rate of tax at €315.359 per kilogram.
Fine-cut tobacco for the rolling of cigarettes.....….....	Rate of tax at €291.683 per kilogram.
Other smoking tobacco.....	Rate of tax at €218.783 per kilogram.

".

Amendment of section 99 of Finance Act 2001 (liability of persons)

46. (1) Section 99 of the Finance Act 2001 is amended by inserting the following after subsection (12):

"(13) Where a person is required to furnish a return or make a claim, submission or declaration for the purposes of any requirement of excise law, this return, claim, submission or declaration, as the case may be, shall be made by such electronic means as the Commissioners

may require and, without prejudice to the generality of section 917E of the Taxes Consolidation Act 1997, the relevant provisions of Chapter 6 of Part 38 of that Act shall apply to any such return, claim, submission or declaration.".

(2) This section shall come into operation on such day as the Minister for Finance may appoint by order.

Amendment of section 109 of Finance Act 2001 (authorisation of warehousekeepers and approval of tax warehouses)

47. Section 109 of the Finance Act 2001 is amended—

(a) by inserting the following after subsection (2):

"(2A) The granting to, or the holding by, an applicant or holder, as the case may be, of an authorisation shall be conditional on the applicant or authorised warehousekeeper complying with excise law in relation to excisable products, including the requirements of this Chapter relating to the systems (including the accounting and stock control systems) and procedures of the business to which the authorisation relates.",

(b) by substituting the following for subsection (3):

"(3) (a) The Commissioners shall grant an authorisation under this section only where it is shown to their satisfaction that the applicant, or where the applicant is a company, any director or person having control (within the meaning of section 11 of the Taxes Consolidation Act 1997) of that company, can satisfy the conditions of authorisation.

(b) The Commissioners shall grant an authorisation only where it is shown to their satisfaction that the business activity to be carried out in the tax warehouse under the authorisation is to be undertaken with a view to the realisation of profits from legitimate trade in excisable products.

(c) The Commissioners shall not grant an authorisation where an applicant or, where the applicant is a company, any director or person having control (within the meaning of section 11 of the Taxes Consolidation Act 1997) of that company has, in the 10 years prior to such application for the authorisation, been convicted of—

(i) any indictable offence under the Acts referred to in section 1078(1) of the Taxes Consolidation Act 1997, or

(ii) any corresponding offence under the law of another Member State.

(d) The Commissioners shall not grant an authorisation where an applicant or, where the applicant is a company, any director or person having control (within the meaning of section 11 of the

Taxes Consolidation Act 1997) of that company, does not hold a current tax clearance certificate issued under section 1094 of the Taxes Consolidation Act 1997.

(e) The Commissioners shall not grant an authorisation to an applicant for the production or processing of excisable products where such applicant does not hold a current licence for such production or processing where such licence is required under excise law.

(f) The Commissioners shall grant an authorisation to an applicant only where it is shown to their satisfaction that the systems (including the accounting and stock control systems) and procedures of the business to which the application for the authorisation relates will provide a full and true record of all transactions of that business in a form readily accessible to the Commissioners.

(g) The Commissioners shall grant an authorisation to an applicant only where it is shown to their satisfaction that the activity to be carried out under the authorisation will be conducted solely for the benefit of the applicant.

(h) The Commissioners shall not grant an authorisation where the applicant or, where the applicant is a company, any director or person having control (within the meaning of section 11 of the Taxes Consolidation Act 1997) of that company, has been authorised previously and there has been a contravention of, or a failure to comply with, the conditions of that authorisation and the applicant has not shown to the satisfaction of the Commissioners that the contravention or failure has been remedied.

(i) The Commissioners shall grant an authorisation only where it is shown to their satisfaction that the premises or place relating to the approval of a tax warehouse under subsection (5) is suitable for the security of the excisable products to be produced, held or processed in, or to be dispatched from or received into, such premises or place.",

(c) by inserting the following after subsection (11):

"(11A) Where an authorised warehousekeeper ceases to carry out the activities for which the authorisation was granted—

(a) the authorisation shall cease to have effect, and

(b) the authorised warehousekeeper shall notify the Commissioners, in writing, of the cessation of the activity for which the authorisation was granted before the date on which the authorised warehousekeeper ceases to act as such.",

and

(d) by substituting the following for subsection (12):

"(12) An authorisation under this section is at all times subject to the conditions of authorisation, and the Commissioners may revoke an authorisation where—

(a) the authorised warehousekeeper or, where the authorised warehousekeeper is a company, any director or person having control (within the meaning of section 11 of the Taxes Consolidation Act 1997) of that company has in the preceding 10 years been convicted of—

(i) any indictable offence under the Acts referred to in section 1078(1) of the Taxes Consolidation Act 1997, or

(ii) any corresponding offence under the law of another Member State,

(b) the Commissioners are satisfied that there has been a contravention of, or failure to comply with, a requirement of excise law in relation to the excisable products for which the authorisation was granted—

(i) by the authorised warehousekeeper or, where the holder of the authorisation is a company, any director or person having control (within the meaning of section 11 of the Taxes Consolidation Act 1997) of that company, or

(ii) at the premises or place approved as a tax warehouse,

and the authorised warehousekeeper has not shown to the satisfaction of the Commissioners that the contravention or failure has been remedied,

(c) the Commissioners are satisfied that there has been a contravention of, or failure to comply with, any of the conditions of authorisation by the authorised warehousekeeper and the authorised warehousekeeper has not shown to the satisfaction of the Commissioners that the contravention or failure has been remedied,

(d) the authorised warehousekeeper, when applying for that authorisation, or for approval of a tax warehouse, provided information that was false or misleading in a material respect,

(e) the authorised warehousekeeper does not, when required to do so by the Commissioners, show to the satisfaction of the Commissioners that the activity carried out under the authorisation is undertaken with a view to the realisation of profits from legitimate trade in excisable products,

(f) the authorised warehousekeeper does not, when required to do so by the Commissioners, show to the satisfaction of the Commissioners that the activity carried out under the authorisation

is conducted solely for the benefit of the authorised warehousekeeper,

(g) the authorised warehousekeeper does not, when required to do so by the Commissioners, show to the satisfaction of the Commissioners that the systems (including the accounting and stock control systems) and procedures of the business to which the authorisation relates provide a full and true record of all transactions of that business in a form readily accessible to the Commissioners, or

(h) the authorised warehousekeeper does not, when required to do so by the Commissioners, show to their satisfaction that the premises or place approved as a tax warehouse is suitable for the security of the excisable products produced, held or processed in, or to be dispatched from or received into, such premises or place.".

Amendment of section 130 of Finance Act 1992 (interpretation)

48. Section 130 of the Finance Act 1992 is amended by substituting the following for the definition of "motor caravan":

" 'motor caravan' means a vehicle within the meaning of paragraph 5.1 of Annex II to Directive 2007/46/EC that has the dimensions prescribed in regulations (if any) made by the Commissioners under section 141(2)(t);".

Amendment of section 135D of Finance Act 1992 (repayment of amounts of vehicle registration tax on export of certain vehicles)

49. (1) Section 135D of the Finance Act 1992 is amended—

(a) in subsection (1)(d)(ii) by substituting "within the meaning of the Road Traffic (National Car Test) Regulations 2014 (S.I. No. 322 of 2014)" for "within the meaning of the Road Traffic (National Car Test) Regulations 2003 (S.I. No. 405 of 2003)", and

(b) in subsection (4)(b) by substituting "€100" for "€500".

(2) *Subsection (1)(b)* comes into operation on 1 January 2016.

Amendment of section 141 of Finance Act 1992 (regulations)

50. Section 141 of the Finance Act 1992 is amended in subsection (2)(t), by inserting "the required vehicle dimensions and" after "prescribe".

PART 3

VALUE-ADDED TAX

Interpretation (*Part 3*)

51. In this Part "Principal Act" means the Value-Added Tax Consolidation Act 2010.

Supplies of gas, electricity, gas certificates and electricity certificates – reverse charge

52. (1) The Principal Act is amended—

(a) in section 16 by inserting the following after subsection (5):

"(6) (a) In this subsection—

'gas' means gas supplied through the natural gas distribution system.

(b) Where a taxable person who carries on a business in the State makes a supply of gas or of electricity to a taxable dealer who carries on a business in the State (in this subsection referred to as a 'recipient'), then—

(i) the recipient shall, in relation to that supply, be an accountable person or be deemed to be an accountable person and shall be liable to pay the tax chargeable as if that recipient made that supply in the course or furtherance of business, and

(ii) the person who supplied that gas or electricity shall not be accountable for or liable to pay such tax in respect of that supply.

(7) (a) In this subsection—

'a gas or an electricity certificate' means an electronic document which conveys information about the source and production of energy.

(b) Where a taxable person who carries on a business in the State makes a supply of a gas or an electricity certificate to another taxable person who carries on a business in the State (in this subsection referred to as a 'recipient'), then—

(i) the recipient shall, in relation to that supply, be an accountable person or be deemed to be an accountable person and shall be liable to pay the tax chargeable as if that recipient made that supply in the course or furtherance of business, and

(ii) the person who supplied that gas or electricity certificate shall not be accountable for or liable to pay such tax in respect of that supply.",

(b) in section 59 by inserting the following after subsection (2)(ib):

"(ic) the tax chargeable during the period, being tax for which the recipient (within the meaning of section 16(6)(b)) is liable by virtue of section 16(6)(b) in respect of supplies of gas or of electricity received by that recipient, but only where that recipient would be entitled to a deduction of that tax elsewhere under this subsection if that tax had been charged to such a recipient by an accountable person,

(id) the tax chargeable during the period, being tax for which the recipient (within the meaning of section 16(7)(b)) is liable by virtue of section 16(7)(b) in respect of a gas or an electricity certificate received by that recipient, but only where that recipient would be entitled to a deduction of that tax elsewhere under this subsection if that tax had been charged to such a recipient by an accountable person,",

and

(c) in section 66 by inserting the following after subsection (4B):

"(4C) (a) Where a taxable person who carries on a business in the State makes a supply of gas or electricity (to which section 16(6) applies) to a recipient (within the meaning of section 16(6)(b)), the person shall issue a document to the recipient indicating—

(i) that the recipient is liable to account for the tax chargeable on that supply, and

(ii) such other particulars as would be required to be included in that document if that document were an invoice required to be issued in accordance with subsection (1) but excluding the rate at which tax is chargeable and the amount of tax payable.

(b) Where the recipient and the person who supplied the gas or electricity so agree, section 71(1) may apply to this document as if it were an invoice.

(4D) (a) Where a taxable person who carries on a business in the State makes a supply of a gas or an electricity certificate (within the meaning of section 16(7)(a)), to a recipient (within the meaning of section 16(7)(b)), the person shall issue a document to the recipient indicating—

(i) that the recipient is liable to account for the tax chargeable on that supply, and

(ii) such other particulars as would be required to be included in that document if that document were an invoice required to be issued in accordance with subsection (1) but excluding the rate at which tax is chargeable and the amount of tax payable.

(b) Where the recipient and the person who supplied the gas or

electricity certificate so agree, section 71(1) may apply to this document as if it were an invoice.".

(2) *Subsection (1)* shall come into operation on 1 January 2016.

Adjustments to returns

53. The Principal Act is amended—

(a) in section 76(4)(a)(i), by inserting ", or an adjustment to a return as referred to in section 77A," after "or section 77", and

(b) by inserting the following after section 77:

"Adjustments to returns

77A. (1) Where, following the submission to the Collector-General of a return (in this section referred to as an 'original return') required to be furnished under section 76 or 77, as appropriate, that return is adjusted by an accountable person by means of—

(a) a correction to the original return,

(b) a replacement of the original return, or

(c) a supplement to the original return,

(in this section and in section 76(4) referred to as an 'adjustment to a return') the provisions of any enactment relating to value-added tax shall apply to that adjustment to a return as if it were a return required to be furnished under section 76 or 77, as appropriate.

(2) Any adjustment to a return to which subsection (1) applies shall, where applicable, be deemed to be a claim for a refund of tax and be subject to the provisions of section 99.".

Exempted education activities

54. The Principal Act is amended—

(a) in section 18—

(i) in subsection (1)(a), by substituting "section 52 and, paragraph 3(4) or 4(3) of Schedule 1" for "section 52 and paragraph 3(4) of Schedule 1", and

(ii) in subsection (1)(a)(III) by substituting "paragraph (a), (c) or (ca)" for "paragraph (c) or (ca)",

(b) in Schedule 1—

(i) by substituting the following subparagraph for subparagraph (3) of paragraph 4:

"(3) (a) The provision by a recognised body of children's or young people's education, school or university education, or vocational training or retraining (including the supply of goods and services incidental to

that provision, other than the supply of research services), but excluding instruction in the driving of mechanically propelled road vehicles other than—

(i) vehicles designed or constructed for the carriage of 1.5 tonnes of goods or more, or

(ii) vehicles designed or constructed for the carriage of more than 9 persons (including the driver).

(b) In this subparagraph—

'recognised body' means—

(i) a public body,

(ii) any of the following bodies:

(I) a recognised school within the meaning of the Education Act 1998;

(II) an education or training provider within the meaning of the Education and Training Boards Act 2013, to which section 22 of that Act applies;

(III) a body in receipt of moneys advanced under section 21 of the Further Education and Training Act 2013;

(IV) a body providing training for initial or continued access to a regulated profession, within the meaning of the Recognition of Professional Qualifications (Directive 2005/36/EC) Regulations 2008 (S.I. No. 139 of 2008);

(V) a body providing a course leading to an award which is recognised within the National Framework of Qualifications;

(VI) a body, included for the time being on a list published by the Minister for Justice and Equality from time to time, which provides a course, attendance at which, that Minister considers provides an acceptable basis for the granting of an immigration permission;

(VII) a body providing a course leading to an award by an approved college, within the meaning assigned by section 473A of the Taxes Consolidation Act 1997;

(VIII) a provider of a programme of education and training, within the meaning of the Qualifications and Quality Assurance (Education and Training) Act 2012 which is, for the time being, validated under section 45 of that Act;

(IX) a body, providing education to children or young people which, if provided by a recognised school within the meaning of section 10 of the Education Act 1998, would be

the curriculum prescribed under section 30 of that Act.",

and

(ii) by inserting the following subparagraph after subparagraph (3)—

"(4) tuition given privately by teachers and covering school or university education.".

Amendment of section 64 of Principal Act (capital goods scheme)

55. Section 64 of the Principal Act is amended by inserting the following after subsection (8):

"(8A) (a) Paragraph (b) applies where—

(i) either—

(I) a capital goods owner supplies a capital good which has not been completed and tax is chargeable on that supply, or

(II) a capital goods owner transfers (other than a transfer to which subsection (10)(c) applies) a capital good which has not been completed and tax would have been chargeable on that transfer but for the application of section 20(2)(c),

(ii) at the time of that supply or transfer, that owner and the person to whom the capital good is supplied or transferred are connected within the meaning of section 97, and

(iii) the amount of tax—

(I) chargeable on the supply of that capital good,

(II) that would have been chargeable on the transfer of that capital good but for the application of section 20(2)(c), or

(III) that would have been chargeable on the supply but for the application of section 56,

is less than the total tax incurred in relation to that capital good by the capital goods owner making that supply or transfer.

(b) The capital goods owner shall calculate an amount, which shall be payable by that owner as if it were tax due in accordance with Chapter 3 of Part 9 for the taxable period in which the supply or transfer occurs, in accordance with the formula—

$$K - L$$

where—

K is the total tax incurred in relation to that capital good by the capital goods owner making that supply or transfer, and

L is the amount of tax chargeable on the supply of that capital

good, or the amount of tax that would have been chargeable on the transfer of that capital good but for the application of section 20(2)(c), or the amount of tax that would have been chargeable on the supply but for the application of section 56.".

Amendment of section 65 of Principal Act (registration)

56. Section 65 of the Principal Act is amended by inserting the following after subsection (2):

"(2A) The Revenue Commissioners may cancel the registration number which has been assigned to a person in accordance with subsection (2), where that person does not become or ceases to be an accountable person.".

Amendment of section 87 of Principal Act (margin scheme – taxable dealers)

57. The Principal Act is amended in section 87—

(a) in subsection (1) by substituting the following definition for the definition of "means of transport"—

" 'means of transport' means—

(a) motorised land vehicles with an engine cylinder capacity exceeding 48 cubic centimetres or a power exceeding 7.2 kilowatts, other than agricultural machinery, and

(b) vessels exceeding 7.5 metres in length and aircraft with a take-off weight exceeding 1,550 kilogrammes, other than vessels and aircraft of the kind referred to in paragraph 4(2) of Schedule 2,

which are intended for the transport of persons or goods, other than new means of transport supplied where section 24(1)(b) applies in relation to that supply;",

and

(b) by inserting the following subsection after subsection (2)—

"(2A) A taxable dealer shall not apply the margin scheme to a supply of a new means of transport where section 24(1)(b) applies in relation to that supply.".

Cancellation of a registration number – special provisions for notification and publication

58. The Principal Act is amended by inserting the following after section 108C:

"Cancellation of a registration number - special provisions for notification and publication

108D. Where—

(a) a registration number assigned to a person in accordance with

section 65(2) is cancelled, and

(b) it appears requisite to the Revenue Commissioners to do so for the protection of the revenue,

the Commissioners may, notwithstanding any obligation as to secrecy or other restriction upon disclosure of information imposed on them by any enactment or otherwise—

(i) inform the suppliers to the person to whom that registration number relates, insofar as it is practicable, that that person's registration number has been cancelled and furnish them with—

(I) that cancelled registration number,

(II) the date from which that registration number has been cancelled, and

(III) the name and address of the person to whom that registration number had been assigned,

(ii) publish in *Iris Oifigiúil*—

(I) the cancelled registration number,

(II) the date from which that registration number has been cancelled, and

(III) the name and address of the person to whom that registration number had been assigned,

and

(iii) make publicly available the information which has been published in accordance with paragraph (ii) in any other publication and in any manner, form, format or media.".

Amendment of section 110 of Principal Act (estimation of tax due)

59. Section 110 of the Principal Act is amended in subsection (2) by substituting the following for paragraph (c)—

"(c) if, after the service of the notice, the person—

(i) furnishes a return, in accordance with regulations, in respect of the period specified in the notice, and

(ii) pays tax in accordance with the return, together with any interest and costs which may have been incurred in connection with the default,

the notice shall stand discharged and the person may claim, in accordance with regulations, a refund of any excess tax which may have been paid in respect of the period specified in the notice.".

Amendment of Schedule 1 to Principal Act (exempt activities)

60. Schedule 1 to the Principal Act is amended in paragraph 10 by inserting the following subparagraphs after subparagraph (1A):

"(1B) The acceptance of bets by a remote bookmaker (within the meaning of section 64 of the Finance Act 2002) from persons outside the State.

(1C) The supply of services by a remote betting intermediary (within the meaning of section 64 of the Finance Act 2002) to persons outside the State, the consideration for which consists of commission charges for the use of the remote betting intermediary facilities.".

PART 4

Stamp Duties

Interpretation (*Part 4*)

61. In this Part "Principal Act" means the Stamp Duties Consolidation Act 1999.

Amendment of Schedule 2B to Principal Act (qualifications for applying for relief from stamp duty in respect of transfers to young trained farmers)

62. Schedule 2B to the Principal Act is amended in paragraph 3—

(a) in subparagraph (h) by substituting "University of Limerick;" for "University of Limerick.", and

(b) by inserting the following after subparagraph (h):

"(i) Bachelor of Science (Honours) in Agriculture awarded by the Dundalk Institute of Technology.".

Amendment of section 81AA of Principal Act (transfers to young trained farmers)

63. Section 81AA of the Principal Act is amended in subsection (16) by substituting "31 December 2018" for "31 December 2015".

Amendment of section 123B of Principal Act (cash, combined and debit cards)

64. (1) Section 123B of the Principal Act is amended—

(a) in subsection (1)—

(i) by deleting the definitions of "bank" and "building society",

(ii) by inserting the following definitions:

" 'cash transaction' means a transaction by means of which a person

obtains cash from an automated teller machine situated in the State by means of a cash card or a combined card;

'credit institution' has the same meaning as it has in the European Union (Capital Requirements) Regulations 2014 (S.I. No. 158 of 2014);

'credit union' has the same meaning as it has in the Credit Union Acts 1997 to 2012;

'financial institution' has the same meaning as it has in the European Union (Capital Requirements) Regulations 2014;",

(iii) by substituting the following for the definition of "card account":

" 'card account' means an account maintained by a promoter to which—

(a) amounts of cash obtained by a person by means of a cash card are charged, or

(b) amounts in respect of goods, services or cash obtained by a person by means of a combined card or debit card are charged;",

(iv) in the definition of "basic payment account", by substituting "one of the following" for "one of the following banks",

(v) in the definition of "promoter", by substituting "means a credit institution or a financial institution other than a credit union or An Post and any of its subsidiaries" for "means a bank or building society", and

(vi) in the definition of "quarter", by substituting "into a card account." for "into a card account;",

(b) by substituting the following for subsection (2):

"(2) A promoter shall, within one month of the end of each year, commencing with the year 2016, deliver to the Commissioners a statement in writing showing—

(a) the number of cash cards and combined cards issued at any time by the promoter that are valid on 31 December in the year,

(b) the number of cash transactions completed in the year using a card valid on 31 December in the year in respect of each type of card,

(c) the number of cash cards to which the monetary cap referred to in subsection (4) has been applied,

(d) the number of combined cards, both functions of which were used in the year, to which the monetary cap referred to in subsection (4) has been applied, and

(e) the number of combined cards, only the cash card function of which was used in the year, to which the monetary cap referred to

in subsection (4) has been applied.",

(c) by inserting the following subsection after subsection (2):

"(2A) For the purposes of subsection (2), a cash card or a combined card shall be valid on 31 December of a particular year where—

(a) the card has not expired or been cancelled before that date, and

(b) on that date, the address of the person to whom the card was issued is in the State.

(2B) A promoter shall, within one month of the end of each year, commencing with the year 2016, deliver to the Commissioners a statement in writing showing the number of each type of card to which the monetary cap referred to in subsection (4) has not been applied, together with the number of cash transactions in the year in respect of those cards.

(2C) Where a cash card or combined card issued by a promoter in respect of a card account and valid on 31 December in a particular year (in this subsection referred to as the 'final card') has been issued following the cancellation or expiry in that year of another card of the same type issued by the promoter in respect of the card account (in this subsection referred to as a 'previous card'), each such previous card shall be taken to be the final card for the purposes of this section.",

(d) by substituting the following for subsection (3):

"(3) Notwithstanding subsection (2)—

(a) if the cash card or combined card is not used at any time during a year,

(b) if the cash card or combined card is issued in respect of a card account—

(i) which is a deposit account, and

(ii) the average of the daily positive balances in the account does not exceed €12.70 during that year,

or

(c) if the cash card or combined card is issued in respect of a basic payment account,

then it shall not be included in the statement relating to that year.",

(e) by substituting the following for subsection (4):

"(4) Stamp duty shall be charged on every statement delivered in pursuance of subsection (2) at the rate of €0.12 for each cash transaction included in the statement, but the amount charged in respect of—

(a) any individual combined card, both functions of which were used

in the year, shall not exceed €5,

(b) any individual combined card, only the cash card function of which was used in the year, shall not exceed €2.50, and

(c) any individual cash card, shall not exceed €2.50.",

and

(f) in subsection (9) by substituting "of a cash card or combined card" for "of a cash card, combined card or debit card".

(2) Notwithstanding the commencement of *subsection (1)*, section 123B shall continue to apply in respect of the year 2015 to the same extent as if this Act had not been passed.

Amendment of section 124 of Principal Act (credit cards and charge cards)

65. Section 124 of the Principal Act is amended in subsection (1)(a)—

(a) by substituting the following for the definition of "bank":

" 'bank' means a credit institution or a financial institution other than a credit union or An Post and any of its subsidiaries;",

and

(b) by inserting the following definitions:

" 'credit institution' has the same meaning as it has in the European Union (Capital Requirements) Regulations 2014 (S.I. No. 158 of 2014);

'credit union' has the same meaning as it has in the Credit Union Acts 1997 to 2012;

'financial institution' has the same meaning as it has in the European Union (Capital Requirements) Regulations 2014;".

PART 5

Capital Acquisitions Tax

Interpretation (*Part 5*)

66. In this Part "Principal Act" means the Capital Acquisitions Tax Consolidation Act 2003.

Amendment of Schedule 2 to Principal Act (computation of tax)

67. (1) Part 1 of Schedule 2 to the Principal Act is amended in paragraph 1(a), in the definition of "group threshold", by substituting "€280,000" for "€225,000".

(2) This section applies to gifts and inheritances taken on or after 14 October 2015.

PART 6

MISCELLANEOUS

Interpretation (*Part 6*)

68. In this Part "Principal Act" means the Taxes Consolidation Act 1997.

Tax treatment of return of value on certain shares where shareholders affected by postal delays

69. The Principal Act is amended by inserting the following section after section 847B:

"Tax treatment of return of value on certain shares where shareholders affected by postal delays

847C. (1) In this section—

'company' means Standard Life plc;

'deadline specified by the company' means 4.30 pm on 18 March 2015;

'relevant person' means a person whose form electing to take B shares in the company was received after the deadline specified by the company;

'return of value' means the dividend paid in respect of fully paid bonus C shares issued to shareholders in the company in accordance with the terms of a return of value and related share consolidation which was completed by the company on or about 20 March 2015.

(2) Notwithstanding any other provision of this Act, the receipt by a relevant person of a return of value in respect of shares where an election to take B shares was made, shall be deemed, for the purposes of capital gains tax, to be the receipt of a capital sum derived from the person's ordinary shares in the company and not to be income.

(3) Subsection (2) shall not apply unless the person referred to in that subsection proves to the satisfaction of the Revenue Commissioners that the form, being the form by which that person elected to take B shares—

(a) was completed and signed by that person before the deadline specified by the company for the receipt of such forms, and

(b) was, due to delays in the postal system, received in hard copy by post by or on behalf of the company after that deadline.".

Marriage equality

70. The Principal Act is amended—

(a) in section 2 by inserting the following after subsection (3A):

"(3B) In the Tax Acts, any reference, howsoever expressed, to an individual or a claimant—

(a) being a man, a married man or a husband, shall be construed as including, as necessary, a reference to a woman, a married woman or a wife, and

(b) being a woman, a married woman or a wife shall be construed as including, as necessary, a reference to a man, a married man or a husband.",

(b) in section 5 by inserting the following after subsection (1):

"(1A) In the Capital Gains Tax Acts, any reference, howsoever expressed, to an individual—

(a) being a man, a married man or a husband, shall be construed as including, as necessary, a reference to a woman, a married woman or a wife, and

(b) being a woman, a married woman or a wife, shall be construed as including, as necessary, a reference to a man, a married man or a husband.",

and

(c) in section 1019 by deleting subsection (6).

Amendment of Chapter 3 of Part 33 of Principal Act (mandatory disclosure of certain transactions)

71. Part 33 of the Principal Act is amended—

(a) in section 817HA(4)(b) by inserting the following after "officer":

", by the specified return date for the chargeable period, within the meaning assigned to it by section 959A,",

and

(b) in section 817L(3) by substituting "working days" for "days".

Amendment of section 851A of Principal Act (confidentiality of taxpayer information)

72. Section 851A of the Principal Act is amended in subsection (1) by substituting the following for the definition of "professional body":

" 'professional body' means—

(a) an accountancy body that comes within the supervisory remit of the Irish Auditing and Accounting Supervisory Authority,

(b) the Irish Auditing and Accounting Supervisory Authority,

(c) the Irish Taxation Institute, or

(d) the Law Society of Ireland;".

Amendment of section 886 of Principal Act (obligation to keep certain records)

73. Section 886(4) of the Principal Act is amended by inserting the following paragraph after paragraph (a):

"(aa) Where a person to whom this section applies ceases to be a person to whom subparagraph (i), (ii) or (iii), as appropriate, of subsection (2)(a) applies, that person (or such other person on that person's behalf) required to keep the linking documents and records shall keep or retain the linking documents and records notwithstanding that a period of 5 years has elapsed from the date of such cessation.".

Amendment of Part 38 of Principal Act (returns of income and gains, other obligations and returns, and Revenue powers)

74. Part 38 of the Principal Act is amended—

(a) by inserting the following after section 891F:

"Implementation of Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation

891G.(1) This section provides for the collection and reporting of certain information in respect of financial accounts held by any person who is regarded by virtue of the laws of a jurisdiction other than the State as resident in that jurisdiction for the purposes of tax.

(2) In this section—

'Directive' means the Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation[28];

'account holder', 'financial account', 'high value account', 'lower value account', 'reportable account', 'reporting financial institution', and 'TIN' have the meanings respectively given to them by Section VIII of Annex I to the Directive;

'change in circumstances' shall be construed in accordance with Annex II to the Directive.

(3) The Revenue Commissioners, with the consent of the Minister for Finance, may make regulations under this section with respect to the return by a reporting financial institution of information on reportable accounts held, managed or administered by that reporting financial institution.

(4) In addition to the specification in the regulations of a requirement that

28 OJ No. L359, 16.12.2014, p.1

reporting financial institutions make a return to the Revenue Commissioners of information in relation to reportable accounts, regulations under this section may (without prejudice to the generality of subsection (3)) include provisions—

(a) determining the date by which a return required to be made under the regulations shall be made to the Revenue Commissioners,

(b) prescribing the manner in which returns are to be made,

(c) specifying the information to be reported in a return by the reporting financial institution, to the Revenue Commissioners, in relation to reportable accounts and, where different information is to be reported for different years, specifying the information to be reported for each of those years,

(d) specifying—

(i) the currency in which the reporting financial institution is required to report, and

(ii) the rules for conversion of amounts, denominated in another currency, into the currency, referred to in subparagraph (i), for the purposes of a return under the regulations,

(e) requiring reporting financial institutions to identify reportable accounts,

(f) specifying the records and documents that must be examined or obtained by the reporting financial institution to enable the institution to identify reportable accounts,

(g) specifying the records and documents used to identify reportable accounts that must be retained by the reporting financial institution,

(h) specifying additional requirements in relation to the examination of high value accounts and lower value accounts,

(i) setting out the circumstances in which a reporting financial institution is required to aggregate financial accounts held by the same individual or entity for the purposes of identifying reportable accounts as high value accounts or lower value accounts,

(j) specifying the actions to be taken by a reporting financial institution where there is a change in circumstances with respect to the account holder of a financial account,

(k) setting out the conditions under which a reporting financial institution may appoint a third party as its agent to carry out the duties and obligations imposed on it by the regulations,

(l) setting out the circumstances in which a reporting financial institution may make a nil return,

(m) imposing an obligation on—

(i) a reporting financial institution to obtain a TIN from any person—

(I) with whom the institution enters into a contractual relationship, or

(II) for whom the institution undertakes any transaction, on or after a date specified in the regulations, which shall not be earlier than the commencement of the regulations (and such persons are in this paragraph referred to as 'customers') for the purposes of including that number in a return under the regulations,

and

(ii) customers to provide a reporting financial institution with their TIN on request by the reporting financial institution where, on or after a date specified in the regulations—

(I) such customers enter into a contractual relationship with the reporting financial institution, or

(II) the reporting financial institution undertakes any transaction for such customers,

being respectively—

(A) a relationship which results in the opening, operation, administration or management of a financial account, or

(B) a transaction which arises in relation to a financial account,

(n) defining 'books' and 'records' for the purposes of the regulations,

(o) in relation to any of the matters specified in the preceding paragraphs, determining the manner of keeping records and setting the period for the retention of records so kept,

(p) enabling the authorisation of Revenue officers, for the purpose of such officers—

(i) requiring—

(I) the production of books, records or other documents,

(II) the provision of information, explanations and particulars, and

(III) persons to give all such assistance as may reasonably be required and as is specified in the regulations,

in relation to financial accounts within such time as may be specified in the regulations, and

(ii) making extracts from or copies of books, records or other documents or requiring that copies of such books, records and documents be made available,

and

(q) specifying such supplemental and incidental matters as appear to the Revenue Commissioners to be necessary—

(i) to enable persons to fulfil their obligations under the regulations, or

(ii) for the general administration and implementation of the regulations, including—

(I) delegating to a Revenue officer the authority to perform any acts and discharge any functions authorised by this section or the regulations to be performed or discharged by the Revenue Commissioners, and

(II) the authorisation by the Revenue Commissioners of Revenue officers to exercise any powers, to perform any acts or to discharge any functions conferred by this section or by the regulations.

(5) Every regulation made under this section shall be laid before Dáil Éireann as soon as may be after it is made and, if a resolution annulling the regulation is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the regulation is laid before it, the regulation shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.

(6) A Revenue officer authorised for the purpose of regulations under this section may at all reasonable times enter any premises or place of business of a reporting financial institution for the purposes of—

(a) determining whether information—

(i) included in a return made under the regulations by the reporting financial institution was correct and complete, or

(ii) not included in such a return was correctly not so included,

or

(b) examining the procedures put in place by the reporting financial institution for the purposes of ensuring compliance with that institution's obligations under the regulations.

(7) (a) Section 898O shall apply to—

(i) a failure by a reporting financial institution to deliver a return required under regulations under this section, and

(ii) the making of an incorrect or incomplete return under those

regulations,

as it applies to a failure to deliver a return or to the making of an incorrect or incomplete return referred to in section 898O.

(b) A person who does not comply with—

(i) the requirements of a Revenue officer in the exercise or performance of the officer's powers or duties under this section or under regulations made under this section, or

(ii) any requirement of such regulations,

shall be liable to a penalty of €1,265.

(8) Section 4 of the Post Office Savings Bank Act 1861 shall not apply to the disclosure of information required to be included in a return made under the regulations made under this section and, accordingly, this section shall apply to information to which, but for this subsection, the said section 4 would apply.

(9) Where arrangements are entered into by any person and the main purpose or one of the main purposes of the arrangements, or any part of them, is the avoidance of any of the obligations imposed under this section or regulations thereunder, then this section and those regulations shall apply as if the arrangements, or that part of them, had not been entered into.

(10) Any word or expression which has a meaning given to it by Section VIII of Annex I or Annex II to the Directive respectively shall, where it is used in regulations made under this section and unless the contrary intention appears, have the same meaning in those regulations as it has in the respective Annex.

(11) Section 891F shall not apply to a reportable account to which this section applies.",

and

(b) by inserting the following after section 898R:

"Cessation

898S. This Chapter, other than sections 898L, 898M and 898O, shall cease to have effect as respects an interest payment made to or secured for a person on or after 1 January 2016 who is—

(a) resident in a Member State, or

(b) resident in a territory with which arrangements were made and such territory is a reportable jurisdiction within the meaning of Section VIII of the standard, as defined in section 891F.".

Amendment of Chapter 4 of Part 38 of Principal Act (Revenue powers)

75. Chapter 4 of Part 38 of the Principal Act is amended—

(a) in section 902—

(i) in subsection (1)—

(I) by substituting "section 900(1);" for "section 900(1)." in the definition of "books, records or other documents" and "liability", and

(II) by inserting the following after the definition of "books, records or other documents" and "liability":

" 'taxpayer' includes any person whose identity is not known to the authorised officer and includes a group or class of persons whose individual identities are not so known to the authorised officer.",

(ii) in subsection (5) by inserting ", where known," after "taxpayer", and

(iii) in subsection (6), by substituting the following for "the taxpayer concerned.":

"the taxpayer concerned—

(a) in a case where the identity of the taxpayer is known to the authorised officer at the time the notice is served under subsection (2), at that time or as soon as is practicable thereafter, and

(b) in any other case, as soon as is practicable after the time the identity of the taxpayer becomes known to the authorised officer.",

(b) in section 902A—

(i) by inserting the following after subsection (2):

"(2A) In making an application under subsection (2), an authorised officer may request the judge to provide that any order made under subsection (4) shall be subject to a condition that, save for the purposes of complying with the order, the existence of or any details of the order shall not be disclosed (whether directly or indirectly) to any person.",

and

(ii) in subsection (3)—

(I) by inserting the following after "subsection (2)":

", whether or not it includes a request to be made under subsection (2A),",

(II) in paragraph (b), by substituting "failure)," for "failure), and", and

(III) by inserting the following after paragraph (b):

"(ba) that, in a case where the application includes a request made under subsection (2A), there are reasonable grounds for suspecting that a disclosure, referred to in subsection (2A) would lead to serious

prejudice to the proper assessment or collection of tax, and",

(c) in section 906A—

(i) in subsection (1)—

(I) by substituting "Revenue Commissioners;" for "Revenue Commissioners." in the definition of "tax", and

(II) by inserting the following after the definition of "tax":

" 'taxpayer' includes any person whose identity is not known to the authorised officer and includes a group or class of persons whose individual identities are not so known to the authorised officer.",

(ii) in subsection (7) by inserting ", where known," after "taxpayer", and

(iii) by substituting the following for "the taxpayer concerned." in subsection (8):

"the taxpayer concerned—

(a) in a case where the identity of the taxpayer is known to the authorised officer at the time the notice is served under subsection (2), at that time or as soon as is practicable thereafter, and

(b) in any other case, as soon as is practicable after the time the identity of the taxpayer becomes known to the authorised officer.",

(d) in section 908—

(i) by inserting the following after subsection (2):

"(2A) In making an application under subsection (2), an authorised officer may request the judge to provide that any order made under subsection (5) shall be subject to a condition that, save for the purposes of complying with the order, the existence of or any details of the order shall not be disclosed (whether directly or indirectly) to any person.",

and

(ii) in subsection (3)—

(I) by inserting the following after "under subsection (2)":

", whether or not it includes a request to be made under subsection (2A),",

(II) in paragraph (b), by substituting "failure)," for "failure), and", and

(III) by inserting the following after paragraph (b):

"(ba) that, in a case where the application includes a request made under subsection (2A), there are reasonable grounds for suspecting that a disclosure, referred to in subsection (2A) would lead to serious prejudice to the proper assessment or collection of tax, and",

and

(e) in section 912A—

(i) in subsection (2), by substituting "907, 907A and" for "907 and", and

(ii) in subsection (3), by substituting "907, 907A and" for "907 and".

Amendment of section 888 of Principal Act (returns, etc. by lessors, lessees and agents)

76. (1) Section 888 of the Principal Act is amended—

(a) in subsection (1) by inserting the following definition:

" 'local property tax number' means the unique identification number assigned to a residential property by the Revenue Commissioners under section 27 of the Finance (Local Property Tax) Act 2012 and 'residential property' has the same meaning as in section 2 of that Act;",

(b) in subsection (2)(d)—

(i) by inserting the following after subparagraph (i):

"(ia) the local property tax number of each such premises that is a residential property,",

and

(ii) by inserting the following after subparagraph (ii):

"(iia) the tax reference number of every such person,",

(c) in subsection (2)(e) by inserting the following after subparagraph (i):

"(ia) the local property tax number of each premises that is a residential property,",

and

(d) in subsection (3) by substituting the following for paragraph (d):

"(d) A person referred to in subsection (2)(d) who manages any premises or is in receipt of rent or other payments arising from any premises shall request from every person to whom such premises belongs—

(i) the person's tax reference number, or

(ii) where the person does not have a tax reference number, confirmation to that effect,

and that person shall comply with the request.

(e) Where in making a return for the purposes of paragraph (d) or (e) of subsection (2), the person or body is unable to provide the information required by subparagraph (iia) of those paragraphs in respect of a person because that person failed to furnish the information in accordance with paragraphs (b) or (d), then the

person or body shall, unless they can otherwise duly provide the information, state that they cannot provide the information so required.".

(2) This section shall come into operation on such day as the Minister for Finance may by order appoint.

Discharge of Revenue Commissioners' and Collector-General's functions

77. The Principal Act is amended by substituting the following for section 960B:

"Discharge of Revenue Commissioners' and Collector-General's functions

960B. The Revenue Commissioners may nominate in writing any Revenue officer to perform any acts and to discharge any functions authorised by Chapters 1B, 1C and 1D to be performed or discharged by the Revenue Commissioners or the Collector-General other than the acts and functions referred to in subsections (1) to (4) of section 960N, and references in this Part to 'Revenue Commissioners' and 'Collector-General' shall be read accordingly.".

Amendment of section 1077E of Principal Act (penalty for deliberately or carelessly making incorrect returns, etc.)

78. Section 1077E(11) of the Principal Act is amended—

(a) in paragraph (a)—

(i) by inserting "or could have been claimed" after "the relevant periods", and

(ii) by inserting ", claim" after "declaration",

and

(b) in paragraph (b)—

(i) by inserting ", or refundable to," after "the relevant periods by", and

(ii) by inserting ", claim" after "declaration".

Amendment of section 826 of Principal Act (agreements for relief from double taxation)

79. (1) Section 826 of the Principal Act is amended by—

(a) inserting the following subsection after subsection (1C):

"(1D) Where—

(a) the Government by order declare—

(i) that arrangements, in relation to any matter referred to in subparagraph (i) or (ii) of subsection (1)(a) and specified in the order, have been made with an authority, other than a government, of a territory outside the State, and

(ii) that it is expedient that those arrangements should have the force of law,

and

(b) the order so made is referred to in Part 1 of Schedule 24A,

then, subject to this section and to the extent provided for in this section, the arrangements shall, notwithstanding any enactment, have the force of law as if each such order were an Act of the Oireachtas on and from the date of the insertion of a reference to the order into Part 1 of Schedule 24A.",

and

(b) inserting the following subsection after subsection (9):

"(10) For the purposes of an order under subsection (1D), where an order is made under that subsection in relation to a territory outside the State—

(a) any reference to country in this Act or any other enactment shall be construed as including a reference to the territory, and

(b) any reference to government in this Act or any other enactment shall be construed as including a reference to the authority, referred to in subsection (1D), of the territory.".

(2) This section comes into operation on the passing of this Act.

Amendment of Schedule 24A to Principal Act (arrangements made by the Government with the government of any territory outside the State in relation to affording relief from double taxation and exchanging information in relation to tax)

80. Schedule 24A to the Principal Act is amended—

(a) in Part 1—

(i) by inserting the following after paragraph 11:

"11A. The Double Taxation Relief (Taxes on Income) (Federal Democratic Republic of Ethiopia) Order 2015 (S.I. No. 435 of 2015).",

(ii) by substituting the following for paragraph 14A:

"14A. The Double Taxation Relief (Taxes on Income and on Capital) (Federal Republic of Germany) Order 2012 (S.I. No. 22 of 2012) and the Double Taxation Relief (Taxes on Income and on Capital) (Federal Republic of Germany) Order 2015 (S.I. No. 438 of 2015).",

(iii) by substituting the following for paragraph 31:

"31. The Double Taxation Relief (Taxes on Income) (Pakistan) Order 1974 (S.I. No. 260 of 1974) and the Double Taxation Relief (Taxes on Income) (Pakistan) Order 2015 (S.I. No. 436 of 2015).",

and

(iv) by substituting the following for paragraph 44:

"44. The Double Taxation Relief (Taxes on Income) (Republic of Zambia) Order 1973 (S.I. No. 130 of 1973) and the Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Zambia) Order 2015 (S.I. No. 437 of 2015).",

and

(b) in Part 3—

(i) by inserting the following after paragraph 1A:

"1AA. The Exchange of Information Relating to Tax Matters (Argentine Republic) Order 2015 (S.I. No. 439 of 2015).",

(ii) by inserting the following after paragraph 1AA (inserted by *subparagraph (i)*):

"1AB. The Exchange of Information Relating to Tax Matters (Commonwealth of The Bahamas) Order 2015 (S.I. No. 440 of 2015).",

and

(iii) by inserting the following after paragraph 8AA:

"8AB. The Exchange of Information Relating to Tax Matters (Saint Christopher (Saint Kitts) and Nevis) Order 2015 (S.I. No. 441 of 2015).".

Fuel grant

81. (1) The Minister may pay, out of moneys provided by the Oireachtas, a grant to a person in respect of hydrocarbon oil used for combustion in the engine of a vehicle used by a severely and permanently disabled person—

(a) as a driver, where the disablement is of such a nature that the person concerned could not drive any vehicle unless it is specially constructed or adapted to take account of that disablement, or

(b) as a passenger, where the vehicle has been specially constructed or adapted to take account of the passenger's disablement.

(2) The Minister, after consultation with the Minister for Health and the Data Protection Commissioner, may make regulations for the purposes of this section to provide for the following:

(a) the payment of the grant;

(b) the annual maximum quantity of hydrocarbon oil in respect of which a claim may be made;

(c) the rates of the grant payable in respect of different types of hydrocarbon oil;

(d) eligibility criteria;

(e) the manner in which an application for the grant is to be made;

(f) the information to be furnished by an applicant for the grant;

(g) procedures for the reimbursement of overpayments and erroneous payments;

(h) the publication of administrative guidelines;

(i) any consequential or ancillary matters as appear to the Minister to be necessary or expedient for the proper administration of the grant.

(3) When making regulations under *subsection (2)*, the Minister shall have regard to the following:

(a) Government policy to the extent that it relates to severely and permanently disabled persons;

(b) the importance of ensuring the affordability of motorised transport for severely and permanently disabled persons; and

(c) the need to assist severely and permanently disabled persons and organisations engaged in the transport of severely and permanently disabled persons with part of the cost associated with the purchase of hydrocarbon oils.

(4) Without prejudice to the generality of *subsection (3)*—

(a) in specifying the rate of the grant in respect of a type of hydrocarbon oil, the Minister shall have regard to the retail price of hydrocarbon oil of that type, and

(b) in specifying eligibility criteria, the Minister shall have regard to any eligibility criteria specified in regulations made under section 92 of the Finance Act 1989.

Offences and penalties relating to fuel grant

82. (1) A person who furnishes information for the purpose of receiving the grant referred to in *section 81* of this Act which is false or misleading, knowing it to be false or misleading in a material respect or being reckless as to whether it is so false or misleading, is guilty of an offence.

(2) A person who is guilty of an offence under this section is liable—

(a) on summary conviction to a class A fine or imprisonment for a term not exceeding 12 months or both,

(b) on conviction on indictment to a fine not exceeding €50,000 or imprisonment for a term not exceeding 5 years or both.

Exemption in respect of fuel grant

83. The Principal Act is amended by inserting the following section after section 192C:

"Exemption in respect of fuel grant

192D. A payment made under *section 81* of the *Finance Act 2015* shall be exempt from income tax and shall not be reckoned in computing income for the purposes of the Income Tax Acts.".

Amendment of section 92 of Finance Act 1989

84. Section 92(1) of the Finance Act 1989 is amended—

(a) in paragraph (a), by substituting "motor vehicle used by," for "motor vehicle used by, and", and

(b) by deleting paragraph (b).

Exemption in respect of water conservation grant

85. The Principal Act is amended by inserting the following section after section 192D:

"Exemption in respect of water conservation grant

192E. A payment made under section 5 of the Water Services Act 2014 shall be exempt from income tax and shall not be reckoned in computing income for the purposes of the Income Tax Acts.".

Miscellaneous amendments of Principal Act in relation to authorisations granted under section 9A of Central Bank Act 1971

86. (1) (a) The provision of the Principal Act specified in *column (2)*, opposite a reference number specified in *column (1)* is amended—

(i) if no words are specified in *column (3)* opposite the reference number in *column (1)*, by inserting the words specified in *column (4)* opposite that reference number, and

(ii) in every other case, by substituting the words specified in *column (4)*, opposite the reference number in *column (1)*, for the words specified in *column (3)* opposite that reference number.

(b) In *paragraph (a)*, a reference to a column is a reference to the column in the Table set out in the Schedule.

(2) The amendments under *subsection (1)* come into operation on the passing of this Act.

Amendment of section 54 of Finance Act 1970

87. Section 54 of the Finance Act 1970 is amended by substituting the following for subsection (5):

"(5) The Minister for Finance may purchase securities created or issued by him either under this section or under any other provision of an Act of the Oireachtas whenever and so often as he thinks fit and in any manner, whether in the open market or otherwise, and any such securities so purchased shall be cancelled.

(5A) The purchase price and the expenses and other costs paid or incurred by the Minister for Finance under subsection (5) of this section shall be charged on the Central Fund or the growing produce thereof.".

Miscellaneous technical amendments in relation to tax

88. (1) The Principal Act is amended—

(a) in section 118B(1), in the definition of "exempt employee benefit", by substituting "subsection (2)(a)(i), (ii) and (iii)" for "subsection (2)(a)(i) and (ii)",

(b) in Part 36 by renumbering the existing section numbered 848AA (inserted by section 48 of the Finance Act 2014 as section 847B,

(c) in paragraph 9FB(7) of Schedule 24 by deleting "the Federal Republic of Germany,", and

(d) in Schedule 25B by substituting the following for "for the tax year under section 823A" in the matter set out in column (3) opposite the entry at Reference Number 48A:

"under section 823A for the tax years 2012, 2013, 2014, 2016 and for each subsequent tax year".

(2) This section has effect on and from the passing of this Act.

Care and management of taxes and duties

89. All taxes and duties imposed by this Act are placed under the care and management of the Revenue Commissioners.

Short title, construction and commencement

90. (1) This Act may be cited as the Finance Act 2015.

(2) *Part 1* shall be construed together with—

(a) in so far as it relates to income tax, the Income Tax Acts,

(b) in so far as it relates to universal social charge, Part 18D of the Principal Act,

(c) in so far as it relates to corporation tax, the Corporation Tax Acts, and

(d) in so far as it relates to capital gains tax, the Capital Gains Tax Acts.

(3) *Part 2*, in so far as it relates to duties of excise, shall be construed together with the statutes which relate to those duties and to the management of those duties.

(4) *Part 3* shall be construed together with the Value-Added Tax Acts.

(5) *Part 4* shall be construed together with the Stamp Duties Consolidation Act 1999 and the enactments amending or extending that Act.

(6) *Part 5* shall be construed together with the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending or extending that Act.

(7) *Part 6* in so far as it relates to—

(a) income tax, shall be construed together with the Income Tax Acts,

(b) universal social charge, shall be construed together with Part 18D of the Principal

Act,

(c) corporation tax, shall be construed together with the Corporation Tax Acts,

(d) capital gains tax, shall be construed together with the Capital Gains Tax Acts,

(e) customs, shall be construed together with the Customs Acts,

(f) duties of excise, shall be construed together with the statutes which relate to duties of excise and the management of those duties,

(g) value-added tax, shall be construed together with the Value-Added Tax Acts,

(h) stamp duty, shall be construed together with the Stamp Duties Consolidation Act 1999 and the enactments amending or extending that Act,

(i) domicile levy, shall be construed together with Part 18C of the Principal Act, and

(j) gift tax or inheritance tax, shall be construed together with the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending or extending that Act.

(8) Except where otherwise expressly provided in *Part 1*, that Part shall come into operation on 1 January 2016.

(9) Except where otherwise expressly provided, where a provision of this Act is to come into operation on the making of an order by the Minister for Finance, that provision shall come into operation on such day or days as the Minister for Finance shall appoint either generally or with reference to any particular purpose or provision and different days may be so appointed for different purposes or different provisions.

SCHEDULE

Section 86

MISCELLANEOUS AMENDMENTS OF PRINCIPAL ACT IN RELATION TO AUTHORISATIONS GRANTED UNDER SECTION 9A OF CENTRAL BANK ACT 1971

TABLE

Reference No. (1)	Provision of Principal Act (2)	Words to be substituted (3)	Substituting words (4)
1	section 172A(1)(a)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
2	section 172E(4)(a)	(a) is a company which holds a licence granted under section 9 of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any relevant territory which corresponds to that section,	(a) is a company which holds a licence granted under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any relevant territory or of an EEA state which corresponds to the said section 9,

Reference No. (1)	Provision of Principal Act (2)	Words to be substituted (3)	Substituting words (4)
3	section 172G(4)(a)	(a) is a company which holds a licence granted under section 9 of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any relevant territory which corresponds to that section,	(a) is a company which holds a licence granted under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any relevant territory or of an EEA state which corresponds to the said section 9,
4	section 244A(1)(a)(i)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
5	section 244A(3)(a)	(a) a bank holding a licence under section 9 of the Central Bank Act 1971;	(a) a bank holding a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971;
6	section 244A(3)(f)	(i) (I) holds a licence or similar authorisation, corresponding to a licence referred to in paragraph (a), or (II) has been incorporated in a manner corresponding to that referred to in paragraph (b), under the law of any other Member State of the European Communities,	(i) (I) holds a licence or similar authorisation, corresponding to a licence granted under section 9 of the Central Bank Act 1971, or (II) has been incorporated in a manner corresponding to that referred to in paragraph (b), under the law of an EEA state, other than the State,

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
7	section 256(1)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
8	section 256(1), in paragraph (a) of the definition of "relevant deposit taker"	(a) a person who is a holder of a licence granted under section 9 of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who is a holder of a licence granted under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
9	section 519C(1)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
10	section 519C(1), in paragraph (a) of the definition of "qualifying savings institution"	(a) a person who is a holder of a licence granted under section 9 of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who is a holder of a licence granted under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
11	section 730A(1), in paragraph (a) of the definition of "financial institution"	(a) a person who holds a licence under section 9 of the Central Bank Act 1971,	(a) a person who holds a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971,
12	section 784A(1)(a)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
13	section 784A(1)(a), in paragraph (a) of the definition of "qualifying fund manager"	(a) a person who is a holder of a licence granted under section 9 of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who is a holder of a licence granted under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,
14	section 784A(7)(a)(I)	a Member State of the European Communities	an EEA state

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
15	section 845A(1)	(1) In this section, "bank" means— (a) a person who is a holder of a licence granted under section 9 of the Central Bank Act 1971, or (b) a person who holds a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under the said section 9.	(1) In this section— "bank" means— (a) a person who is a holder of a licence granted under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or (b) a person who holds a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9; "EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement.

Reference No. (1)	Provision of Principal Act (2)	Words to be substituted (3)	Substituting words (4)
16	section 891B(1)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
17	section 891B(1), in paragraph (a) of the definition of "financial institution"	(a) a person who holds or has held a licence under section 9 of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who holds or has held a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,

Reference No. (1)	Provision of Principal Act (2)	Words to be substituted (3)	Substituting words (4)
18	section 906A(1)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
19	section 906A(1), in paragraph (a) of the definition of "financial institution"	(a) a person who holds or has held a licence under section 9 of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who holds or has held a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,

Reference No.	Provision of Principal Act	Words to be substituted	Substituting words
(1)	(2)	(3)	(4)
20	section 908A(1)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
21	section 908A(1), in paragraph (a) of the definition of "financial institution"	(a) a person who holds or has held a licence under section 9 of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who holds or has held a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,

Reference No. (1)	Provision of Principal Act (2)	Words to be substituted (3)	Substituting words (4)
22	section 908B(1)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
23	section 908B(1), in paragraph (a) of the definition of "financial institution"	(a) a person who holds or has held a licence under section 9 of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who holds or has held a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,

Reference No. (1)	Provision of Principal Act (2)	Words to be substituted (3)	Substituting words (4)
24	section 1002(1)(a)		"EEA Agreement" means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by all subsequent amendments to that Agreement; "EEA state" means a state which is a contracting party to the EEA Agreement;
25	section 1002(1)(a), in paragraph (a) of the definition of "financial institution"	(a) a person who holds or has held a licence under section 9 of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of any other Member State of the European Communities which corresponds to a licence granted under that section,	(a) a person who holds or has held a licence under section 9 or an authorisation granted under section 9A of the Central Bank Act 1971, or a person who holds or has held a licence or other similar authorisation under the law of an EEA state, other than the State, which corresponds to a licence granted under the said section 9,