An Bille Airgeadais (Uimh. 2), 2026

Finance (No. 2) Bill 2026

Mar a tionscnaíodh

As initiated

[No. 98 of 2026]

AN BILLE AIRGEADAIS (UIMH. 2), 2026
FINANCE (NO. 2) BILL 2026

Mar a tionscnaíodh

As initiated

CONTENTS

PART 1

UNIVERSAL SOCIAL CHARGE, INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 1

Interpretation

Section
1. Definition (Part 1)

CHAPTER 2

Universal Social Charge

2. Amendment of section 531AN of Principal Act (rate of charge)

CHAPTER 3

Income Tax

3. Rate of charge and personal tax credits
4. Amendment of section 473B of Principal Act (rent tax credit)
5. Amendment of section 469 of Principal Act (relief for health expenses)
6. Amendment of section 473A of Principal Act (relief for fees paid for third level education, etc.)
7. Amendment of section 216C of Principal Act (childcare services relief)
8. Payments under Supports for Survivors of Residential Institutional Abuse Act 2025
9. Payments from Nurturing Skills Learner Fund
10. Amendment of Part 1 of Schedule 3 to Principal Act (reliefs in respect of income tax charged on payments on retirement, etc.)
11. Amendment of Chapter 4 of Part 42 of Principal Act (collection and recovery of income tax on certain emoluments (PAYE system))
12. Amendment of section 531AA of Principal Act (interpretation (Part 18C))
13. Amendment of section 847A of Principal Act (donations to certain sports bodies)

14. Amendment of section 847AA of Principal Act (deduction for donations to national governing bodies)

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

16. Amendment of section 216A of Principal Act (rent-a-room relief)

17. Amendment of section 477C of Principal Act (help to buy)

18. Amendment of Schedule 13 to Principal Act (accountable persons for purposes of Chapter 1 of Part 18)

CHAPTER 4

Income Tax, Corporation Tax and Capital Gains Tax

19. Exemption in respect of Stardust ex-gratia payments (Phase 2)

20. Amendments to Principal Act relating to certain payments made under Work and Access scheme

21. Amendment of section 216D of Principal Act (certain profits of micro-generation of electricity)

22. Amendment of section 285D of, and Schedule 35 to, Principal Act (acceleration of wear and tear allowances for farm safety equipment)

23. Amendment of section 667D of Principal Act (succession farm partnerships)

24. Amendment of certain references relating to quoted preference shares

25. Amendment of Chapter 2 of Part 29 of Principal Act (scientific and certain other research)

26. Individual investment account

27. Amendments consequential on insertion of Part 27A in Principal Act

28. Tax treatment of relevant fund units

29. Life assurance policies and investment funds

CHAPTER 5

Corporation Tax

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

31. Amendment of section 835YA of Principal Act (non-cooperative jurisdictions: modified application of sections 835T, 835U and 835V)

32. Amendment of Chapter 5 of Part 29 of Principal Act (taxation of companies engaged in knowledge development)

33. Amendment of Part 8 of Principal Act (annual payments, charges and interest)

34. Amendment of Part 35D (implementation of Council Directive (EU) 2016/1164 of 12 July 2016 as regards interest limitation)

CHAPTER 6

Capital Gains Tax

35. Treatment of certain disposals made by approved body on incorporation as company limited by guarantee

36. Amendment of section 28 of Principal Act (taxation of capital gains and rate of charge)

PART 2

Excise

37. Amendment of section 99A of Finance Act 1999 (relief for qualifying road transport operators)
38. Amendment of Schedules 2 and 2A to Finance Act 1999 (mineral oil tax)
39. Amendment of section 67 of Finance Act 2010 (natural gas carbon tax)
40. Amendment of Schedule 1 to Finance Act 2010 (solid fuel carbon tax)
41. Amendment of Schedule 2 to Finance Act 2005 (rates of tobacco products tax)
42. Amendment of Schedule 1 to Finance Act 2024 (e-liquid products tax)
43. Amendment of section 64 of Finance Act 2002 (interpretation)
44. Substitution of section 67B of Finance Act 2002 (betting intermediary and pool betting duty)
45. Amendment of section 68 of Finance Act 2002 (duty exemptions)
46. Time when betting commission duty becomes due
47. Repeal of certain provisions of Finance Act 2002 (betting duties)
48. Amendment of section 132 of Finance Act 1992 (charge of excise duty)
49. Amendment of section 135C of Finance Act 1992 (remission or repayment in respect of vehicle registration tax, etc.)

PART 3

Value-Added Tax

50. Definition (Part 3)
51. VAT modernisation
52. Amendment of section 86 of Principal Act (special provisions for tax invoiced by flat-rate farmers)
53. Amendment of section 91J of Principal Act (import scheme (where the State is Member State of identification))
54. Amendment of paragraph 6(1) of Schedule 1 to Principal Act (exempt activities)
55. Amendment of section 46 of, and paragraph 5 of Schedule 3 to, Principal Act (pharmaceutical products)

PART 4

Stamp Duties

56. Definition (Part 4)
57. Amendment of section 81C of Principal Act (further farm consolidation relief)
58. Amendment of Part 7 of Principal Act (exemptions and reliefs from stamp duty)
59. Repeal of section 84 of Finance Act 2025
60. Levy on authorised insurers
61. Amendment of section 126AB of Principal Act (further levy on certain financial institutions)

PART 5

Capital Acquisitions Tax

62. Definition (Part 5)

63. Provisions relating to certain transfers in connection with incorporation of relevant sports body

64. Amendment of section 82 of Principal Act (exemption of certain receipts)

65. Amendment of section 101 of Principal Act (withdrawal of relief)

66. Amendment of Schedule 2 to Principal Act (computation of tax)

PART 6

Miscellaneous

67. Definition (Part 6)

68. Amendment of section 959AU of Principal Act (date for payment of tax: amended assessments)

69. Amendment of section 1003 of Principal Act (payment of tax by means of donation of heritage items)

70. Amendment of Chapter 3 of Part 38 of Principal Act (other obligations and returns)

71. Amendments to certain provisions relating to agricultural de minimis aid

72. Amendment of Part 4A of Principal Act (implementation of Council Directive (EU) 2022/2523 of 15 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union)

73. Amendment of Schedule 24A to Principal Act (arrangements made by 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)

74. Amendment of Chapter 7 of Part 41A of Principal Act (chargeable persons: preliminary tax and dates for payment of tax)

75. Residential zoned land tax

76. Derelict property tax

77. Miscellaneous technical amendments in relation to tax

78. Care and management of taxes and duties

79. Short title, construction and commencement

SCHEDULE

Miscellaneous Technical Amendments in Relation to Tax

Building Control Act 1990 (No. 3)

Capital Acquisitions Tax Consolidation Act 2003 (No. 1)

Central Bank Act 1971 (No. 24)

Child Care Act 1991 (No. 17)

Companies Act 2014 (No. 38)

Derelict Sites Act 1990 (No. 14)

Energy (Windfall Gains in the Energy Sector) (Temporary Solidarity Contribution) Act 2023 (No. 23)

Finance (1909-1910) Act 1910 (10 Edw. 7, c.8)

Finance (Local Property Tax) Act 2012 (No. 52)

Finance (Tax Appeals) Act 2015 (No. 59)

Finance Act 1992 (No. 9)

Finance Act 1999 (No. 2)

Finance Act 2002 (No. 5)

Finance Act 2005 (No. 5)

Finance Act 2010 (No. 5)

Finance Act 2024 (No. 43)

Finance Act 2025 (No. 18)

Greyhound Industry Act 1958 (No. 12)

Investment Intermediaries Act 1995 (No. 11)

Local Government Act 2001 (No. 37)

Medical Practitioners Act 2007 (No. 25)

Ministers and Secretaries (Amendment) Act 2011 (No. 10)

National Monuments (Amendment) Act 1987 (No. 17)

National Monuments Act, 1930 (No. 2)

National Monuments Acts 1930 to 2014

Planning and Development Act 2000 (No. 30)

Planning and Development Act 2024 (No. 34)

Property Values (Arbitrations and Appeals) Act 1960 (No. 45)

Provisional Collection of Taxes Act, 1927

Registration of Title Act 1964 (No. 16)

Remediation of Dwellings Damaged by the use of Defective Concrete Blocks Act 2022 (No. 28)

Social Welfare Consolidation Act 2005 (No. 26)

Stamp Duties Consolidation Act 1999 (No. 31)

Supports for Survivors of Residential Institutional Abuse Act 2025 (No. 7)

Taxes Consolidation Act 1997 (No. 39)

Totalisator Act 1929 (No. 22)

Value-Added Tax Consolidation Act 2010 (No. 31)

AN BILLE AIRGEADAIS (UIMH. 2), 2026
FINANCE (NO. 2) BILL 2026

Bill

entitled

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; and to provide for related matters.

Be it enacted by the Oireachtas as follows:

PART 1

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

Chapter 1

Interpretation

Definition (*Part 1*)

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

Chapter 2

Universal Social Charge

Amendment of section 531AN of Principal Act (rate of charge)

2. (1) Section 531AN of the Principal Act is amended—

(a) in subsection (3), by the substitution of "€30,300" for "€28,700", and

(b) by the substitution of the following for Part 1 of the Table to that section:

"PART 1

Part of aggregate income (1)	Rate of universal social charge (2)
The first €12,012	0.5 per cent
The next €18,288	2 per cent

The next €39,744	3 per cent
The remainder	8 per cent

”.

(2) *Subsection (1)* applies for the year of assessment 2027 and each subsequent year of assessment.

CHAPTER 3

Income Tax

Rate of charge and personal tax credits

3. As respects the year of assessment 2027 and subsequent years of assessment, the Principal Act is amended—

(a) in section 15—

(i) in subsection (3)(i), by the substitution of “€37,500” for “€35,000”, and

(ii) by the substitution of the following Table for the Table to that section:

“TABLE

PART 1

Part of taxable income (1)	Rate of tax (2)	Description of rate (3)
The first €46,500	20 per cent	the standard rate
The remainder	40 per cent	the higher rate

PART 2

Part of taxable income (1)	Rate of tax (2)	Description of rate (3)
The first €50,500	20 per cent	the standard rate
The remainder	40 per cent	the higher rate

PART 3

Part of taxable income (1)	Rate of tax (2)	Description of rate (3)
The first €55,500	20 per cent	the standard rate
The remainder	40 per cent	the higher rate

”,

(b) in section 461—

(i) in paragraph (a), by the substitution of “€4,250” for “€4,000”,

(ii) in paragraph (b), by the substitution of “€4,250” for “€4,000”, and

(iii) in paragraph (c), by the substitution of "€2,125" for "€2,000",

(c) in section 466A(2), by the substitution of "€2,050" for "€1,950",

(d) in section 472(4), by the substitution of "€2,125" for "€2,000" in each place where it occurs, and

(e) in section 472AB— 5

(i) in subsection (2), by the substitution of "€2,125" for "€2,000" in each place where it occurs, and

(ii) in subsection (3), by the substitution of "€2,125" for "€2,000" in each place where it occurs.

Amendment of section 473B of Principal Act (rent tax credit) 10

4. (1) Section 473B of the Principal Act is amended—

(a) in subsection (1), in the definition of "specified amount"—

(i) in paragraph (a), by the substitution of "€11,500" for "€10,000", and

(ii) in paragraph (b), by the substitution of "€5,750" for "€5,000",

and 15

(b) in subsection (13)—

(i) by the substitution of "€1,150" for "€1,000", and

(ii) by the substitution of "€2,300" for "€2,000".

(2) *Subsection (1)* shall apply for the years of assessment 2027 and 2028.

Amendment of section 469 of Principal Act (relief for health expenses) 20

5. Section 469(1) of the Principal Act is amended, in the definition of "health expenses", by the insertion of the following paragraph after paragraph (d):

"(da) the services provided under the Common Conditions Service (within the meaning of the Medicinal Products (Prescription and Control of Supply) Regulations 2003 (S.I. No. 540 of 2003)) and medicinal products listed in the 25 Thirteenth Schedule to those Regulations supplied pursuant to a prescription provided under that Service,".

Amendment of section 473A of Principal Act (relief for fees paid for third level education, etc.)

6. Section 473A(4A) of the Principal Act is amended— 30

(a) in paragraph (a)—

(i) in subparagraph (ii), by the substitution of "is the lesser," for "is the lesser, and",

(ii) by the substitution of the following subparagraph for subparagraph (iii):

"(iii) for the years of assessment 2015 to 2025 (both years inclusive) 35

there shall be disregarded the first €3,000 or the full amount of those fees, whichever is the lesser, and",

and

(iii) by the insertion of the following subparagraph after subparagraph (iii):

"(iv) for the year of assessment 2026 and each subsequent year of assessment there shall be disregarded the first €2,350 or the full amount of those fees, whichever is the lesser,",

and

(b) in paragraph (b)—

(i) in subparagraph (ii), by the substitution of "is the lesser," for "is the lesser, and",

(ii) by the substitution of the following subparagraph for subparagraph (iii):

"(iii) for the years of assessment 2015 to 2025 (both years inclusive) there shall be disregarded the first €1,500 or the full amount of those fees, whichever is the lesser, and",

and

(iii) by the insertion of the following subparagraph after subparagraph (iii):

"(iv) for the year of assessment 2026 and each subsequent year of assessment there shall be disregarded the first €1,175 or the full amount of those fees, whichever is the lesser.".

Amendment of section 216C of Principal Act (childcare services relief)

7. (1) Section 216C of the Principal Act is amended—

(a) in subsection (1), in the definition of "qualifying residence", by the deletion of "to not more than 3 minors, excluding minors occupying the residential premises as their sole or main residence",

(b) in subsection (3), by the substitution of the following paragraph for paragraph (a):

"(a) Subsection (2) shall apply to an individual for a year of assessment if an individual—

(i) so elects by notice in writing to the Revenue Commissioners on or before the specified return date for the chargeable period (within the meaning of section 959A), and

(ii) shows to the satisfaction of the Revenue Commissioners evidence, in a case where the individual is required under Part VIIA of the Child Care Act 1991 to be registered in the register of prescribed early years services, that the individual is so registered.",

and

(c) in subsection (5), by the substitution of "€20,000" for "€15,000".

(2) *Subsection (1)* shall apply for the year of assessment 2027 and each subsequent year of assessment.

Payments under Supports for Survivors of Residential Institutional Abuse Act 2025

8. (1) The Principal Act is amended by the insertion of the following section after section 205E (inserted by *section 19*): 5

"205F. (1) In this section—

'relevant payment' means the payment to a relevant person of a grant under section 6 of the Supports for Survivors of Residential Institutional Abuse Act 2025; 10

'relevant person' means a person to whom a relevant payment has been made.

(2) Income that consists of a relevant payment shall be exempt from income tax and shall not be reckoned in computing total income for the purposes of the Income Tax Acts.". 15

(2) *Subsection (1)* shall be deemed to have come into operation on 6 March 2026.

Payments from Nurturing Skills Learner Fund

9. The Principal Act is amended by the insertion of the following section after section 193:

"193A. (1) In this section—

'Minister' means the Minister for Children, Disability and Equality; 20

'qualifying course' means a programme of study approved by the Department of Children, Disability and Equality for the purposes of the scheme, administered by Pobal on behalf of the Minister, commonly known as the Nurturing Skills Learner Fund;

'qualifying individual' means an individual who has— 25

(a) successfully completed a qualifying course as required, and

(b) completed a period of continuous employment, with a relevant service provider, of at least 6 months commencing immediately following completion of the qualifying course concerned;

'relevant service provider' means a provider of Early Learning and Care or School-Age Childcare, as the case may be, who is— 30

(a) registered with the Child and Family Agency as a provider of such a service, and

(b) in receipt of funding for the provision of such a service pursuant to an agreement, known as the Core Funding Partner Service Funding Agreement, made between the provider and the Minister. 35

(2) This section applies to a payment or payments made to a qualifying

individual by or on behalf of the Minister under the Nurturing Skills Learner Fund, being a rebate of tuition fees paid by the individual in respect of a qualifying course, subject to—

(a) a maximum rebate of €400 in total for each academic year of the qualifying course concerned, and

(b) a maximum rebate of €1,600 in total of tuition fees paid by the individual in respect of one or more than one qualifying course during the individual's lifetime.

(3) Income that consists of a payment or payments to which this section applies shall be exempt from income tax and shall not be reckoned in computing the total income of the qualifying individual concerned for the purposes of the Income Tax Acts.

(4) This section shall apply in respect of the years of assessment 2027 to 2035 (both years inclusive).".

Amendment of Part 1 of Schedule 3 to Principal Act (reliefs in respect of income tax charged on payments on retirement, etc.)

10. Part 1 of Schedule 3 to the Principal Act is amended in paragraph (1)—

(a) in subparagraph (1), in the definition of "the relevant capital sum in relation to an office or employment"—

(i) by the substitution of the following clause for clause (c):

"(c) the amount equal to the value at the relevant date of any lump sum (not chargeable to income tax) from any scheme described in section 778(1) or relevant pension arrangement within the meaning of section 790AA(1), as the case may be, which may be received in the future,",

and

(ii) by the substitution of "any scheme described in section 778(1) or relevant pension arrangement within the meaning of section 790AA(1), as the case may be" for "any scheme or fund described in section 778(1)",

and

(b) by the substitution of the following subparagraph for subparagraph (2):

"(2) Where, under the conditions or terms of any scheme described in section 778(1) or relevant pension arrangement within the meaning of section 790AA(1), as the case may be, the holder of the office or employment surrenders irrevocably, at the relevant date, the entitlement to any lump sum referred to in clause (c) of the definition in subparagraph (1) of 'the relevant capital sum in relation to an office or employment', then, the relevant capital sum in relation to an office or employment shall not include the amount mentioned in that clause.".

Amendment of Chapter 4 of Part 42 of Principal Act (collection and recovery of income tax on certain emoluments (PAYE system))

11. Chapter 4 of Part 42 of the Principal Act is amended—

(a) in section 984(1A), by the substitution of "sections 984A, 986 and 987" for "sections 984A, 985G(2)(d), 986 and 987", and

(b) in section 985G(2), by the deletion of "or the provision of any reportable benefit".

Amendment of section 531AA of Principal Act (interpretation (Part 18C))

12. Section 531AA(1) of the Principal Act is amended, in paragraph (a) of the definition of "world-wide income", by the insertion of the following subparagraph after subparagraph (iv):

"(iva) under section 847AA, in respect of a relevant donation (within the meaning of that section),".

Amendment of section 847A of Principal Act (donations to certain sports bodies)

13. Section 847A of the Principal Act is amended—

(a) in subsection (1)—

(i) in the definition of "relevant donation", by the substitution of "means, subject to subsection (5A)," for "means", and

(ii) by the insertion of the following definitions:

" 'approved fundraising body' has the same meaning as it has in section 847AA;

'fundraising body' has the same meaning as it has in section 847AA;",

(b) in subsection (5)—

(i) in paragraph (b), after "approved sports body", by the insertion of "or, where the approved sports body is an approved fundraising body, by the national governing body which is the sole member of the approved fundraising body,", and

(ii) in paragraph (g), after "approved sports body" by the insertion of "or, where the approved sports body is an approved fundraising body, by the national governing body which is the sole member of the fundraising body,";

(c) by the insertion of the following subsection after subsection (5):

"(5A) (a) Notwithstanding any other provision of this section, where—

(i) the aggregate of the amounts of all donations made by an individual in any year of assessment to one or more than one approved sports body, as the case may be, is in excess of €1,000,000, or

(ii) the aggregate of the amounts of all donations made by an individual in any year of assessment to one or more than one

approved sports body, as the case may be, with which the individual is associated is in excess of 10 per cent of the total income of the individual for that year of assessment,

the amount of the excess in each case shall not be treated as a relevant donation for the purposes of this section. 5

(b) For the purposes of this subsection—

(i) an individual is associated with an approved sports body if, at the time the donation is made, the individual is an employee or member of the approved sports body or another approved sports body which is associated with that approved sports body, and 10

(ii) an approved sports body is associated with another approved sports body if, at the time the donation is made, it could reasonably be considered that—

(I) any person or any group of persons or groups of persons having a reasonable commonality of identity have or had the means or power, either directly or indirectly, to determine the activities carried on or to be carried on by both approved sports bodies, or 15

(II) any person or any group of persons or groups of persons having a reasonable commonality of identity exercise, or have the power to exercise, control over the affairs of both approved sports bodies.”, 20

(d) by the substitution of the following subsection for subsection (14):

“(14) Every approved sports body, when required to do so by notice in writing from the Minister, shall, within the time limited by the notice, prepare and deliver to the Minister a report containing— 25

(a) particulars of the aggregate amount of relevant donations received, and repayments of tax claimed from the Revenue Commissioners, by the body in respect of each approved project, and

(b) where the approved sports body is an approved fundraising body, particulars of the aggregate amounts of relevant donations received, and repayments of tax claimed from the Revenue Commissioners, and transferred to the national governing body which is its sole member.”, 30

(e) in subsection (15), after “approved project,” by the insertion of “a fundraising body is an approved fundraising body,”, and 35

(f) in subsection (19)—

(i) by the substitution of the following paragraph for paragraph (a):

“(a) that donation has not been used by the approved sports body concerned for the purpose of undertaking the approved project concerned,”, 40

(ii) by the insertion of the following paragraph after paragraph (a):

"(aa) where the donation has been made to an approved sports body that is an approved fundraising body, that body—

(i) has not transferred the relevant donation, or repayment of tax from the Revenue Commissioners, to the national governing body which is the sole member of the approved fundraising body within 12 months of receipt of the donation or repayment of tax, as the case may be, or

(ii) has used the donation or repayment of tax for a purpose other than the funding of the approved project concerned, or",

and

(iii) by the substitution of "relevant donation or repayment of tax" for "relevant donation".

Amendment of section 847AA of Principal Act (deduction for donations to national governing bodies)

14. Section 847AA of the Principal Act is amended—

(a) in subsection (1)—

(i) in the definition of "relevant donation"—

(I) by the substitution of "means, subject to subsection (2A)," for "means,", and

(II) by the substitution of "relevant body" for "national governing body",

and

(ii) by the insertion of the following definitions:

" 'approved fundraising body' means a fundraising body in respect of which the Minister has given a certificate under subsection (8A), which certificate has not been revoked under that subsection;

'fundraising body' means a company which—

(a) is a company limited by guarantee (within the meaning of Part 18 of the Companies Act 2014),

(b) has a constitution (within the meaning of the said Part 18) which provides that a national governing body shall be the sole member of the company,

(c) is incorporated and resident in the State,

(d) is an approved body of persons (within the meaning of section 235(1)), and

(e) has been issued with a tax clearance certificate in accordance with section 1095 and such tax clearance certificate has not been rescinded under subsection (3A) of that section;

'relevant body' means a national governing body or an approved fundraising body;",

(b) in subsection (2)—

(i) in paragraph (a), by the substitution of "relevant body" for "national governing body", 5

(ii) by the substitution of the following paragraph for paragraph (b):

"(b) where the relevant body is—

(i) a national governing body, the donation is or will be applied by the body for the purpose referred to in paragraph (a), or

(ii) an approved fundraising body, the donation is or will be applied by the national governing body which is the sole member of the approved fundraising body for the purpose referred to in paragraph (a),", 10

(iii) in paragraph (f), by the substitution of "a right to membership of the national governing body, or, where applicable, the national governing body which is the sole member of the approved fundraising body, or a right to use the facilities of either body" for "a right to membership of the national governing body or a right to use the facilities of that body", 15

(iv) in paragraph (g), by the substitution of "relevant body" for "national governing body", and 20

(v) in paragraph (h)(ii), by the substitution of "relevant body" for "national governing body",

(c) by the insertion of the following subsection after subsection (2):

"(2A) (a) Notwithstanding any other provision of this section, where—

(i) the aggregate of the amounts of all donations made by an individual in any year of assessment to one or more than one relevant body, as the case may be, is in excess of €1,000,000, or 25

(ii) the aggregate of the amounts of all donations made by an individual in any year of assessment to one or more than one relevant body, as the case may be, with which the individual is associated is in excess of 10 per cent of the total income of the individual for that year of assessment, 30

the amount of the excess in each case shall not be treated as a relevant donation for the purposes of this section.

(b) For the purposes of this subsection— 35

(i) an individual is associated with a relevant body if, at the time the donation is made, the individual is an employee or member of, the relevant body or another relevant body which is associated with that relevant body, and

(ii) a relevant body is associated with another relevant body if, at 40

the time the donation is made, it could reasonably be considered that—

(I) any person or any group of persons or groups of persons having a reasonable commonality of identity have or had the means or power, either directly or indirectly, to determine the activities carried on or to be carried on by both relevant bodies, or

(II) any person or any group of persons or groups of persons having a reasonable commonality of identity exercise, or have the power to exercise, control over the affairs of both relevant bodies.",

(d) in subsection (4)—

(i) in paragraph (a)(ii), by the substitution of "relevant body" for "national governing body", and

(ii) in paragraph (f), by the substitution of "relevant body" for "national governing body",

(e) in subsection (5)—

(i) in paragraph (a)(ii), by the substitution of "relevant body" for "national governing body", and

(ii) in paragraph (f), by the substitution of "relevant body" for "an approved body",

(f) by the insertion of the following subsection after subsection (8):

"(8A) (a) Subject to paragraph (d), the Minister may, on the making of an application by a national governing body in respect of a fundraising body of which it is the sole member, give a certificate to that national governing body stating that the fundraising body may be treated as an approved fundraising body for the purposes of this section or section 847A.

(b) An application under this subsection shall be in such form and contain such information as the Minister may direct.

(c) The Minister may, by notice in writing given to the national governing body, revoke the certificate given in respect of a fundraising body under paragraph (a), and the fundraising body shall cease to be an approved fundraising body as respects any donations made to the body after the date of the notice.

(d) Where—

(i) a certificate (in this paragraph referred to as 'the first-mentioned certificate') is given in respect of a fundraising body under paragraph (a), and

(ii) the first-mentioned certificate has not been revoked under paragraph (c),

no certificate under paragraph (a) in respect of another fundraising body shall be given to the national governing body which is the sole member of the fundraising body.",

(g) in subsection (9), by the substitution of "relevant body" for "national governing body" in each place it occurs, 5

(h) in subsection (10)—

(i) in paragraph (a), by the substitution of "qualifying project concerned," for "qualifying project concerned, or",

(ii) by the insertion of the following paragraph after paragraph (a):

"(aa) where the donation has been made to an approved fundraising body, that body— 10

(i) has not transferred the relevant donation, or repayment of tax from the Revenue Commissioners, to the national governing body which is the sole member of the approved fundraising body within 12 months of receipt of the donation or repayment of tax, as the case may be, or 15

(ii) has used the donation or repayment of tax for a purpose other than the funding of the qualifying project concerned, or",

and

(iii) by the substitution of "relevant donation or repayment of tax" for "relevant donation", 20

(i) by the substitution of the following subsection for subsection (12):

"(12) Every relevant body, when required to do so by notice in writing from the Minister, shall, within the time limited by the notice, prepare and deliver to the Minister a report containing— 25

(a) particulars of the aggregate amounts of relevant donations received, and repayments of tax claimed from the Revenue Commissioners, by the body in respect of each qualifying project, and

(b) where the relevant body is an approved fundraising body, particulars of the aggregate amounts of relevant donations received, and repayments of tax claimed from the Revenue Commissioners, and transferred to the national governing body which is its sole member.", 30

(j) in subsection (13), after "qualifying project," by the insertion of "a fundraising body is an approved fundraising body,", 35

(k) in subsection (14), by the substitution of "relevant body" for "national governing body" in both places where it occurs, and

(l) by the insertion of the following subsection after subsection (14):

"(15) The details contained in a relevant certificate shall be given by the relevant body to the Revenue Commissioners in an electronic format 40

approved by the Revenue Commissioners in connection with the making of a claim to repayment of tax to which subsection (4)(a)(ii)(II) or (5)(a)(ii)(II), as the case may be, refers and where those details are so given, those details shall be accompanied by a declaration made by the relevant body, on a form prescribed or authorised for that purpose by the Revenue Commissioners, to the effect that those details are correct and complete.”.

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

15. Schedule 25B to the Principal Act is amended by the insertion of the following after the matter set out opposite Reference Number 51:

“

51A.	Section 847AA (deduction for donations to national governing bodies)	The amount of a relevant donation (within the meaning of section 847AA) made by an individual in a relevant year of assessment (within the meaning of that section) which is deducted from or set off against any income of the individual in the tax year.

”.

Amendment of section 216A of Principal Act (rent-a-room relief)

16. (1) Section 216A of the Principal Act is amended—

(a) in subsection (1)—

(i) by the substitution of the following definition for the definition of “qualifying residence”:

“ ‘qualifying residence’, in relation to an individual for a year of assessment, means—

(a) a residential premises situated in the State that is occupied by the individual as his or her sole or main residence during the year of assessment, and

(b) during the relevant period, includes an auxiliary dwelling situated within the grounds of a residential premises referred to in paragraph (a);”,

and

(ii) by the insertion of the following definitions:

“ ‘auxiliary dwelling’ means a dwelling of class 3A specified in column 1 of Part 1 of Schedule 2 to the Regulations of 2001 that complies with the conditions and limitations specified in column 2 of the said Part 1 opposite the mention of that class in the said column 1;

‘Regulations of 2001’ means the Planning and Development Regulations 2001 (S.I. No. 600 of 2001) (amended by the Planning

and Development (Exempted Development (Act of 2000)) (No. 3) Regulations 2026 (S.I. No. 340 of 2026));

'relevant period' means the period beginning on 27 July 2026 and ending on 31 December 2030;",

(b) in subsection (2), by the insertion of the following paragraph after paragraph (d): 5

"(e) This subsection shall apply during the relevant period to relevant sums arising to an individual in respect of the use for the purposes of residential accommodation of a room or rooms in an auxiliary dwelling.",

(c) by the insertion of the following subsection after subsection (4): 10

"(4A) Subsection (2) shall not apply to relevant sums arising to an individual in respect of the use for the purposes of residential accommodation of a room or rooms in an auxiliary dwelling unless the individual can show that the notification requirements specified in column 2 of Part 1 of Schedule 2 to the Regulations of 2001 opposite the mention of class 3A in column 1 of the said Part 1 have been complied with in respect of the auxiliary dwelling concerned.", 15

(d) in subsection (5), by the substitution of "€16,000" for "€14,000", and

(e) by the substitution of the following subsection for subsection (8):

"(8) Where subsection (2) applies, the receipt of relevant sums arising in respect of the use for the purposes of residential accommodation of a room or rooms in a qualifying residence referred to in paragraph (a) of the definition, in subsection (1), of 'qualifying residence' shall not operate so as to restrict or reduce any entitlement to relief under section 473C or 604.". 20 25

(2) *Subsection (1)(d)* shall apply for the year of assessment 2027 and each subsequent year of assessment.

Amendment of section 477C of Principal Act (help to buy)

17. Section 477C of the Principal Act is amended—

(a) in subsection (5A), by the substitution of "6 October 2026" for "31 December 2029", and 30

(b) by the insertion of the following subsection after subsection (5A):

"(5B) Where an individual has, in that part of the qualifying period beginning on 7 October 2026 and ending on 31 December 2029, either— 35

(a) entered into a contract with a qualifying contractor for the purchase by that individual of a qualifying residence, that is not a self-build qualifying residence, or

(b) drawn down the first tranche of a qualifying loan in respect of that individual's self-build qualifying residence, 40

paragraph (a) of subsection (5) shall apply subject to the following modifications:

(i) in subparagraph (i) of that paragraph, '€35,000' shall be substituted for '€20,000';

(ii) in subparagraph (iii) of that paragraph, '10 per cent' shall be substituted for '5 per cent'.". 5

Amendment of Schedule 13 to Principal Act (accountable persons for purposes of Chapter 1 of Part 18)

18. Schedule 13 to the Principal Act is amended—

(a) by the substitution of the following paragraph for paragraph 32: 10

"32. An Coimisiún Pleanála.",

(b) by the deletion of paragraph 137, and

(c) by the insertion of the following paragraphs after paragraph 222:

"223. Assisted Human Reproduction Regulatory Authority.

224. An tÚdarás Náisiúnta um Uathrollú Coigiltis Scoir. 15

225. Tribunal for Asylum and Returns Appeals.

226. Office of the Chief Inspector of Asylum Border Procedures.".

CHAPTER 4

Income Tax, Corporation Tax and Capital Gains Tax

Exemption in respect of Stardust *ex-gratia* payments (Phase 2) 20

19. (1) The Principal Act is amended by the insertion of the following section after section 205D:

"205E. (1) In this section—

'relevant payment' means a payment or payments made to a relevant person by or on behalf of the Minister for Justice, Home Affairs and Migration, under Phase 2 of the Stardust *ex-gratia* payment scheme (that is to say the scheme administered by the Minister for Justice, Home Affairs and Migration in furtherance of a decision of the Government of 10 February 2026 for survivors of the Stardust fire); 25

'relevant person' means a person to whom a relevant payment has been made. 30

(2) Income that consists of a relevant payment shall be exempt from income tax and shall not be reckoned in computing total income for the purposes of the Income Tax Acts.".

(2) The Capital Acquisitions Tax Consolidation Act 2003 is amended, in section 82(1), by the insertion of the following paragraph after paragraph (bd): 35

"(be) the receipt by a person of any payment made under Phase 2 of the Stardust *ex-gratia* payment scheme (that is to say the scheme administered by the Minister for Justice, Home Affairs and Migration in furtherance of a decision of the Government of 10 February 2026 for survivors of the Stardust fire);". 5

(3) *Subsections (1)* and *(2)* shall be deemed to have come into operation on 10 February 2026.

Amendments to Principal Act relating to certain payments made under Work and Access scheme

20. The Principal Act is amended— 10

(a) in the Table to section 126—

(i) by the insertion in column (1), after the reference to "Urgent needs payment other than the payments referred to in subsection (3)(a)(iib)", of "Work and Access – personal reader", and

(ii) by the insertion in column (2), after the reference to "Section 202 of the Act of 2005", of "A payment made under a scheme administered by the Minister for Social Protection and known as 'Work and Access', where such payment is made to an employee to reimburse the costs incurred by the employee of engaging a personal reader", opposite the reference in column (1) to "Work and Access – personal reader" (inserted by *subparagraph (i)*), 15 20

and

(b) in section 226(1)—

(i) in paragraph (j), by the substitution of "applies," for "applies, or",

(ii) in paragraph (k), by the substitution of "Department of Social Protection, or" for "Department of Social Protection.", and 25

(iii) by the insertion of the following paragraph after paragraph (k):

"(l) as respects payments made to employers on or after 30 July 2024, Work and Access, being a scheme administered by the Minister for Social Protection.".

Amendment of section 216D of Principal Act (certain profits of micro-generation of electricity) 30

21. Section 216D(3) of the Principal Act is amended by the substitution of "€600" for "€400".

Amendment of section 285D of, and Schedule 35 to, Principal Act (acceleration of wear and tear allowances for farm safety equipment) 35

22. The Principal Act is amended—

(a) in section 285D(14)(a), by the substitution of "31 December 2029" for "31 December 2026", and

(b) in Schedule 35, by the substitution of the following Part for Part 2:

"PART 2

Qualifying equipment referred to in section 285D

Equipment type (1)	Description (2)
Hydraulic linkage arms mounted tractor jacking systems.	An agricultural tractor jacking system that uses either the rear or front mounted lower linkage arms to enable an agricultural tractor to be lifted so that one or more wheels may be replaced on the agricultural tractor. The jacking system shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.
Big bag (equal to or greater than 500kg) lifter, with or without integral bag cutting system.	Lifting system for bags of fertiliser or seed of 500kg mass or greater. The system shall be mounted on either the three-point linkage of an agricultural tractor, front loader of an agricultural tractor or mounted on a fertiliser or seed drill. The lifter shall be capable of securely holding the bag and raising the bag over a fertiliser spreader or seed drill. The system may have an integral system for automatically opening the bag. The lifting system shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.
Chemical storage cabinets.	A storage cabinet fitted with a locking device and integral bund for the storage of pesticides and other chemicals. The cabinet may be made of metal or hard plastic, or a combination of both. The cabinet shall be suitably vented to prevent a build-up of fumes.
Animal anti-backing gate for use in cattle crush or race.	Device to be mounted on the side of a cattle crush or cattle crush race to prevent an animal from reversing along the cattle crush or cattle crush race. The device shall allow an animal to pass up along the cattle crush or cattle crush race and shall be either automatically or manually moved into position once an animal has passed.

Quick hitch mechanism for rear and front three-point linkage to enable hitching of implements without need to descend from tractor.	A one-part or two-part system to enable the hitching of implements to an agricultural tractor three-point linkage without having to descend from the agricultural tractor. The system shall be connected to the three-point hydraulic linkage of the agricultural tractor and enable the agricultural tractor to link to an implement. The system shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.
Provision of access lift, hoist or integrated ramp to farm vehicle, including modified entry when required.	Provision of an integrated ramp, lift or hoist to facilitate access to a farm vehicle by a disabled person. The system may incorporate a modified side or rear entry to enable access. The lift or hoist system shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.
Wheelchair restraints.	Provision of wheelchair restraints within a farm vehicle.
Wheelchair docking station.	Provision of wheelchair docking station within a farm vehicle.
Modified controls to enable full hand operation of a farm vehicle.	Extensive reconfiguration of primary controls necessary to enable a farm vehicle to be driven and operated by a disabled person.
Modified seating to enable operation of a farm vehicle.	Provision of an extensively modified seat to enable operation of a farm vehicle by a disabled person.
Additional steps to farm vehicle or machinery to provide easier access.	Additional steps to farm vehicle or machinery to provide easier access. The additional steps shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.
Modified farm vehicle or machinery controls to enable control by hand or foot.	Extensive reconfiguration of controls necessary to enable a farm vehicle or farm machinery to be operated by a disabled person.
Hydraulically located lower three-point linkage arms.	Provision of a hydraulic system to control the location of the lower three-point linkage arms of a farm vehicle.

Fixed sheep handling unit.	A fixed sheep handling unit to hold sheep for treatment, built in accordance with Department of Agriculture, Food and the Marine structures specifications S100, S129, S136 and S136A as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government. The fixed unit must consist of at least two pens and a race with gates at each end. It may also include a fixed footbath, a fixed rollover crate, a fixed weighing scales and a dipping tank.
Fixed cattle crush or cattle crush race.	A fixed cattle crush or cattle crush race including skulling gate and backing gate to hold animals for treatment, constructed on new or existing concrete and built in accordance with Department of Agriculture, Food and the Marine structures specifications S100, S129 and S137 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government. The race may be double sided or, if constructed alongside an existing wall, single sided.
Calving gate.	A calving gate, used to restrain a cow during calving or afterwards to enable safe treatment of the cow or calf, or both, constructed and fitted in accordance with Department of Agriculture, Food and the Marine structures specification S138 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Flood lights for farmyards.	Flood lights in a farmyard to provide a safe working environment during low light or darkness, installed and certified to be in compliance with the National Rules for Electrical Installations (I.S. 10101) as published by the National Standards Authority of Ireland. The flood lights shall be either metal-halide or LED with a lux output equal to or greater than a 200W halogen light.

Livestock monitors.	A fixed livestock monitoring camera which remotely connects to a smart phone or a computer to enable remote monitoring of livestock giving birth and fitted in accordance with Department of Agriculture, Food and the Marine structures specification S147 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Sliding door or roller door for agricultural buildings.	A new sliding door or roller door on an agricultural building to provide safe access, constructed and fitted in accordance with Department of Agriculture, Food and the Marine structures specifications S101 and S102 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Mobile cattle crush.	A mobile cattle crush shall consist of, at least, a front gate, rear gate, non-slip floor and full sides. Each mobile crush unit must have a facility to secure mobile penning to the back of the crush unit. The mobile cattle crush shall be built in accordance with Department of Agriculture, Food and the Marine structures specification S138 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Mobile cattle penning.	Mobile cattle penning shall consist of interlocking metal hurdles, gates, or panels used to hold cattle. The penning shall be built in accordance with Department of Agriculture, Food and the Marine structures specification S138 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.

Hoof paring crate.	A fixed or mobile cattle hoof paring crate is designed to restrain the animal securely when hoof paring is being carried out. Each foot can be restrained independently when the animal is restrained in the upright position or on its side. The hoof paring crate may be manually, hydraulically or electrically driven. The crate must include a head gate, elements to lift the feet and securely restrain the animal. If hydraulically or electrically powered, the hoof paring crate shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.
Mobile sheep handling equipment.	Mobile sheep handling equipment includes one or more of mobile handling race, rollover crate, sheep weighing scales, “batch” footbath or mobile penning which is manufactured in accordance with Department of Agriculture, Food and the Marine structures specification S136A as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Wheel changing crate.	Wheel changing crate manufactured in accordance with Department of Agriculture, Food and the Marine structures specification S195 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Wheel pumping crate.	Wheel pumping crate manufactured in accordance with Department of Agriculture, Food and the Marine structures specification S195 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.

Protective fencing around existing slurry tank.	Protective fence around an existing slurry tank, which is 1.8m high, stock proof and child proof, constructed in accordance with Department of Agriculture, Food and the Marine structures specification S123 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Safety agitation platform for existing slurry tanks.	A slurry agitation platform is a structurally secure safety platform, outside the line of the safety fence, with a covered access opening, designed to allow a tractor and slurry agitator or tanker to safely access an outdoor slurry tank to agitate and extract slurry while protecting the tractor operator and others from the risk of falling in to the tank, constructed in accordance with Department of Agriculture, Food and the Marine structures specification S123 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Safety rails on silo walls.	Safety rails of tubular box section or angle section steel, constructed in accordance with Department of Agriculture, Food and the Marine structures specifications S120 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Hydraulic motor to substitute power take-off shaft.	A hydraulic motor permanently fixed to a new agricultural machine or retrofitted to an existing machine, to replace the power take-off drive for low-power requirement machines. The hydraulic motor shall be driven by the hydraulics of the tractor and connected to the tractor using hydraulic pipes, with a shut-off system located beside the hydraulic motor, outside of the tractor. A separate hydraulic motor shall be fitted to each machine. The hydraulic motor to substitute power take-off shaft shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.

Horse handling facilities.	Loading bays and fixed horse stocks constructed in accordance with Department of Agriculture, Food and the Marine structures specification S156 as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government.
Bale slice.	Bale slice manufactured in accordance with Department of Agriculture, Food and the Marine structures specification S117A as published on a website maintained by or on behalf of the Minister for Agriculture, Food and the Marine or the Government. The bale slice shall bear CE marking in accordance with Article 16 of the machinery Directive and be in conformity with the requirements of that Directive.

”.

Amendment of section 667D of Principal Act (succession farm partnerships)

23. Section 667D of the Principal Act is amended—

(a) in subsection (2), by the substitution of the following paragraph for paragraph (d):

“(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—

(i) where an application is made under subsection (1) on or before 31 December 2026, at a time during the period beginning 3 years after and ending 10 years after the date that the application is made, and

(ii) where an application is made under subsection (1) on or after 1 January 2027, at a time during the period beginning on the date that the application is made and ending 10 years after that date, and”,

and

(b) in subsection (6)—

(i) by the substitution of the following paragraph for paragraph (a):

“(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) as respects a succession farm partnership registered—

(I) on or before 31 December 2026, €5,000 per year of assessment divided between the partners in accordance with their profit sharing ratio under their partnership agreement, or

(II) on or after 1 January 2027, €10,000 per year of assessment divided between the partners in accordance with their profit sharing ratio under their partnership agreement,

or

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

and

(ii) in paragraph (c), by the substitution of "€250,000" for "€125,000".

Amendment of certain references relating to quoted preference shares

24. The Principal Act is amended—

(a) in section 131(1)—

(i) in paragraph (b) of the definition of "preference shares", by the substitution of "admitted to trading on a regulated market in an EEA state" for "quoted on a stock exchange in the State", and

(ii) by the insertion of the following definitions:

" 'Directive' has the same meaning as it has in section 81D;

'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, including the State, which is a contracting party to the EEA Agreement;

'regulated market' has the same meaning as it has in Article 4(1), point (21), of the Directive;",

(b) in section 138(1)—

(i) in the definition of "preference shares", by the substitution of the following paragraphs for paragraphs (a) and (b):

"(a) which are admitted to trading on a regulated market in an EEA state,

(b) which are not so admitted but which carry rights in respect of dividends and capital comparable with those general for fixed-dividend shares admitted to trading on a regulated market in an

EEA state, or",

and

(ii) by the insertion of the following definitions:

" 'Directive' has the same meaning as it has in section 81D;

'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, including the State, which is a contracting party to the EEA Agreement;

'regulated market' has the same meaning as it has in Article 4(1), point (21), of the Directive;",

(c) in section 174(1)—

(i) in paragraph (d) of the definition of "fixed-rate preference shares", by the substitution of "admitted to trading on a regulated market in an EEA state" for "quoted on a stock exchange in the State", and

(ii) by the insertion of the following definitions:

" 'Directive' has the same meaning as it has in section 81D;

'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, including the State, which is a contracting party to the EEA Agreement;

'regulated market' has the same meaning as it has in Article 4(1), point (21), of the Directive;",

(d) in section 413—

(i) in subsection (1), in the definition of "fixed-rate preference shares", by the substitution of the following paragraph for paragraph (d):

"(d) on repayment do not carry any rights to an amount exceeding the new consideration received by the company in respect of the issue of the shares except in so far as those rights are reasonably comparable with those general for fixed-dividend shares admitted to trading on a regulated market in an EEA State.",

and

(ii) by the substitution of the following subsection for subsection (2):

"(2) In this section—

'Directive' has the same meaning as it has in section 81D;

'new consideration' has the same meaning as in section 135;

'regulated market' has the same meaning as it has in Article 4(1), point

(21), of the Directive;",

(e) in section 705C(1)—

(i) in the definition of "preference shares", by the substitution of "admitted to trading on a regulated market in an EEA state;" for "quoted on a stock exchange in the State.", and

(ii) by the insertion of the following definitions:

" 'Directive' has the same meaning as it has in section 81D;

'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, including the State, which is a contracting party to the EEA Agreement;

'regulated market' has the same meaning as it has in Article 4(1), point (21), of the Directive;",

and

(f) in section 752—

(i) in subsection (2)(a)—

(I) by the substitution of the following definition for the definition of "shares of a class to which this section applies":

" 'shares of a class to which this section applies' means shares of any class forming part of a company's share capital, other than relevant preference shares.",

and

(II) by the insertion of the following definition:

" 'relevant preference shares' means preference shares which are referred to in any of paragraphs (a) to (c) of the definition of 'preference shares' in section 138(1);",

and

(ii) by the insertion of the following subsection after subsection (8):

"(9) Where, but for the deletion of sections 445 and 446, shares issued by a company would be relevant preference shares for the purposes of this section then, notwithstanding the deletion of those sections, those shares shall be treated as being relevant preference shares for those purposes and this section shall apply with any modifications necessary to give effect to this subsection.".

Amendment of Chapter 2 of Part 29 of Principal Act (scientific and certain other research)

25. (1) Chapter 2 of Part 29 of the Principal Act is amended—

(a) in section 766—

(i) in subsection (1)(a), by the insertion of the following definitions:

" 'emoluments' has the same meaning as it has in section 983;

'employee' has the same meaning as it has in section 983;",

(ii) in subsection (1)(b)— 5

(I) in subparagraph (vii), by the substitution of "the greater of 20 per cent of that expenditure or €200,000" for "the greater of 15 per cent of that expenditure or €100,000", and

(II) in subparagraph (viii), by the substitution of "the greater of 20 per cent of that expenditure or €200,000" for "the greater of 15 per cent of that expenditure or €100,000", 10

(iii) in subsection (1B), by the deletion of paragraph (b), and

(iv) by the insertion of the following subsection after subsection (1B):

"(1C) (a) For the purposes of this section and section 766C, subject to paragraph (b), where in an accounting period a company incurs expenditure— 15

(i) which is not expenditure on research and development, but which is incurred wholly and exclusively for the purposes of the company's trade and, having regard to section 81, is allowable as a deduction in computing income from that trade for corporation tax purposes, and 20

(ii) on emoluments paid to employees of the company who perform the duties of their employment in the carrying on by the company of research and development activities where such expenditure on emoluments— 25

(I) is incurred wholly and exclusively for the purposes of the trade referred to in subparagraph (i), and

(II) constitutes expenditure on research and development,

then 105 per cent of the amount of the expenditure referred to in subparagraph (ii) shall be treated, for the purposes of the definition of 'expenditure on research and development' in subsection (1)(a), as expenditure incurred by the company wholly and exclusively in the carrying on by it of research and development activities. 30

(b) Paragraph (a) shall not apply unless the amount of the expenditure referred to in paragraph (a)(i) is at least 5 per cent of the amount of the expenditure referred to in paragraph (a)(ii).", 35

(b) in section 766C—

(i) in subsection (6)(a)(i), by the substitution of "€105,000" for "€87,500",

(ii) in subsection (9), by the deletion of paragraph (c), and

(iii) by the substitution of the following subsection for subsection (13):

"(13) (a) Where, in respect of an accounting period, a company specifies that one or more than one of the instalments referred to in paragraph (b) is to be treated, under subsection (7)(a)(i), as an overpayment of tax and where that amount is, under section 960H, offset in whole or in part against the company's corporation tax payable (within the meaning of Part 41A) for the accounting period, then, for the purposes of calculating the amount of preliminary tax due in respect of that accounting period and the subsequent accounting period under section 959AR or 959AS, as the case may be, the amount of corporation tax payable by the company for that accounting period shall be reduced by the amount so offset.

(b) The instalments referred to in paragraph (a) are as follows:

(i) a first instalment under subsection (6)(a);

(ii) a second instalment, if any, in respect of a claim for the credit made in an earlier accounting period and which is payable in accordance with subsection (6)(b);

(iii) a third instalment, if any, in respect of a claim for the credit made in an earlier accounting period and which is payable in accordance with subsection (6)(c).",

and

(c) in section 766D, by the substitution of the following subsection for subsection (12):

"(12) (a) Where, in respect of an accounting period, a company specifies that one or more than one of the instalments referred to in paragraph (b) is to be treated, under subsection (6)(a)(i), as an overpayment of tax and where that amount is, under section 960H, offset in whole or in part against the company's corporation tax payable (within the meaning of Part 41A) for the accounting period, then, for the purposes of calculating the amount of preliminary tax due in respect of that accounting period and the subsequent accounting period under section 959AR or 959AS, as the case may be, the amount of corporation tax payable by the company for that accounting period shall be reduced by the amount so offset.

(b) The instalments referred to in paragraph (a) are as follows:

(i) a first instalment under subsection (5)(a);

(ii) a second instalment, if any, in respect of a claim for the credit made in an earlier accounting period and which is payable in accordance with subsection (5)(b);

(iii) a third instalment, if any, in respect of a claim for the credit made in an earlier accounting period and which is payable in accordance with subsection (5)(c).".

(2) (a) Subject to *paragraph (b)*, *subsection (1)* shall apply in respect of any accounting period the specified return date (within the meaning of Part 41A) of which is on or after 23 September 2028.

(b) *Subparagraphs (i)* and *(iii)* of *paragraph (a)* and *subparagraph (ii)* of *paragraph (b)* of *subsection (1)* shall apply on and from the date of the passing of this Act. 5

Individual investment account

26. (1) The Principal Act is amended by the insertion of the following Part after section 747G:

"PART 27A

INDIVIDUAL INVESTMENT ACCOUNT 10

Chapter 1

Interpretation

Interpretation

747H. (1) In this Part—

'the Acts' means the Tax Acts and the Capital Gains Tax Acts; 15

'appointed person' means a person appointed in accordance with section 747K(1)(ii)(I);

'average investment account value' has the meaning assigned to it by section 747Q(5);

'Capital Requirements Regulations' means the European Union (Capital Requirements) Regulations 2014 (S.I. No. 158 of 2014); 20

'contribution' means, in relation to an individual investment account, any amount of money paid into the account for the purpose of the acquisition of eligible investments to be held in the account;

'contribution limit' means, in respect of a year of assessment, €12,000; 25

'credit institution' has the same meaning as it has in the Capital Requirements Regulations;

'daily market value' means, in respect of an individual investment account on a relevant day, the aggregate market value, expressed in euro, of all the eligible investments held in the account and the cash balance standing to the credit of the account, expressed in euro, in each case at the close of business of that day; 30

'deceased individual' has the meaning assigned to it by section 747Y(2);

'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; 35

'EEA state' means a state that is a contracting party to the EEA Agreement;

'eligible account provider' means—

(a) an authorised investment business firm (within the meaning of the Investment Intermediaries Act 1995),

(b) a credit institution authorised under Regulation 32 of the Capital Requirements Regulations to carry on business within the State,

(c) a person that is a holder of a Class 1 authorisation (within the meaning of Part IIA of the Central Bank Act 1971),

(d) an insurance undertaking (within the meaning of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015)) that is authorised in the State or another EEA state,

(e) an investment firm authorised under Regulation 8, or deemed to be authorised under Regulation 5(2), of the MiFID II Regulations,

(f) an investment firm or a credit institution that is permitted under Regulation 42 of the MiFID II Regulations to provide investment services and activities in the State,

(g) a management company authorised in the State under Regulation 15 of the UCITS Regulations,

(h) a management company authorised in another EEA state and carrying on activity in the State under Regulation 26 of the UCITS Regulations, or

(i) a person that is the holder of a licence granted under section 9 of the Central Bank Act 1971;

'eligible investment' means—

(a) shares in a company admitted to trading—

(i) on a regulated market in an EEA state, or

(ii) on an equivalent third country market,

(b) bonds admitted to trading—

(i) on a regulated market in an EEA state, or

(ii) on an equivalent third country market,

(c) units in, or shares of, a UCITS, other than a personal portfolio investment undertaking or a structured UCITS, authorised under the UCITS Directive in any EEA state, and

(d) insurance-based investment products, other than a personal portfolio life policy, commenced by an insurance undertaking (within the meaning of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015)),

but shall not include any asset acquired by virtue of sections 128,

128C, 128D, 128E or 128F or Part 17;

'equivalent third country market' means a stock exchange in a third country that is subject to supervisory and regulatory arrangements in the third country at least equivalent to those applied to a regulated market in the State;

'existing individual investment account' has the meaning assigned to it by section 747W(1);

'individual investment account' has the meaning assigned to it by section 747L(1);

'insurance-based investment product' has the same meaning as it has in the European Union (Insurance Distribution) Regulations 2018 (S.I. No. 229 of 2018);

'investment account tax' has the meaning assigned to it by section 747Q(3);

'investment firm' has the same meaning as it has in Regulation 3 of the MiFID II Regulations;

'investment services and activities' has the same meaning as it has in the MiFID II Regulations;

'management company' has the same meaning as it has in Regulation 3 of the UCITS Regulations;

'market value' means—

(a) in relation to a cash balance, the amount, calculated, where applicable, in accordance with regulations made under section 747AA, of that balance, and

(b) in relation to any other asset, the price, calculated in accordance with such regulations, which that asset might reasonably be expected to fetch on a sale in the open market;

'MiFID II Regulations' means the European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017);

'Minister' means the Minister for Finance;

'new individual investment account' has the meaning assigned to it by section 747W(4);

'non-EU EEA state' means an EEA state that is not a Member State of the European Union;

'outstanding excess amount' has the meaning assigned to it by section 747R(2);

'personal portfolio investment undertaking' has the same meaning as it has in section 739BA;

'personal portfolio life policy' has the same meaning as it has in section 730BA;

'personal representative' has the same meaning as in Chapter 1 of Part 32 and personal representatives shall be treated as being a single continuing body of persons (distinct from the persons who may from time to time be the personal representatives);

'PPS number', in relation to an individual, means the individual's personal public service number (within the meaning of section 262 of the Social Welfare Consolidation Act 2005);

'qualifying account provider' means an eligible account provider that is entered, for the time being, in the register;

'qualifying individual' means an individual who at the time of opening an individual investment account—

(a) is 18 years of age or older,

(b) is resident in the State, and

(c) has a PPS number;

'register' has the meaning assigned to it by section 747I(3)(a);

'regulated market' has the same meaning as it has in section 81D;

'relevant day' means a day on which an individual investment account was open at any time during that day during a year of assessment;

'Revenue officer' means an officer of the Revenue Commissioners;

'structured UCITS' has the same meaning as it has in Article 36 of Commission Regulation (EU) No. 583/2010 of 1 July 2010[1] implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website;

'tax reference number' has the same meaning as it has in section 888;

'third country' means a territory other than an EEA state;

'transfer date' means the date on which a transferor account provider completes the transfer response in respect of an existing individual investment account;

'transfer response' has the meaning assigned to it by section 747W(5);

'transferor account provider' has the meaning assigned to it by section 747W(1);

'UCITS' has the same meaning as it has in Article 1 of the UCITS Directive;

'UCITS Directive' means the Directive (within the meaning of the UCITS Regulations);

'UCITS Regulations' means European Communities (Undertakings for

1 OJ No. L176, 10.7.2010, p. 1

Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011).

(2) Nothing in this Part shall be construed as authorising or permitting a person who is an eligible account provider to provide any services which that person would not otherwise be authorised or permitted to provide in the State.

Chapter 2

Provision of individual investment accounts

Registration by eligible account providers

747I. (1) An eligible account provider shall, prior to offering individual investment accounts, register with the Revenue Commissioners as a qualifying account provider in accordance with this section.

(2) For the purpose of subsection (1), an eligible account provider shall—

(a) notify, or cause the notification of, the following particulars to the Revenue Commissioners—

(i) the name of the eligible account provider,

(ii) the tax reference number of the eligible account provider,

(iii) the business address (including, where applicable, the Eircode) of the eligible account provider,

(iv) where section 747K(1)(ii)(I) applies, such details as may be reasonably required by the Revenue Commissioners in accordance with regulations made under section 747AA, and

(v) such other information as the Revenue Commissioners may reasonably require for the purposes of the registration of the eligible account provider as a qualifying account provider under subsection (1) and as may be prescribed in regulations under section 747AA,

(b) make a declaration that—

(i) at the time the declaration is made, it is an eligible account provider and specify the paragraph of the definition, in section 747H(1), of 'eligible account provider' by reference to which it is an eligible account provider, and

(ii) it shall discharge all duties and obligations relating to individual investment accounts which are imposed on a qualifying account provider under this Part,

(c) give an undertaking that if at any time—

(i) the particulars contained in a notification under paragraph (a) are not, or are no longer, materially correct, or

(ii) the declaration made under paragraph (b)(i) ceases to be materially correct,

it shall notify the Revenue Commissioners accordingly without undue delay, and

(d) register for investment account tax with the Revenue Commissioners in such manner, including by electronic means (within the meaning of section 917EA), as the Revenue Commissioners may require.

(3) (a) The Revenue Commissioners shall establish and maintain a register to be known as the register of qualifying account providers (in this Part referred to as the 'register') of qualifying account providers for the purposes of this Part and shall, notwithstanding section 851A, publish the register on a website maintained by them.

(b) The register shall contain the following information in relation to a qualifying account provider:

(i) the name of the qualifying account provider;

(ii) the business address of the qualifying account provider;

(iii) the date of registration of the qualifying account provider.

(c) The inclusion of a person on the register shall not be construed as a representation by the Revenue Commissioners that the person is an eligible account provider.

(d) An entry in the register in relation to a qualifying account provider may be amended in such manner as may be prescribed in regulations under section 747AA.

(4) Where the registration of a person as a qualifying account provider is cancelled under section 747J, the Revenue Commissioners shall remove the entry on the register in relation to that person with effect from the date on which the last of the individual investment accounts operated by that provider is closed, is treated as having been closed under that section or is transferred in accordance with Chapter 4.

Cancellation of registration as qualifying account provider

747J. (1) A person who ceases, or intends to cease, to be an eligible account provider subsequent to registering as a qualifying account provider under section 747I(1), shall notify the Revenue Commissioners in writing, and in such manner as may be prescribed in regulations under section 747AA, of such cessation or intended cessation and of the date of such cessation or intended cessation.

(2) A notification under subsection (1) shall be made without undue delay after the earlier of the date on which—

(a) the person decides to cease to be an eligible account provider, or

(b) the person ceases to be an eligible account provider.

(3) Where a person makes a notification under subsection (1), the Revenue Commissioners shall, with effect from the date of cessation, or intended cessation, specified in the notification, cancel that person's

registration as a qualifying account provider.

(4) Where the Revenue Commissioners are satisfied that a person is not, or has ceased to be, an eligible account provider subsequent to registering as a qualifying account provider under section 747I(1)—

(a) the Revenue Commissioners shall notify the person in writing, and in such manner as may be prescribed in regulations under section 747AA, of the intention to cancel the registration of that person as a qualifying account provider, and

(b) such cancellation shall take effect on and from 21 days from the date of the notification, unless, within that period, the person, in such manner as may be prescribed in regulations under section 747AA, satisfies the Revenue Commissioners that the person is still an eligible account provider.

(5) (a) Where the Revenue Commissioners are satisfied that a qualifying account provider has failed to comply with, or to discharge, any duty or obligation imposed on the qualifying account provider under this Part—

(i) the Revenue Commissioners may, where they consider it appropriate, notify the qualifying account provider in writing, and in such manner as may be prescribed in regulations under section 747AA, of the intention to cancel the registration of that provider as a qualifying account provider, and

(ii) such cancellation shall take effect on and from a date specified in the notification in accordance with paragraph (b), unless, prior to that date, the person satisfies, in such manner as may be prescribed in regulations under section 747AA, the Revenue Commissioners that it has complied with or discharged the duties or obligations specified in the notification.

(b) A notification under paragraph (a) shall specify—

(i) the duty or obligation which the Revenue Commissioners consider the qualifying account provider has failed to comply with or discharge, and

(ii) the date on which the cancellation of registration is to take effect.

(c) The treatment of individual investment accounts held with a person whose registration is cancelled under this subsection, and the obligations of that person in respect of those accounts, shall be as provided for in regulations made under section 747AA.

(6) A cancellation of a person's registration under this section shall not affect—

(a) the validity of any act done by, or on behalf of, the qualifying account provider before the date of the cancellation, or

(b) any liability or obligation of the qualifying account provider under this Part which arose before the date of cancellation.

(7) A qualifying account provider aggrieved by a decision to cancel its registration under subsection (4) or (5) may appeal the decision to the Appeal Commissioners, in accordance with section 949I, within the period of 30 days after the date the cancellation takes effect.

(8) Where a person makes a notification under subsection (1) or the registration of the person is cancelled under subsection (4)—

(a) the person shall, without undue delay, notify, in writing, and in such manner as may be prescribed in regulations under section 747AA, all qualifying individuals who held an individual investment account with that person—

(i) in the case of a notification under subsection (1), on the date immediately prior to the date on which such notification is made, or

(ii) in the case of a cancellation under subsection (4), on the date immediately prior to the date of such cancellation,

that it has ceased to be, or intends to cease to be, a qualifying account provider, or that its registration has been cancelled, as the case may be,

(b) the accounts referred to in paragraph (a) shall cease to be individual investment accounts as on and from a date to be determined in accordance with regulations made under section 747AA for the purpose of this section (in this section referred to as the 'prescribed date'), and

(c) during the period—

(i) beginning on the date of the notification under subsection (1) or the date on which the registration is cancelled under subsection (4), as the case may be, and

(ii) ending on the date which is 30 days prior to the prescribed date,

the qualifying individuals referred to in paragraph (a) may request, in accordance with such procedures as may be prescribed in regulations under section 747AA, the transfer of the account to another qualifying account provider in accordance with Chapter 4.

(9) Where an individual investment account to which subsection (8) applies is not the subject of a transfer request in accordance with section 747W(1) prior to the date which is 30 days prior to the prescribed date—

(a) the person with whom the account is held shall, prior to the prescribed date, dispose of or otherwise liquidate all of the eligible investments held in the account and, without undue delay after such disposal or liquidation, pay to the qualifying individual

concerned—

(i) the net proceeds of such disposal or liquidation, reduced by any fees, costs or charges reasonably and necessarily incurred by the person in disposing of or liquidating the eligible investments, and

(ii) any cash balance held in the account,

and

(b) the account shall be treated as having been closed for the purposes of this Part on the prescribed date and section 747Q(2) shall apply accordingly.

(10) The exemption from income tax and capital gains tax provided for in section 747P(1) shall apply, in respect of an individual investment account to which subsection (8) applies, to income, profits and gains arising up to and including the prescribed date, but shall not apply to any income, gain or loss arising after that date.

Eligible account provider resident in non-EU EEA state

747K. (1) Where an eligible account provider—

(a) is resident in a non-EU EEA state, and

(b) is not trading in the State through a fixed place of business in the State,

then, the eligible account provider, prior to its registration as a qualifying account provider, in relation to the discharge of all duties and obligations relating to individual investment accounts which are imposed on a qualifying account provider by virtue of this Part—

(i) shall enter into a contract with the Revenue Commissioners enforceable in an EEA state in relation to the discharge of those duties and obligations by virtue of which contract the parties to the contract acknowledge and agree in writing that—

(I) the contract shall be governed solely by the laws of the State, and

(II) the courts of the State shall have exclusive jurisdiction in determining any dispute arising under the contract,

or

(ii) shall—

(I) appoint a person resident in the State, in such manner as may be prescribed in regulations under section 747AA, to be responsible for the discharge of all of those duties and obligations (in this Part referred to as the 'appointed person'),

(II) notify the Revenue Commissioners of the appointment of that person and the identity of that person, and

(III) provide such details, in respect of such person, so appointed as may be prescribed in regulations under section 747AA and as may be reasonably requested by the Revenue Commissioners for the purpose of section 747I(2)(a)(iv).

(2) Where a qualifying account provider to which subsection (1) did not apply at the time of its registration, subsequently decides— 5

(a) to become resident in a non-EU EEA state, and

(b) not to trade in the State through a fixed place of business in the State,

the qualifying account provider shall, without undue delay, notify the Revenue Commissioners, in writing, and in such manner as may be prescribed in regulations under section 747AA, of such decision and of the date on which it is to become so resident and cease to so trade (in this section referred to as the 'change date'). 10

(3) Where a qualifying account provider makes a notification under subsection (2)— 15

(a) the qualifying account provider shall, before the change date, in such manner as may be prescribed in regulations made under section 747AA, amend its registration with the Revenue Commissioners under section 747I(1) to record that, with effect from the change date, subsection (1) shall apply to it, and 20

(b) subsection (1) shall apply to the qualifying account provider from the change date as if the reference in that subsection to the registration under section 747I(1) were a reference to the amendment of the registration under this subsection. 25

(4) Where a person who makes a notification under subsection (2) does not comply with subsection (3)—

(a) the registration of the person as a qualifying account provider shall be cancelled with effect on and from the change date, and

(b) subsections (8), (9) and (10) of section 747J shall apply accordingly as they apply where a person has made a notification under subsection (1) of that section, subject to such modifications as are necessary, including that the reference in the said subsection (8) to the date on which a notification under the said subsection (1) is made shall be construed as a reference to the change date. 30 35

(5) Subject to subsection (6), an appointed person shall—

(a) be entitled to act on behalf of the qualifying account provider for the purposes of the Acts insofar as they relate to this Part,

(b) secure (where appropriate by acting on behalf of the qualifying account provider) the compliance of the qualifying account provider with, and discharge of, its obligations under this Part, and 40

(c) be liable in respect of any failure of the qualifying account provider

to comply with or discharge any such obligations as if the obligations imposed on the qualifying account provider were imposed jointly and severally on the qualifying account provider and the person concerned.

(6) Where the Revenue Commissioners have reason to believe that an appointed person— 5

(a) has failed to secure the discharge of any of the obligations imposed on a qualifying account provider under this Part, or

(b) does not have adequate resources to discharge those obligations,

the Revenue Commissioners shall notify, in writing, the qualifying account provider and the appointed person, of the intention to treat the appointment of that person as having terminated and such termination shall take effect on and from 21 days after the date of the notification, unless, within that period, the person satisfies the Revenue Commissioners that the person is able to discharge the obligations concerned. 10 15

Establishment of individual investment accounts

747L. (1) A qualifying account provider may, on or after 1 January 2027, provide and operate accounts (in this Part referred to as 'individual investment accounts') in accordance with this Part. 20

(2) An individual investment account that is provided and operated by a qualifying account provider under subsection (1) shall only be established under the following terms and conditions:

(a) the account shall be opened by, and held in the sole name of, a qualifying individual, who, at any given time, shall hold only one such account, 25

(b) on opening the account with, or on a transfer in accordance with Chapter 4 to, the qualifying account provider, the qualifying individual shall make a declaration in accordance with section 747O, 30

(c) contributions to the account shall be used by the qualifying account provider solely to acquire eligible investments that shall be—

(i) held in that account and managed by the qualifying account provider, and

(ii) beneficially owned by the qualifying individual, 35

(d) contributions to that account, without regard to any amounts withdrawn from that account, in a year of assessment shall not exceed the contribution limit,

(e) assets held in the account shall consist only of—

(i) one or more than one eligible investments, 40

(ii) any income, profits and gains that arise in respect of such

investments,

(iii) contributions made to the account that have not yet been applied by the qualifying account provider to acquire an eligible investment,

(iv) amounts held in the account pending a transfer of the account to another qualifying account provider in accordance with Chapter 4, and

(v) such other amounts as may be specified in regulations made under section 747AA for the purposes of this Part,

and

(f) no interest shall be paid, credited, or otherwise allowed to accrue in respect of any cash balance standing to the credit of the account.

(3) A qualifying account provider shall take all reasonable steps to ensure that the terms and conditions specified in subsection (2) are, and continue to be, complied with.

(4) Where a qualifying individual closes an individual investment account at any time during a year of assessment—

(a) that individual shall not, during that same year of assessment, open another individual investment account, and

(b) the qualifying account provider shall notify the Revenue Commissioners, in such manner as may be prescribed in regulations under section 747AA, as to the date on which the account was closed.

Change of residence of qualifying individual

747M. (1) In this section—

'period of non-residence' means, in relation to a qualifying individual, a period that—

(a) begins on—

(i) where the individual leaves the State in a year of assessment (in this section referred to as the 'departure year') in circumstances where the individual intends that he or she will not be resident in the State for the departure year, the date on which the individual first leaves the State with such an intention, and

(ii) where the individual leaves the State in the departure year in circumstances where he or she shall be resident in the State for the departure year, but with the intention that he or she shall not be resident in the State for the year of assessment following the departure year, the first day of the year of assessment following the departure year,

and

(b) ends on the date on which the individual returns to reside in the

State in circumstances that he or she intends to be resident in the State in the year of assessment following the year of assessment in which the individual so returned;

'relevant date' means, in relation to a qualifying account provider and a period of non-residence of a qualifying individual, the earlier of— 5

(a) the date specified in a notification made by the qualifying individual under subsection (2)(a) in respect of the period, and

(b) the date on which the qualifying account provider becomes aware that the period has begun, and has not ended, in relation to the qualifying individual. 10

(2) (a) A qualifying individual, who leaves the State in circumstances to which paragraph (a) of the definition, in subsection (1), of 'period of non-residence' applies, shall notify in writing, and in such manner as may be prescribed in regulations under section 747AA, the qualifying account provider, in accordance with the undertaking 15 provided in the declaration made under section 747O(1)(d), of that fact and specify the date on which the period began, or will begin.

(b) A notification under paragraph (a) shall be made—

(i) where the period begins under paragraph (a)(i) of the definition in subsection (1), of 'period of non-residence', without undue 20 delay after the date on which it begins, and

(ii) where the period begins under paragraph (a)(ii) of the definition, in subsection (1), of 'period of non-residence', without undue delay after the date on which the individual leaves the State. 25

(3) A qualifying individual in relation to whom a period of non-residence ends shall, without undue delay after the date on which it ends, notify in writing, and in such manner as may be prescribed in regulations under section 747AA, the qualifying account provider, in accordance with the undertaking provided in the declaration made under section 30 747O(1)(d), that the period of non-residence has ended and of the date on which it ended.

(4) A qualifying account provider that has been notified in accordance with subsection (2) or (3), or who otherwise becomes aware that a period of non-residence has begun or ended, in relation to a qualifying 35 individual, shall notify the Revenue Commissioners, in the notification required under section 747T(3), that a period of non-residence has so begun or ended, as the case may be, and of the date on which it began or ended.

(5) A qualifying individual shall not, during a period of non-residence— 40

(a) subject to subsection (8), make any contributions to an individual investment account, or

(b) request the transfer of the account to another qualifying account

provider in accordance with section 747W, other than where the request is made in consequence of a qualifying account provider ceasing, or intending to cease, to be a qualifying account provider, under section 747J(8)(c).

(6) A qualifying account provider that— 5

(a) has been notified under subsection (2)(a), or

(b) who otherwise becomes aware,

that a period of non-residence has begun, and has not ended, in relation to a qualifying individual, shall, not later than 30 days after the relevant date, cease to accept, process or otherwise give effect to 10 contributions to the individual investment account of the qualifying individual concerned, and shall take all reasonable steps to ensure that no such contribution is accepted, processed or given effect to thereafter, for so long as the period of non-residence continues.

(7) A qualifying account provider that has been notified under subsection 15 (3) may accept, process or otherwise give effect to contributions to the individual investment account of the qualifying individual concerned on and from the date of the notification.

(8) A contribution made to an individual investment account by a qualifying individual during a period of non-residence which is 20 accepted, processed or given effect to by the qualifying account provider on or before the date which is 30 days after the relevant date shall, notwithstanding subsection (5), be treated for the purposes of this Part as having been validly made to the account.

(9) Where a contribution is made to an individual investment account by a 25 qualifying individual during a period of non-residence, other than a contribution to which subsection (8) applies—

(a) the contribution shall be treated as not having been made to the account for the purposes of this Part, and

(b) the qualifying account provider shall, without undue delay after 30 becoming aware that a period of non-residence has begun in relation to the qualifying individual and that a contribution referred to in this subsection has been made during the period, repay to the qualifying individual—

(i) an amount equal to the contribution, or 35

(ii) where the contribution has already been applied to acquire an eligible investment, the market value of that eligible investment at the date of repayment, reduced by any applicable fees, costs or charges reasonably and necessarily incurred by the qualifying account provider in disposing of, or otherwise realising, the 40 eligible investment for the purpose of making the repayment under this paragraph.

Penalty for holding of ineligible investments

747N. (1) Subject to subsection (3), where an asset that is not an asset or amount referred to in subparagraphs (i) to (v) of section 747L(2)(e) (in this section referred to as an 'ineligible investment') is, without reasonable excuse, held in an individual investment account at any time during a year of assessment, the qualifying account provider with whom the account is held shall be liable to a penalty of €3,000 in respect of the account for that year of assessment.

(2) Where a qualifying account provider becomes aware that an ineligible investment is being held in an individual investment account, the qualifying account provider shall, without undue delay following becoming so aware, dispose of, or otherwise remove, the ineligible investment from the account.

(3) A penalty shall not arise under this section in respect of an asset which was an eligible investment at the time it was acquired and which subsequently ceases to be an eligible investment by reason of a matter outside the control of the qualifying account provider, provided that the qualifying account provider complies with subsection (2) in respect of the investment.

(4) Where an ineligible investment is held in an individual investment account at any time during a year of assessment—

(a) the ineligible investment shall, for the purposes of this Part and subject to subsection (5), be deemed not to have been held in the account at that time, and

(b) any income, profits or gains arising in respect of the ineligible investment while it is so held shall not be treated as income, profits or gains arising in respect of an eligible investment held in an individual investment account for the purposes of section 747P(1).

(5) Subsection (4) is without prejudice to the liability of a qualifying account provider to a penalty under subsection (1), or to the obligation imposed on a qualifying account provider under subsection (2), in respect of an ineligible investment, and nothing in subsection (4) shall be construed as meaning that the ineligible investment was not held in the account for the purposes of subsection (1) or (2).

Declaration on opening individual investment account

747O. (1) A qualifying individual shall, on the opening of an individual investment account with, or on the transfer of an individual investment account in accordance with section 747W to, a qualifying account provider, make a declaration in writing to the qualifying account provider—

(a) signed by the individual,

(b) containing the following details in relation to the qualifying individual:

(i) his or her name;

(ii) the address (including the Eircode) of his or her permanent residence;

(iii) his or her PPS number;

(iv) his or her date of birth,

(c) stating that, at the time the declaration is made, the individual— 5

(i) is 18 years of age, or older,

(ii) is resident in the State,

(iii) does not simultaneously hold another individual investment account, other than where, and only for so long as, the qualifying individual, in consequence of a transfer under section 747W, holds an existing individual investment account and a new individual investment account, 10

(iv) is aware that it is not permitted to hold the account jointly with another person,

(v) is the person who will beneficially own the eligible investments to be held in the account, 15

(vi) will not contribute more than the contribution limit to the account in a year of assessment, and

(vii) is aware of the content of subsection (3),

(d) containing an undertaking that if at any time the declaration ceases to be materially correct, the individual shall notify the qualifying account provider accordingly without undue delay, and 20

(e) in such form as may be prescribed or authorised by the Revenue Commissioners.

(2) A qualifying account provider shall take reasonable measures to establish that the PPS number and date of birth, contained in the declaration made by a qualifying individual under subsection (1), are the PPS number and date of birth in relation to that individual. 25

(3) A person who makes a declaration under this section that is false, shall be guilty of an offence and shall be liable on summary conviction to a fine of €3,000, or at the discretion of the court, to imprisonment for a term not exceeding 6 months or to both the fine and the imprisonment. 30

Chapter 3

Charge, return, collection and payment of tax on individual investment accounts

Individual investment account tax exemption 35

747P. (1) Notwithstanding anything in the Acts—

(a) income, profits or gains arising in respect of an individual investment account held by the qualifying individual shall be exempt from tax other than to the extent a charge to tax arises

under sections 747Q or 747R, as the case may be, and

(b) no loss shall be treated as accruing on the disposal of any eligible investment held in an individual investment account by a qualifying individual.

(2) In so far as any income, profits or gains, which are exempt from tax by virtue of subsection (1)(a), are to be regarded as income of an individual for a year of assessment, such income shall not be reckoned in computing total income for the purposes of the Tax Acts.

Charge to investment account tax

747Q. (1) For the purposes of this Part, where an eligible investment, or a cash balance, held in an individual investment account is denominated or quoted in a currency other than the currency of the State, its market value shall be determined and expressed in euro in accordance with regulations made under section 747AA.

(2) For the purposes of this Part, in the case of the closure of an individual investment account held with a qualifying account provider during a year of assessment, references to a year of assessment includes references to part of a year of assessment and references to 31 December includes references to the date the account is closed or is treated as having been closed.

(3) Subject to the provisions of this Part, there shall be charged and levied on a qualifying individual, a tax, being a form of income tax (in this Part referred to as 'investment account tax'), for each year of assessment in respect of any chargeable amount in relation to an individual investment account held by the qualifying individual with a qualifying account provider on 31 December of the year of assessment.

(4) The chargeable amount referred to in subsection (3) (in this section referred to as the 'chargeable amount') in relation to an individual investment account for a year of assessment is the amount determined by the formula—

$$A - B$$

where—

A is the average investment account value of the individual investment account for the year of assessment, and

B is €50,000,

but where that amount is less than zero, the chargeable amount shall be zero.

(5) The average investment account value referred to in subsection (4) (in this Part referred to as the 'average investment account value') of an individual investment account for a year of assessment is the amount determined by the formula—

where—

C is the aggregate of the daily market values of the individual investment account on each relevant day during the year of assessment, and

D is the number of relevant days in that year of assessment.

(6) Notwithstanding subsection (3), a qualifying account provider, with whom a qualifying individual holds an individual investment account on 31 December in a year of assessment, shall, in respect of the year of assessment, be accountable for and liable to pay to the Revenue Commissioners, the investment account tax charged on the qualifying individual in respect of the account in accordance with subsection (3) and in this respect the qualifying account provider shall—

(a) calculate the amount of investment account tax to be charged on the qualifying individual in respect of the individual investment account for the year of assessment,

(b) deduct or otherwise collect the investment account tax from the individual investment account, or, with the consent of the qualifying individual, by any other means,

(c) pay the investment account tax to the Revenue Commissioners in accordance with section 747T, and

(d) make a return and a notification to the Revenue Commissioners in accordance with section 747T.

(7) The amount of investment account tax to be charged under subsection (3) and accounted for and paid under subsection (6) in respect of an individual investment account for a year of assessment shall be an amount represented by X in the formula—

$$X = Y \times Z$$

where—

Y is the chargeable amount in relation to the individual investment account for the year of assessment, and

Z is the rate of 1 per cent.

(8) Where investment account tax is accounted for and paid by a qualifying account provider under this section in respect of an individual investment account held by a qualifying individual for a year of assessment, the liability of the qualifying individual to investment account tax charged in respect of that account for that year of assessment shall be treated as discharged to the extent of the amount so accounted for and paid.

(9) (a) A qualifying individual shall not be a chargeable person for the purposes of Part 41A in a year of assessment by reason only that, in

respect of an individual investment account held by the qualifying individual, there is, for the year of assessment—

(i) a chargeable amount, or

(ii) an outstanding excess amount in respect of which investment account tax is charged under section 747R(3) (in this section referred to as a 'taxable amount').

(b) Where a qualifying individual is otherwise a chargeable person (within the meaning of Part 41A) for the purposes of that Part in a year of assessment in which there is a chargeable amount or a taxable amount in relation to an individual investment account held by the qualifying individual, the qualifying individual shall not be required to include the chargeable amount or the taxable amount in the return required to be delivered by the qualifying individual under Chapter 3 of that Part.

(10) The chargeable amount or the taxable amount in respect of an individual investment account held by a qualifying individual shall—

(a) not be reckoned in computing total income for the purposes of the Tax Acts, and

(b) be computed without regard to any amount deductible from, or deductible in computing, income for the purposes of the Tax Acts, and no credit or set-off of any kind shall be allowed against, or in respect of, investment account tax to be charged, accounted for and paid under this section, save that nothing in this paragraph shall affect the repayment of investment account tax paid in excess of the amount properly due, in accordance with section 747S.

Charge to investment account tax on excess contributions

747R. (1) In this section—

'excess amount' means, in relation to an individual investment account and an excess contribution year, the amount by which the aggregate amount contributed to the account during that excess contribution year, without regard to any amount withdrawn from the account, exceeds the contribution limit;

'excess contribution year' means a year of assessment in which the aggregate amount contributed to an individual investment account, without regard to any amount withdrawn from the account, exceeds the contribution limit;

'excess month' means, in relation to an individual investment account and an excess contribution year, the month within that excess contribution year in which the year-to-date contribution amount, determined as at the last day of that month, first exceeds the contribution limit;

'relevant month' means, in relation to an individual investment account, the excess month, and each subsequent month for which the

individual investment account is open for all or part of that month;

'year-to-date contribution amount' means, in relation to an individual investment account and a day, the aggregate amount contributed to the account during the year of assessment in which that day falls, up to and including that day, without regard to any amount withdrawn from the account.

(2) For the purposes of this Part, the outstanding excess amount in relation to an individual investment account and a relevant month (in this Part referred to as the 'outstanding excess amount') is the amount determined by the formula—

$$(P + Q) – R$$

where—

P is, where the relevant month falls within a year of assessment which is an excess contribution year, the amount, if any, by which the year-to-date contribution amount in respect of the account, determined as at the last day of that relevant month, exceeds the contribution limit, and is nil in any other case,

Q is the aggregate of the excess amounts arising in respect of the account for each excess contribution year earlier than the year of assessment in which the relevant month falls, and

R is the aggregate of any amounts applied under subsection (6) to reduce the amounts represented by P and Q in relation to the account, with effect on or before the last day of that relevant month,

but where the amount determined by the formula is less than zero, the outstanding excess amount shall be zero.

(3) (a) Where an excess amount arises in respect of an individual investment account held by a qualifying individual in respect of an excess contribution year, there shall be charged on the qualifying individual under this section, an amount of investment account tax in respect of each relevant month—

(i) beginning with the excess month in that excess contribution year, and

(ii) continuing, subject to subsection (5), in each subsequent relevant month, in that excess contribution year and in every year of assessment following it,

for as long as the outstanding excess amount in respect of the account is greater than zero for that relevant month.

(b) The charge to investment account tax under this section arises whether or not any investment account tax is chargeable on the qualifying individual under section 747Q in respect of that account for the year of assessment in which the relevant month falls.

(4) The amount of investment account tax charged under subsection (3) in respect of a relevant month shall be an amount equal to 1 per cent of the outstanding excess amount in respect of the account, determined as at the last day of that relevant month.

(5) No investment account tax shall be charged under this section in respect of a relevant month for which the outstanding excess amount in respect of an individual investment account is nil.

(6) For the purposes of this section, where an amount is withdrawn from an individual investment account during a year of assessment, that amount shall, for the purpose of reducing the outstanding excess amount, be applied—

(a) first, to reduce the excess amount arising in respect of the earliest excess contribution year in respect of which an excess amount remains outstanding, and

(b) then, where the excess amount referred to in paragraph (a) is nil, to reduce the excess amount arising in respect of each subsequent excess contribution year, in the order in which those excess amounts arose,

and a reduction under this subsection shall have effect from the last day of the relevant month in which the withdrawal is made.

(7) Investment account tax charged on a qualifying individual under this section for a year of assessment shall be treated, for all purposes of this Part, as investment account tax charged under section 747Q on that qualifying individual in respect of that individual investment account for that year of assessment, whether or not any investment account tax is chargeable on that qualifying individual under that section in respect of that account for that year of assessment and shall be accounted for, deducted, collected, paid, returned, and, where unpaid, subject to interest, in the same manner as the investment account tax charged under that section.

(8) Where a qualifying account provider, without reasonable excuse, accepts, processes or otherwise gives effect to a contribution made to an individual investment account which causes an excess amount to arise in respect of the account for an excess contribution year, the qualifying account provider shall be liable to a penalty of €3,000 in respect of that year in respect of that account.

Collection of investment account tax

747S. (1) A qualifying account provider shall, in accounting for investment account tax for a year of assessment in accordance with section 747Q, be entitled to—

(a) deduct, realise or otherwise apply any cash balance standing to the credit of the qualifying individual in the individual investment account as is necessary to discharge the liability, or part of the liability, to investment account tax for the year of assessment, and

(b) appropriate or cancel, as the case may be, such portion of the eligible investments held in the individual investment account as is necessary to discharge the liability, or part of the liability, to investment account tax for the year of assessment.

(2) Where subsection (1) applies, the qualifying individual, including the personal representatives of a deceased individual (within the meaning of section 747Y), shall allow any such deduction, realisation, application, appropriation or cancellation as is referred to in that subsection.

(3) Where an amount of investment account tax, required to be accounted for and paid by a qualifying account provider in respect of an individual investment account of a qualifying individual for a year of assessment, has not been so paid by the qualifying account provider in accordance with this Part, the Revenue Commissioners may recover, in such manner, and under such circumstances, as may be prescribed in regulations under section 747AA, from the qualifying individual any amount of such tax which remains unpaid by the qualifying account provider.

(4) The recovery of an amount of investment account tax from a qualifying individual under subsection (3) shall be without prejudice to any liability of the account provider to account for and pay that amount to the Revenue Commissioners.

(5) Where an amount of investment account tax has been paid by or recovered from both the qualifying individual and the qualifying account provider, the Revenue Commissioners shall repay or otherwise credit, as appropriate, any amount paid in excess of the amount of the tax properly due.

Returns and payment of investment account tax

747T. (1) In this section—

'return' includes a return deemed to have been made under subsection (5);

'return date' means 14 April in the year following the year of assessment.

(2) A qualifying account provider shall, in respect of a year of assessment, on or before the return date, make a return to the Revenue Commissioners specifying the total investment account tax for the year of assessment which the qualifying account provider is accountable for and liable to pay.

(3) A qualifying account provider shall, in respect of a year of assessment, on or before 31 March in the year following the year of assessment, make a notification, in such form and manner as may be prescribed in regulations under section 747AA, to the Revenue Commissioners and such notification shall, in respect of the year of assessment—

(a) specify in respect of each individual investment account held with

the qualifying account provider by a qualifying individual on 31 December in the year of assessment—

(i) the name of the qualifying individual,

(ii) the address (including the Eircode) of that individual's permanent residence,

(iii) the PPS number of the qualifying individual,

(iv) whether, at any time during the year of assessment, a period of non-residence (within the meaning of section 747M) in relation to the qualifying individual—

(I) began,

(II) was continuing, or

(III) ended,

and, where a period of non-residence began or ended, the date on which it so began or so ended,

(v) in the case of the death of the qualifying individual, the date of death,

(vi) the date the account was opened, and in the case of a transfer of an account in the year of assessment in accordance with section 747W, the transfer date,

(vii) in the case of the closure of the account during the year of assessment, the date of closure,

(viii) the aggregate amount contributed to the account during the year of assessment, including, in the case of a transfer of an account in accordance with section 747W during the year of assessment, the aggregate amount contributed to the existing individual investment account during that year of assessment prior to the transfer date,

(ix) the percentage breakdown, as of 31 December in the year of assessment, of the value of the individual investment account, by reference to—

(I) the value attributable to each of the categories of eligible investment specified in paragraphs (a) to (d) of the definition, in section 747H(1), of that term held in the account, and

(II) any cash balance held in the account,

(x) the average investment account value for the year of assessment, and

(xi) the investment account tax for the year of assessment which the qualifying account provider is accountable for and liable to pay, including any such amount charged under section 747R,

(b) specify in respect of each individual investment account transferred to a transferee account provider (within the meaning of Chapter 4) in accordance with Chapter 4, such information as may be specified in regulations made under section 747AA, and

(c) declare, in a form prescribed or authorised by the Revenue Commissioners, that to the best of the qualifying account provider's knowledge and belief in respect of each individual investment account referred to in the notification, the terms and conditions referred to in section 747L have been and are being complied with, and the information referred to in paragraph (a) is correct.

(4) The Revenue Commissioners shall, following the receipt of the notification referred to in subsection (3), issue a statement to a qualifying account provider which sets out, in summary form, in respect of individual investment accounts operated by that provider for a year of assessment, the total amount of investment account tax due by that provider and particulars in respect of such accounts.

(5) Subject to subsection (7), the statement referred to in subsection (4) shall, on the return date, be deemed to be a return made by the qualifying account provider in respect of that year of assessment.

(6) Investment account tax which is required to be included in a notification under subsection (3)(a)(xi) shall be due on the return date and shall be paid by the qualifying account provider to the Revenue Commissioners, and the investment account tax so due shall be payable by the qualifying account provider without the making of an assessment.

(7) Subsection (5) shall not apply where a statement referred to in that subsection is issued to a qualifying account provider and the details on that statement do not accurately reflect the particulars relating to the individual investment accounts operated by that provider or the liability to investment account tax in respect of such accounts.

(8) Where subsection (7) applies, the qualifying account provider concerned shall ensure that all details in respect of the individual investment accounts operated by the provider and the associated liability to investment account tax in respect of such accounts are accurately reflected, in such form and manner as may be prescribed in regulations under section 747AA, in the notification required under subsection (3) in respect of the year of assessment concerned.

(9) A qualifying account provider shall, in respect of an individual investment account held by a qualifying individual with the provider on 31 December of a year of assessment, furnish, in such form and manner as may be prescribed in regulations under section 747AA, to the qualifying individual a statement showing—

(a) the average investment account value of the account for the year of assessment,

(b) the amount of investment account tax charged on the qualifying individual under this Part in respect of the account for the year of assessment,

(c) the date on which the amount referred to in paragraph (b) was deducted, realised or otherwise applied under section 747S, and

(d) such other information as may be specified in regulations made under section 747AA.

(10) Any return, statement, notification, instruction, information, declaration, direction or claim required by this Part or regulations made under this Part, shall be given by electronic means and through such electronic systems as the Revenue Commissioners may make available for the time being for any such purpose, and the provisions of Chapter 6 of Part 38 shall apply.

(11) Sections 890, 891, 891A, 891B, 892, 894, 895, 896 and 896A shall not apply to a qualifying account provider, in respect of an individual investment account, where that qualifying account provider has fulfilled the obligations imposed under this Part and regulations made under this Part.

(12) Where an amount of investment account tax to which a qualifying account provider is liable under this Part to pay to the Revenue Commissioners is not so paid, simple interest on the amount shall be paid by the qualifying account provider to the Revenue Commissioners, and such interest shall be calculated from the due date of the payment until payment, for any day or part of a day during which the amount remains unpaid, at a rate of 0.0274 per cent.

(13) Subsections (3) to (5) of section 1080 shall apply in relation to interest payable under subsection (12) as they apply in relation to interest payable under section 1080.

(14) For the purposes of the Income Tax Acts, a reference to a return shall, where applicable to this Part, be construed as including a reference to a notification made under this section.

Assessments

747U. (1) Where it appears to a Revenue officer that there is any amount of investment account tax which ought to have been but has not been included in a notification or return under section 747T, or where a Revenue officer is dissatisfied with any notification or return, the Revenue officer may make an assessment on the qualifying account provider, to the best of his or her judgment, of the amount of investment account tax due.

(2) (a) Subject to paragraph (b), a qualifying account provider aggrieved by an assessment made on that person under this section 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 Part, a qualifying account provider is required to make a notification and account for investment account tax to the Revenue Commissioners, no appeal lies against an assessment until such time as the qualifying account provider makes the notification and pays or has paid the amount of the investment account tax payable on the basis of that notification.

(3) A Revenue officer may, in respect of a year of assessment, send a qualifying individual who holds an individual investment account (in this section referred to as an 'account holder') a statement of liability setting out any amount of investment account tax that is due and unpaid in respect of his or her individual investment account.

(4) Where a Revenue officer, in accordance with subsection (3), sends a statement of liability to an account holder, that statement shall, if the officer so directs and gives notice accordingly in or with that statement, be treated in all respects as if it were an assessment raised on the account holder.

(5) Any investment account tax assessed on a qualifying account provider under this Part, or which is treated as having been assessed on an account holder in accordance with subsection (4), on a Revenue officer sending a statement of liability to the account holder, shall be due within one month after the issue of the assessment or statement, as the case may be, subject to any appeal against the assessment.

(6) The provisions of the Income Tax Acts relating to—

(a) assessments to income tax, and

(b) the collection and recovery of income tax,

shall, in so far as they are applicable, apply to the assessment, collection and recovery of investment account tax.

Chapter 4

Transfer of individual investment accounts

Definitions (Chapter 4)

747V. In this Chapter—

'notice of transfer' has the meaning assigned to it by section 747W(2);

'transfer history' means the information specified in paragraphs (a) to (e) of section 747W(3);

'transfer history request' has the meaning assigned to it by section 747W(3);

'transferee account provider' has the meaning assigned to it by section 747W(1);

'transition date' means, in relation to an existing individual investment account, the date on which the transferor account provider receives a transfer history request in respect of that account.

Transfer of individual investment accounts

747W. (1) Subject to section 747M, a qualifying individual may request a qualifying account provider (in this Chapter referred to as a 'transferee account provider') to accept the transfer of the eligible investments (and any cash balance) held in an individual investment account (in this Part referred to as an 'existing individual investment account') with another qualifying account provider (in this Part referred to as a 'transferor account provider'), including where the request is made in consequence of—

(a) the transferor account provider ceasing, or intending to cease, to be a qualifying account provider, or

(b) the registration of the transferor account provider as a qualifying account provider being cancelled under section 747J(4).

(2) Where a transferee account provider agrees to accept a transfer requested under subsection (1), the transferee account provider shall give notice in writing, to the Revenue Commissioners, of the proposed transfer (referred to in this Chapter as the 'notice of transfer'), in such form as the Revenue Commissioners may specify, which notice shall include—

(a) the name, address of the permanent residence (including the Eircode) and PPS number of the qualifying individual,

(b) the name of the transferor account provider,

(c) the account number of the existing individual investment account, and

(d) the date of the request made under subsection (1).

(3) A transferee account provider who gives a notice of transfer under subsection (2) shall, at the same time as giving that notice, or as soon as practicable thereafter, make a request to the transferor account provider (referred to in this section as a 'transfer history request') for the following information in respect of the existing individual investment account:

(a) the aggregate amount of contributions made to the account in that year of assessment up to and including the day prior to the transfer date, together with particulars of any outstanding excess amount in respect of the account and the year of assessment in which each such excess amount arose;

(b) the aggregate of the daily market values of the account (being the amount referred to as 'C' in the formula set out in section 747Q(5)) in respect of each relevant day in that year of assessment up to and including the day prior to the transfer date;

(c) the number of relevant days in that year of assessment, up to and including the day prior to the transfer date;

(d) in respect of each eligible investment transferred by way of an *in*

specie transfer under subsection (6)(b)(i), such information, statements and records relating to the eligible investment so transferred as are reasonably necessary to enable the transferee account provider to operate the new individual investment account in accordance with this Part, and

(e) such other information as may be specified in regulations made under section 747AA.

(4) A transferee account provider shall, on receipt of a request under subsection (1), open an individual investment account (in this Part referred to as a 'new individual investment account') in the name of the qualifying individual, but shall not accept, process or otherwise give effect to any contribution to that account until the transferor account provider has provided the transfer response in accordance with subsection (5).

(5) A transferor account provider shall, as soon as is practicable following a transfer history request—

(a) provide the transferee account provider with the transfer history, and

(b) at the same time as the provision of the transfer history under paragraph (a), transfer to the transferee account provider the eligible investments and any cash balance standing to the credit of the existing individual investment account, for the purposes of the application, by the transferee account provider, of those eligible investments and cash balance to the new individual investment account,

(in this Part referred to as the 'transfer response').

(6) For the purpose of subsection (5)(b), the transferor account provider shall transfer—

(a) any cash balance standing to the credit of the existing individual investment account to the transferee account provider as cash, and

(b) each eligible investment—

(i) where both the transferor account provider and transferee account provider expressly agree, by way of an *in specie* transfer of the eligible investment to the transferee account provider, such that the eligible investment is held in the new individual investment account (in this section referred to as an '*in specie* transfer'), or

(ii) in any other case, by way of disposal or liquidation of the eligible investment by the transferor account provider and the transfer of the net proceeds of that disposal or liquidation to the transferee account provider for the purpose of acquiring an eligible investment to be held in the new individual investment account (in this section referred to as a 'liquidation transfer').

(7) Where an eligible investment is transferred by way of an *in specie* transfer under subsection (6)(b)(i), the beneficial ownership of the eligible investment shall remain vested at all times in the qualifying individual and the transfer shall not constitute a disposal or transfer of the beneficial entitlement to the eligible investment by the qualifying individual.

(8) Where an eligible investment is to be transferred by way of a liquidation transfer under subsection (6)(b)(ii), the transferor account provider shall—

(a) dispose of, or otherwise liquidate, the eligible investment without undue delay after the transition date, and

(b) transfer the net proceeds of that disposal or liquidation, as reduced by any applicable fees, costs or charges reasonably and necessarily incurred by the transferor account provider in the course of the liquidation transfer, to the transferee account provider as part of the transfer response.

(9) With effect from the transition date, and until the transfer date—

(a) the transferor account provider shall not accept, process or otherwise give effect to any contribution to the existing individual investment account, and any such contribution shall be treated as not having been made to the account for the purposes of this Part,

(b) the transferor account provider shall not accept, process or otherwise give effect to any withdrawal from the existing individual investment account, and

(c) no other transaction shall be effected in respect of the existing individual investment account,

other than, in each case, to the extent necessary to give effect to the transfer under this section.

Provisions consequent upon transfer under section 747W

747X. (1) Section 747L(2) shall apply in respect of a new individual investment account opened under section 747W(4) as it applies to an individual investment account opened otherwise than by way of transfer.

(2) The transfer referred to in section 747W(6) shall not of itself constitute or give rise to a contribution to the new individual investment account, but—

(a) the amount of contributions made to the existing individual investment account in each year of assessment during which the account was open shall be treated as if they had been contributed to the new individual investment account in that same year of assessment, and

(b) any outstanding excess amount identified in the transfer history in respect of the existing individual investment account, together with the year of assessment in which it arose, shall be treated, for the

purposes of section 747R, as an outstanding excess amount in respect of the new individual investment account arising in that same year of assessment.

(3) On and from the transfer date—

(a) the new individual investment account shall be treated as a continuation of the existing individual investment account for the purposes of this Part, and

(b) the transferee account provider shall thereafter, for the purposes of this Part, be the qualifying account provider of the new individual investment account.

(4) The transferee account provider shall be accountable for and liable to pay to the Revenue Commissioners the investment account tax charged under section 747Q on the qualifying individual in respect of the account for the year of assessment in which the transfer date falls, and, for this purpose, the average investment account value of the account for that year of assessment shall be determined by reference to—

(a) the aggregate of the daily market values and the number of relevant days provided in the transfer history, in respect of the period up to and including the day prior to the transfer date, and

(b) the aggregate of the daily market values and the number of relevant days recorded by the transferee account provider in respect of the period from the transfer date to 31 December in that year of assessment.

(5) Where subsection (4) applies, the transferor account provider shall have no obligation to account for or pay investment account tax, or to make a return or notification under section 747T, in respect of the existing individual investment account for the year of assessment in which the transfer date falls, but shall remain liable for any such obligations arising in respect of an earlier year of assessment.

(6) The transfer of an existing individual investment account under this section shall not, of itself, be treated as a withdrawal from the account for the purposes of this Part, provided that the transfer is completed in accordance with this section.

(7) This Chapter shall not apply to an individual investment account to which section 747Y applies, from the date of death of the qualifying individual referred to in that section.

Chapter 5

Miscellaneous

Death of qualifying individual

747Y. (1) In this section—

'administration period' means, in relation to the estate of a deceased individual, the period beginning on the date of death of the individual

and ending on the date on which the administration of the estate of the individual by the personal representatives is complete;

'no-grant closure' means, in relation to an individual investment account to which this section applies—

(a) the payment, to the personal representatives of the deceased individual or to the person or persons otherwise entitled thereto, of all amounts standing to the credit of the deceased individual in the account, including the net proceeds of the realisation of any eligible investments held in the account, and

(b) the closure of the account,

without the production of a grant of probate, or a grant of letters of administration, in respect of the estate of the deceased individual;

'no-grant closure date' means, in relation to an individual investment account to which this section applies, the date on which a no-grant closure of the account is finalised;

'pre-transition period' means, in relation to an individual investment account to which this section applies, the period beginning on the date of death and ending immediately before the earlier of—

(a) the transition period start date, or

(b) the no-grant closure date, if any;

'transition period' means, in relation to an individual investment account to which this section applies, the period beginning on the transition period start date and ending immediately before the earlier of—

(a) the date on which the administration period ends, or

(b) the first anniversary of the transition period start date;

'transition period start date' means, in relation to the estate of a deceased individual, where a no-grant closure of the individual investment account held by the deceased individual on his or her date of death has not earlier occurred, the earlier of—

(a) the date on which a grant of probate, or a grant of letters of administration, in respect of that estate is issued to the personal representatives, or

(b) the date falling 3 years after the date of death.

(2) This section applies where a qualifying individual dies while holding an individual investment account (referred to in this Part as the 'deceased individual').

(3) Where this section applies, the personal representatives of the deceased individual shall, for the purposes of this Part and for the duration of the pre-transition period, and where applicable, the transition period, only, be treated as if they were the qualifying

individual in relation to that account, and accordingly, references in this Part to a qualifying individual shall, in relation to that account and those periods, be construed as references to the personal representatives of that deceased individual.

(4) Subsection (3) shall apply notwithstanding that the personal representatives of the deceased individual may not themselves satisfy the terms and conditions specified in section 747L(2), insofar as those conditions relate to qualifying individuals.

(5) No amount may be contributed to an individual investment account to which this section applies at any time after the date of death of the qualifying individual.

(6) Where a no-grant closure date occurs in relation to an individual investment account to which this section applies, the account shall, on the no-grant closure date—

(a) cease to be an individual investment account for the purposes of this Part, and

(b) be treated as closed on that date for those purposes and section 747Q(2) shall apply accordingly.

(7) Where a transition period occurs in relation to an individual investment account held by a deceased individual on his or her date of death, the personal representative of the deceased individual shall, prior to the end of that period, dispose of or otherwise liquidate all of the eligible investments held in the account, and the account shall, on the date of the disposal or liquidation of the last of such eligible investments—

(a) cease to be an individual investment account for the purposes of this Part, and

(b) be treated as closed for those purposes and section 747Q(2) shall apply accordingly.

(8) Where, at the end of the transition period in relation to an individual investment account to which subsection (7) applies, any eligible investment remains held in the account which has not been disposed of or liquidated in accordance with that subsection—

(a) that account shall, on the date immediately following the date on which the transition period ends—

(i) cease to be an individual investment account for the purposes of this Part, and

(ii) be treated as closed for those purposes and section 747Q(2) shall apply accordingly,

and

(b) the qualifying account provider shall be treated as having disposed of, and immediately reacquired, on behalf of the personal

representatives in relation to that account, each eligible investment then remaining in the account, at its market value on the date the transition period ends.

(9) The exemption from income tax and capital gains tax provided for in section 747P(1) shall apply, in respect of an individual investment account to which this section applies, to income, profits, gains and losses arising up to and including—

(a) where subsection (6) applies, the no-grant closure date, or

(b) in any other case, the date the account ceases to be an individual investment account in accordance with subsection (7) or (8),

but shall not apply to any income, profits, gains or losses arising after such date.

(10) A qualifying account provider shall, in relation to an individual investment account to which this section applies, remain accountable for and liable to pay investment account tax in accordance with this Part in respect of the account for each year of assessment, or part of a year of assessment, falling within—

(a) where subsection (6) applies, the period beginning on the date of death and ending on the no-grant closure date, or

(b) in any other case, the pre-transition period and transition period.

(11) The personal representatives of a deceased individual shall notify the qualifying account provider of the death of the individual as soon as is practicable after the date of death.

(12) Section 747W shall not apply to an individual investment account to which this section applies from the date of death.

Obligation to keep certain records

747Z. (1) An eligible account provider shall retain, or cause to be retained on behalf of the eligible account provider, such records as are required to enable a full and true return to be made for the purposes of this Part.

(2) Without prejudice to the generality of subsection (1), the records required to be retained under that subsection shall include, but are not limited to, books, accounts, documents, and any other data relating to—

(a) an application to register under section 747I,

(b) the removal of a person from the register under section 747I and the date on which it took effect,

(c) the terms and conditions applying to an individual investment account under section 747L,

(d) information provided by qualifying individuals in respect of section 747O,

(e) the calculation, deduction and payment of investment account tax,

or

(f) a notification and return in accordance with section 747T.

(3) Records required to be kept or retained under this section shall be kept in an official language of the State—

(a) in written form, or

(b) by means of electronic, photographic or other process in accordance with paragraphs (a) to (d) of section 887(2).

(4) Notwithstanding any other law, records to be kept or retained under this section shall, subject to subsection (5), be retained by or on behalf of the eligible account provider, for the longer of the following periods:

(a) a period of 6 years beginning from the end of the year of assessment in which a return has been made under section 747T;

(b) a period which ends 3 years after the date—

(i) on which an account ceases to be an individual investment account, or

(ii) on which the account is transferred under Chapter 4.

(5) For the purposes of this section, where the eligible account provider—

(a) is wound up, the liquidator, or

(b) is dissolved without the appointment of a liquidator, the last directors, including any person occupying the position of director by whatever name called, of the company,

shall retain the records required to be retained under this section for a period of 5 years from the date from which the company is wound up or dissolved.

(6) A qualifying account provider shall, on being so required by notice given to it in writing by a Revenue officer, make such records as are specified in the notice available to the officer, within the time so specified, which period shall not be less than 21 days.

(7) The Revenue Commissioners may examine, or take extracts from or copies of, any records made available to the Revenue Commissioners under this section.

Regulations

747AA. (1) The Revenue Commissioners may, and in relation to the matters specified in paragraphs (f), (l), (o) and (p), with the consent of the Minister, make regulations providing generally as to the administration of this Part and those regulations may, in particular and without prejudice to the generality of the foregoing, include provision—

(a) as to the form and manner in which an eligible account provider is to register as a qualifying account provider under section 747I,

including the information to be provided by the eligible account provider,

(b) as to the establishment and maintenance by the Revenue Commissioners of the register, including the manner and timing of the amendment of an entry on the register pursuant to section 747I(3)(d) or the removal of an entry from the register pursuant to subsection (4) of that section,

(c) as to the form and manner in which a person who ceases, or intends to cease, to be an eligible account provider is to notify the Revenue Commissioners under section 747J(1) including the timing of such notification and the particulars and information to be provided in such notification,

(d) as to the form and manner in which a notice is to be given by the Revenue Commissioners under section 747J(4), and the manner in which a person may satisfy a Revenue officer, for the purposes of that subsection, that they remain an eligible account provider,

(e) as to the procedure to be followed where the registration of a qualifying account provider is cancelled under section 747J(5), including provision as to the form, manner and timing of a notice under that subsection or where an appeal is made under section 747J(7),

(f) as to the treatment, for the purposes of this Part, of individual investment accounts held with a qualifying account provider whose registration is cancelled under section 747J(5),

(g) as to the procedures to be followed in accordance with section 747J(8) where a person makes a notification under subsection (1) of that section or the registration of the person is cancelled under subsection (4) thereof, including the manner and form of a notification to be made under subsection (8)(a) thereof, the manner in which the date is to be determined for the purposes of subsection (8)(b) thereof, and the procedure by which individual investment accounts may be transferred to another qualifying account provider pursuant to subsection (8)(c) thereof,

(h) as to the manner in which a person may be appointed under section 747K(1)(ii) including the details to be included in respect of such a person for the purposes of section 747K(1)(ii)(III),

(i) as to the manner in which the Revenue Commissioners may examine the procedures put in place by an appointed person, including the manner in which the person may satisfy a Revenue officer that they are able to discharge those duties and obligations,

(j) as to the form and manner in which a qualifying account provider is to notify the Revenue Commissioners in accordance with section 747K(2) that they intend to become resident in a non-EU EEA state, including the particulars to be included in that notification,

(k) as to the process by which a registration under section 747K(3) is to be amended,

(l) as to specify the amounts which may be held in an individual investment account pursuant to section 747L(2)(e)(v),

(m) as to the manner and form in which, and the period within which, a qualifying account provider shall be required to notify the Revenue Commissioners of the closure of an individual investment account, including the information to be included in such a notification under section 747L(4),

(n) as to the form and manner in which a notification under subsection (2) or (3), as the case may be, of section 747M is to be made by a qualifying individual including the particulars and information to be provided in such notification in respect of any period of non-residence (within the meaning of section 747M),

(o) as to the manner and procedures by which individual investment accounts are to be valued for the purpose of section 747Q including the methodology to be used in determining the market value of an eligible investment or a class of eligible investment, and such regulations may, in particular, make provision as to—

(i) the source, or hierarchy of sources, of price information to be used,

(ii) the treatment of an eligible investment where no price is quoted in respect of a relevant day,

(iii) the currency conversion methodology to be applied where an eligible investment, or a cash balance standing to the credit of an individual investment account, is denominated or quoted in a currency other than the currency of the State, including the source, or hierarchy of sources, of the rate of exchange to be applied, and

(iv) the treatment of an eligible investment where trading in that investment is suspended, restricted or otherwise unavailable in respect of a relevant day,

(p) as to the manner and circumstances in which a qualifying individual may be required to pay an amount of investment account tax in accordance with section 747S(3),

(q) as to the form and manner in which a notification under section 747T(3) is to be made and the manner in which errors in such notification are to be corrected,

(r) as to the procedure to be followed where a qualifying account provider considers that the statement issued under section 747T(4) does not accurately reflect the particulars relating to the individual investment accounts operated by that provider or the liability to investment account tax in respect of such accounts,

(s) as to the form and manner in which, and the period by which, a qualifying account provider is required to furnish a statement to a qualifying individual under section 747T(9) and the particulars and information which may be specified in such statement, and

(t) as to the information which a transferor account provider may be required to provide in response to a transfer history request (within the meaning of Chapter 4) under section 747W(3).

(2) Regulations under this section may also contain such incidental, supplemental or consequential provisions as appear to the Revenue Commissioners to be necessary or expedient for the purposes of the regulations.

(3) 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.".

(2) *Subsection (1)* shall come into operation on such day or days as the Minister for Finance may by order or orders appoint and different days may be appointed for different purposes or different provisions.

Amendments consequential on insertion of Part 27A in Principal Act

27. (1) The Principal Act is amended—

(a) in section 172A(1)(a), by the insertion of the following definitions:

" 'eligible investment' has the same meaning as it has in Part 27A;

'individual investment account' has the same meaning as it has in Part 27A;

'qualifying account provider' has the same meaning as it has in Part 27A;",

(b) in section 172C—

(i) in subsection (2)—

(I) in paragraph (f), by the deletion of "or",

(II) in paragraph (g)(ii), by the substitution of "paragraph 7B of Schedule 2A, or" for "paragraph 7B of Schedule 2A.", and

(III) by the insertion of the following paragraph after paragraph (g):

"(h) a qualifying account provider who—

(i) is receiving the relevant distribution as income arising in respect of an eligible investment held in an individual investment account, and

(ii) has made a declaration to the relevant person in relation to the

relevant distribution in accordance with paragraph 15 of Schedule 2A.",

and

(ii) in subsection (3)—

(I) in paragraph (e), by the deletion of "and", 5

(II) in paragraph (f), by the substitution of "relevant distribution, and" for "relevant distribution,", and

(III) by the insertion of the following paragraph after paragraph (f):

"(g) a qualifying account provider who receives a relevant distribution as part of the income arising in respect of an eligible investment held in an individual investment account,", 10

(c) in section 246—

(i) in subsection (1), by the insertion of the following definitions:

" 'eligible investment' has the same meaning as it has in Part 27A;

'individual investment account' has the same meaning as it has in Part 27A; 15

'qualifying account provider' has the same meaning as it has in Part 27A;

'qualifying individual' has the same meaning as it has in Part 27A;",

and 20

(ii) in subsection (3)—

(I) in paragraph (k), by the deletion of "or",

(II) in paragraph (l), by the substitution of "(within the meaning of Chapter 2E of Part 30), or" for "(within the meaning of Chapter 2E of Part 30).", and 25

(III) by the insertion of the following paragraph after paragraph (l):

"(m) interest paid in respect of an eligible investment held in an individual investment account.",

(d) in section 531AM(1), in paragraph (b)(iii) of the Table—

(i) in clause (VII), by the substitution of "Chapter 4 of Part 27;" for "Chapter 4 of Part 27,", and 30

(ii) by the insertion of the following clause after clause (VII):

"(VIII) Part 27A,",

(e) in section 706(1), by the insertion of the following definitions:

" 'eligible investment' has the same meaning as it has in Part 27A; 35

'individual investment account' has the same meaning as it has in Part

27A;

'qualifying account provider' has the same meaning as it has in Part 27A;

'qualifying individual' has the same meaning as it has in Part 27A;

'PPS number', in relation to an individual, means the individual's personal public service number within the meaning of section 262 of the Social Welfare Consolidation Act 2005;",

(f) in section 730D(2)—

(i) in paragraph (cb), by the substitution of "to that effect to the assurance company," for "to that effect to the assurance company, or",

(ii) in paragraph (cc), by the substitution of "to that effect to the assurance company, or" for "to that effect to the assurance company.", and

(iii) by the insertion of the following paragraph after paragraph (cc):

"(cd) where the life policy is an eligible investment held in an individual investment account, and the assurance company which commenced the life policy is in possession of a declaration of a kind referred to in section 730E(3B).",

(g) in section 730E, by the insertion of the following subsection after subsection (3A):

"(3B) The declaration referred to in section 730D(2)(cd) in relation to a life policy is a declaration in writing to the assurance company which—

(a) is made by a qualifying account provider (in this subsection referred to as the 'declarer'), in respect of the life policy which is an eligible investment held in an individual investment account,

(b) is signed by the declarer,

(c) is made in such form as may be prescribed or authorised by the Revenue Commissioners,

(d) declares that, at the time the declaration is made, the life policy in respect of which the declaration is made is an eligible investment, held by a qualifying individual through an individual investment account operated by the declarer,

(e) contains the name, the address, and the PPS number of the qualifying individual referred to in paragraph (d),

(f) contains an undertaking by the declarer that if the life policy ceases to be an eligible investment held in the individual investment account, the declarer will notify the assurance company accordingly, and

(g) contains such other information as the Revenue Commissioners may reasonably require for the purposes of this Chapter.",

(h) in section 730I—

(i) by the designation of that section as subsection (1),

(ii) in subsection (1), by the substitution of "Subject to subsection (2), where in any chargeable period a person acquires a foreign life policy" for "Where in any chargeable period a person acquires a foreign life policy", and

(iii) by the insertion of the following subsection after subsection (1): 5

"(2) Subsection (1) shall not apply in respect of a foreign life policy which is an eligible investment acquired by a qualifying individual through an individual investment account operated by a qualifying account provider.",

(i) in section 739B(1), by the insertion of the following definitions: 10

" 'eligible investment' has the same meaning as it has in Part 27A;

'individual investment account' has the same meaning as it has in Part 27A;

'qualifying account provider' has the same meaning as it has in Part 27A; 15

'qualifying individual' has the same meaning as it has in Part 27A;",

(j) in section 739D(6)—

(i) in paragraph (m)(ii), by the substitution of "(within the meaning of section 885)," for "(within the meaning of section 885), or",

(ii) in paragraph (n), by the substitution of "in accordance with paragraph 15 of Schedule 2B, or" for "in accordance with paragraph 15 of Schedule 2B,", and 20

(iii) by the insertion of the following paragraph after paragraph (n):

"(o) is a qualifying individual, the units are eligible investments held in an individual investment account, and the qualifying account provider has made a declaration to the investment undertaking in accordance with paragraph 16 of Schedule 2B,", 25

(k) by the substitution of the following section for section 747C:

"Return on acquisition of material interest

747C. (1)In this section—

'eligible investment' has the same meaning as it has in Part 27A; 30

'individual investment account' has the same meaning as it has in Part 27A;

'qualifying account provider' has the same meaning as it has in Part 27A;

'qualifying individual' has the same meaning as it has in Part 27A. 35

(2) Subject to subsection (3), where in any chargeable period a person acquires a material interest in an offshore fund, the person shall, notwithstanding anything to the contrary in Part 41A or section 1084, be deemed for that chargeable period to be a chargeable person for the

purposes of Chapter 3 of Part 41A and section 1084, and the return of income to be delivered by the person for that chargeable period shall include the following particulars—

(a) the name and address of the offshore fund,

(b) a description, including the cost to the person, of the material interest acquired, and

(c) the name and address of the person through whom the material interest was acquired.

(3) Subsection (2) shall not apply in respect of a material interest in an offshore fund which is an eligible investment acquired by a qualifying individual through an individual investment account operated by a qualifying account provider.",

(l) by the insertion of the following after section 904K:

"Power of inspection: qualifying account providers

904L. (1) In this section—

'appointed person' has the same meaning as it has in Part 27A;

'authorised officer' means an officer of the Revenue Commissioners authorised by them in writing to exercise the powers conferred by this section;

'qualifying account provider' has the same meaning as it has in Part 27A;

'individual investment account' has the same meaning as it has in Part 27A.

(2) An authorised officer may at all reasonable times enter any premises or place of business of a qualifying account provider or an appointed person, for the purposes of auditing compliance with the provisions of Part 27A and regulations made thereunder and, without prejudice to the generality of the foregoing, the authorised officer may—

(a) audit the notifications or returns made in accordance with section 747T,

(b) examine the procedures put in place by the qualifying account provider, or, as the case may be, the appointed person, so as to ensure compliance with the obligations imposed by Part 27A,

(c) examine all, or a sample of, individual investment accounts to determine—

(i) whether the procedures referred to in paragraph (b) have been observed in practice,

(ii) whether the terms under which each such account was commenced and continues, are in accordance with the terms and conditions referred to in section 747L, and

(iii) whether the qualifying account provider, in respect of each such account, is, where appropriate, in possession of a declaration referred to in section 747O and is not in possession of any information which would reasonably suggest that any such declaration is incorrect.

(3) An authorised officer may require a qualifying account provider, or, as the case may be, the appointed person, or an employee of either such person, to produce all or any of the records relating to the management by him or her of individual investment accounts and furnish information, explanations and particulars and to give all assistance, which the authorised officer reasonably requires for the purposes of his or her audit and examination under subsection (2).

(4) An employee of a qualifying account provider or of an appointed person who fails to comply with the requirements of the authorised officer in the exercise or performance of the authorised officer's powers or duties under this section shall be liable to a penalty of €1,265.

(5) A qualifying account provider or an appointed person who fails to comply with the requirements of the authorised officer in the exercise or performance of the authorised officer's powers or duties under this section shall be liable to a penalty of €19,045 and, if that failure continues, a further penalty of €2,535 for each day on which the failure continues.",

(m) in Schedule 2—

(i) in paragraph 1A of Part 1, by the insertion of the following definitions:

" 'eligible investment' has the same meaning as it has in Part 27A;

'individual investment account' has the same meaning as it has in Part 27A;

'qualifying account provider' has the same meaning as it has in Part 27A;

'qualifying individual' has the same meaning as it has in Part 27A;",

and

(ii) in paragraph 14 of Part 4—

(I) in subparagraph (1), by the substitution of "subparagraphs (3) and (3A)" for "subparagraph (3)", and

(II) by the insertion of the following subparagraph after subparagraph (3):

"(3A) Subparagraph (1) shall not apply to a payment of specified dividend income where—

(a) the payment is made in respect of an eligible investment held in an individual investment account, and

(b) at the time of the payment the individual investment account is

operated by a qualifying account provider.",

(n) in Schedule 2A, by the insertion of the following paragraph after paragraph 14:

"Declaration to be made by qualifying account provider under section 172C(2)(h)

15. The declaration referred to in section 172C(2)(h) shall be a declaration in writing to the relevant person making the relevant distribution in relation to the relevant distributions which— 5

(a) is made by the person (in this paragraph referred to as the 'declarer') beneficially entitled to the relevant distributions in respect of which the declaration is made,

(b) is signed by the declarer, 10

(c) is made in such form as may be prescribed or authorised by the Revenue Commissioners,

(d) declares that, at the time when the declaration is made, the person beneficially entitled to the relevant distributions is a qualifying account provider referred to in section 172C(2)(h), 15

(e) contains a statement that, at the time when the declaration is made, the relevant distribution in respect of which the declaration is made will be applied as part of the income of eligible investments held in an individual investment account,

(f) contains an undertaking by the declarer that, if the person mentioned in subparagraph (d) ceases to be an excluded person, the declarer will, by notice in writing, advise the relevant person in relation to the relevant distributions accordingly, and 20

(g) contains such other information as the Revenue Commissioners may reasonably require for the purposes of Chapter 8A of Part 6.", 25

(o) in Schedule 2B, by the insertion of the following paragraph after paragraph 15:

"Declaration of individual investment account

16. The declaration referred to in section 739D(6)(o) is a declaration in writing to the investment undertaking which—

(a) is made by a qualifying account provider (in this paragraph referred to as the "declarer") in respect of units which are eligible investments in an individual investment account, 30

(b) is signed by the declarer,

(c) is made in such form as may be prescribed or authorised by the Revenue Commissioners, 35

(d) declares that, at the time when the declaration is made, the units in respect of which the declaration is made are eligible investments held by a qualifying individual through an individual investment account operated by the declarer,

(e) contains the name, address and tax reference number of the qualifying individual, 40

(f) contains an undertaking by the declarer that if the units cease to be eligible investments in an individual investment account, the declarer will notify the investment undertaking accordingly, and

(g) contains such other information as the Revenue Commissioners may reasonably require for the purposes of Part 27A.”, 5

and

(p) in Schedule 29, by the insertion of “section 747T(2) ” after “section 739R(2) ” in column 1.

(2) Section 124B of the Stamp Duties Consolidation Act 1999 is amended in subsection (1)— 10

(a) by the substitution of the following definition for the definition of “assessable amount”:

“ ‘assessable amount’, in relation to a quarter, means the gross amount received by an insurer by means of premiums in that quarter for policies of life insurance referred to in classes I, II, III, IV, V and VI of 15 Annex I to the Directive to the extent that the risks to which those policies of life insurance relate are located in the State (being risks deemed to be located in the State by virtue of section 61), but excluding—

(a) amounts received in respect of pension business which shall be 20 construed in accordance with subsections (2) and (3) of section 706 of the Taxes Consolidation Act 1997,

(b) amounts received in the course of or by means of reinsurance, and

(c) amounts received in respect of insurance-based investment products, other than a personal portfolio life policy, where such 25 products are held as eligible investments in an individual investment account;”,

and

(b) by the insertion of the following definitions:

“ ‘eligible investment’ has the same meaning as it has in Part 27A of 30 the Taxes Consolidation Act 1997;

‘individual investment account’ has the same meaning as it has in Part 27A of the Taxes Consolidation Act 1997;

‘insurance-based investment products’ has the same meaning as it has in Part 27A of the Taxes Consolidation Act 1997; 35

‘personal portfolio life policy’ has the same meaning as it has in section 730BA of the Taxes Consolidation Act 1997;”.

(3) This section shall come into operation on such day or days as the Minister for Finance may, by order or orders, appoint and different days may be appointed for different purposes or different provisions. 40

Tax treatment of relevant fund units

28. (1) Chapter 1A of Part 27 of the Principal Act is amended—

(a) in section 739B—

(i) in subsection (1), in the definition of "chargeable event", by the substitution of the following paragraph for paragraph (III): 5

"(III) any event in relation to a unit which is a relevant fund unit event or excluded event within the meaning of section 739DA, and",

and

(ii) by the deletion of subsection (1A),

(b) by the insertion of the following section after section 739D: 10

"Relevant fund units

739DA.(1) In this section—

'excluded event', in relation to a relevant fund unit, means—

(a) where the exchange is effected by the investment undertaking by way of a bargain made at arm's length— 15

(i) any exchange of the relevant fund unit—

(I) for another relevant fund unit in the investment undertaking concerned, or

(II) for another unit in the investment undertaking concerned,

or 20

(ii) where the investment undertaking is an umbrella scheme, any exchange of the relevant fund unit which is in a sub-fund of the investment undertaking—

(I) for a relevant fund unit which is in another sub-fund of the investment undertaking, or 25

(II) for a unit which is in another sub-fund of the investment undertaking,

or

(b) the transfer by a relevant fund unit holder of entitlement to the relevant fund unit where the transfer is between persons referred to in any of subparagraphs (A) to (DA) of paragraph (IV) of the definition, in section 739B(1), of 'chargeable event'; 30

'recognised clearing system' has the same meaning as it has in section 246A(2);

'relevant fund unit' means a unit in an investment undertaking which is held in a recognised clearing system; 35

'relevant fund unit event', in relation to a relevant fund unit, means—

(a) the making of a payment by the investment undertaking to the

relevant fund unit holder other than in respect of the cancellation, redemption or repurchase of the relevant fund unit,

(b) the making of a payment by the investment undertaking to the relevant fund unit holder in respect of the cancellation, redemption or repurchase of the relevant fund unit,

(c) the transfer by a relevant fund unit holder, by way of sale or otherwise, of entitlement to the relevant fund unit, or

(d) the ending of a relevant fund unit period,

but shall not include an excluded event;

'relevant fund unit gain' has the meaning assigned to it by subsection (3);

'relevant fund unit holder' means a unit holder in relation to a relevant fund unit;

'relevant fund unit period', in relation to a relevant fund unit, means a period of 8 years beginning with the acquisition of that relevant fund unit by a relevant fund unit holder and each subsequent period of 8 years beginning immediately after the preceding relevant fund unit period.

(2) For the purposes of identifying relevant fund units acquired with relevant fund units subsequently disposed of, in so far as the relevant fund units are of the same class, relevant fund units acquired at an earlier time shall, for the purposes of this section, be deemed to have been disposed of before relevant fund units acquired at a later time.

(3) On the happening of a relevant fund unit event there shall be treated as arising to the relevant fund unit holder a gain (in this section referred to as a 'relevant fund unit gain') in the amount of—

(a) where the relevant fund unit event is the making of a payment by the investment undertaking other than in respect of the cancellation, redemption or repurchase of a relevant fund unit, the amount of the payment,

(b) where the relevant fund unit event is the making of a payment by the investment undertaking on the cancellation, redemption or repurchase of a relevant fund unit, the amount determined by the formula—

$$P - C$$

where—

P is the amount of the payment, and

C is the amount invested by the relevant fund unit holder in the investment undertaking in acquiring the relevant fund unit, including any incidental costs of acquisition, or where the relevant fund unit was otherwise acquired by the relevant fund

unit holder, the value of the relevant fund unit at the time of its acquisition by the relevant fund unit holder,

(c) where the relevant fund unit event is the transfer by a relevant fund unit holder of entitlement to a relevant fund unit, the amount determined by the formula—

$$V - C$$

where—

V is the value of the relevant fund unit at the time of transfer less any incidental costs of disposal, and

C is the amount invested by the relevant fund unit holder in the investment undertaking in acquiring the relevant fund unit, including any incidental costs of acquisition, or where the relevant fund unit was otherwise acquired by the relevant fund unit holder, the value of the relevant fund unit at the time of its acquisition by the relevant fund unit holder,

or

(d) where the relevant fund unit event is the ending of a relevant fund unit period, the amount determined by the formula—

$$V - C$$

where—

V is the value of the relevant fund unit on the day on which the relevant fund unit period ends, and

C is the amount invested by the relevant fund unit holder in the investment undertaking in acquiring the relevant fund unit, including any incidental costs of acquisition, or where the relevant fund unit was otherwise acquired by the relevant fund unit holder, the value of the relevant fund unit at the time of its acquisition by the relevant fund unit holder.

(4) For the purposes of this section, incidental costs of acquisition or disposal, as the case may be, of a relevant fund unit shall consist of expenditure wholly and exclusively incurred by the relevant fund unit holder for the purposes of the acquisition or, as the case may be, the disposal of the unit, being fees, commission and costs of transfer.

(5) Where the effect of any computation under subsection (3) would be to produce a loss on a relevant fund unit event, the amount of the relevant fund unit gain referred to in subsection (3) shall be treated as nil and, for the purposes of the Tax Acts and the Capital Gains Tax Acts, no loss shall be treated as accruing on such relevant fund unit event.

(6) A gain shall not be treated as arising on the happening of a relevant fund unit event where immediately before that event—

(a) the relevant fund unit holder is a company which is not resident in the State, or

(b) the relevant fund unit holder is not a company and is neither resident nor ordinarily resident in the State.

(7) Where a transfer referred to in paragraph (b) of the definition, in subsection (1), of 'excluded event' has occurred in relation to a relevant fund unit, on the happening of a relevant fund unit event in relation to the relevant fund unit following such transfer, the relevant fund unit holder who acquired the relevant fund unit so transferred shall be treated as having acquired the relevant fund unit at the same cost as the person who transferred the relevant fund unit.

(8) (a) Where a relevant fund unit gain arises on a relevant fund unit event, other than where the relevant fund unit holder is a company chargeable to tax on the relevant fund unit gain under Case I of Schedule D, or is a qualifying company within the meaning of section 110 that is chargeable to tax on the relevant fund unit gain under Case III of Schedule D, the amount of that gain shall be treated as an amount of income chargeable to tax under Case IV of Schedule D and, subject to paragraph (b)—

(i) where the relevant fund unit holder is a company, the relevant fund unit holder shall be chargeable to tax on the amount of the relevant fund unit gain at the rate of 25 per cent, and

(ii) in any other case, the relevant fund unit holder shall be chargeable to tax on the amount of the relevant fund unit gain at the rate of 35 per cent.

(b) Where a relevant fund unit gain relates to a relevant fund unit in a personal portfolio investment undertaking, the relevant fund unit holder shall be chargeable to tax on the amount of the relevant fund unit gain at the rate of 60 per cent.

(c) Where paragraph (a)(ii) or (b) applies—

(i) the amount of the relevant fund unit gain—

(I) shall not be reckoned in computing total income for the purposes of the Tax Acts, and

(II) shall be computed without regard to any amount deductible from, or deductible in computing, income for the purposes of the Tax Acts,

(ii) the charging of the amount of the relevant fund unit gain in such manner shall be without any relief or reduction specified in the Table to section 458 or any other deduction from that income, and

(iii) section 188 shall not apply as regards the amount of the relevant fund unit gain so charged.

(9) (a) Where, in relation to a relevant fund unit—

(i) a relevant fund unit event occurs (in this subsection referred to as the 'later relevant fund unit event'), and

(ii) a relevant fund unit event (within the meaning of paragraph (d) of the definition, in subsection (1), of 'relevant fund unit event') occurred previously (in this subsection referred to as the 'earlier relevant fund unit event'),

then, any relevant fund unit gain arising in respect of the later relevant fund unit event shall be determined as if the earlier relevant fund unit event had not occurred.

(b) (i) Where—

(I) paragraph (a) applies, and

(II) tax has been paid in accordance with this section in respect of a relevant fund unit gain arising on the earlier relevant fund unit event and that tax, or an amount of that tax, has not already been repaid or set off against tax payable in respect of a relevant fund unit gain arising on another relevant fund unit event relating to that relevant fund unit (in this subsection referred to as the 'earlier tax'),

then an amount of the earlier tax, determined in accordance with subparagraph (ii) or (iii), shall be set off against any tax payable in respect of a relevant fund unit gain arising on the later relevant fund unit event (in this subsection referred to as the 'later tax').

(ii) Where the later relevant fund unit event is a relevant fund unit event referred to in paragraph (b), (c) or (d) of the definition, in subsection (1), of 'relevant fund unit event', the full amount of the earlier tax shall be set off against the later tax.

(iii) Where the later relevant fund unit event is a relevant fund unit event referred to in paragraph (a) of the definition, in subsection (1), of 'relevant fund unit event', subject to subparagraph (vi), the amount of the earlier tax which shall be set off against the later tax shall be determined by the formula—

$$A \times B / C$$

where—

A is the earlier tax,

B is the amount of the payment to which the later relevant fund unit event relates, and

C is the amount determined by the formula—

$$V - D$$

where—

V is the value of the relevant fund unit at the date of the later relevant fund unit event, and

D is the amount invested by the relevant fund unit holder in the investment undertaking in acquiring the relevant fund unit, including incidental costs of acquisition, or where the relevant fund unit was otherwise acquired by the relevant fund unit holder, the value of the relevant fund unit at the time of its acquisition by the relevant fund unit holder.

(iv) Where the amount of the earlier tax determined in accordance with subparagraph (ii) or (iii) (in this subparagraph referred to as the 'creditable earlier tax'), exceeds the amount of the later tax or there is no later tax payable in respect of the later relevant fund unit event, then, on the making of a claim by the relevant fund unit holder, the amount of the excess, or where there is no later tax payable, the creditable earlier tax, shall be paid by the Revenue Commissioners to that person.

(v) A claim referred to in subparagraph (iv) shall be made by the relevant fund unit holder in a return required to be delivered under Chapter 3 of Part 41A.

(vi) The amount of the earlier tax which shall be set off against the later tax shall not exceed the amount of the earlier tax paid.

(c) Tax paid by a relevant fund unit holder in respect of a relevant fund unit on account of a 'relevant event' within the meaning of Chapter 4 of this Part which happened before 1 January 2027 shall, to the extent the tax has not already been repaid or set off in accordance with this Part, be deemed to be tax paid in accordance with this section and shall be treated as the earlier tax for the purposes of this subsection.

(10) Where subsection (3) applies, the relevant fund unit holder shall be a chargeable person for the purposes of Chapter 3 of Part 41A and section 1084 for the chargeable period in which the relevant fund unit event occurs, and the return of income required to be delivered for that chargeable period shall include—

(a) the name and address of the investment undertaking,

(b) the relevant fund unit event concerned, and

(c) the amount of any relevant fund unit gain.

(11) Where tax is payable under this section as a result of the death of a person, the amount of such tax, in so far as it has been paid, shall be treated as an amount of capital gains tax paid, for the purposes of section 104 of the Capital Acquisitions Tax Consolidation Act 2003.",

and

(c) in section 739G—

(i) in subsection (2), by the insertion of ", other than a relevant fund unit holder (within the meaning of section 739DA)," after "As respects a payment in money or money's worth to a unit holder",

(ii) in subsection (2)(b), by the substitution of "a relevant fund unit event to which section 739DA applies" for "a payment from an offshore fund to which the provisions of Chapter 4 of this Part apply, and the provisions of section 747D, or section 747E apply as appropriate", and

(iii) by the deletion of subsection (3).

(2) Chapter 1 of Part 7 of the Principal Act is amended—

(a) in section 189(2)(a), in the definition of "relevant income", by the substitution of "(by virtue of section 59, 739DA, 745 or 747E)" for "(by virtue of section 59, 745 or 747E)",

(b) in section 189A(4)(a), in the definition of "relevant income", by the substitution of "(by virtue of section 59, 739DA, 745 or 747E)" for "(by virtue of section 59, 745 or 747E)",

(c) in section 192(2)(b), by the substitution of "(by virtue of section 59, 739DA, 745 or 747E)" for "(by virtue of section 59, 745 or 747E)",

(d) in section 205A(2)(b), by the substitution of "(by virtue of section 59, 739DA, 745 or 747E)" for "(by virtue of section 59, 745 or 747E)",

(e) in section 205B(2)(b), by the substitution of "(by virtue of section 59, 739DA, 745 or 747E)" for "(by virtue of section 59, 745 or 747E)", and

(f) in section 205C(2)(b), by the substitution of "(by virtue of section 59, 739DA, 745 or 747E)" for "(by virtue of section 59, 745 or 747E)".

(3) Section 246A(2)(b) of the Principal Act is amended by the substitution of "sections 64 and 739DA" for "sections 64 and 739B".

Life assurance policies and investment funds

29. (1) The Principal Act is amended—

(a) in section 730F(1)(a)(ii), by the substitution of "35 per cent" for "38 per cent",

(b) in section 730J(a)(i)(II), by the substitution of "35 per cent" for "38 per cent",

(c) in section 730K(1)(a)(ii), by the substitution of "35 per cent" for "38 per cent",

(d) in section 739D(5A), in the formula in paragraph (b), by the substitution of "(G × 35)" for "(G × 38)",

(e) in section 739E(1)—

(i) in paragraph (a)(ii), by the substitution of "35 per cent" for "38 per cent", and

(ii) in paragraph (b)(ii), by the substitution of "35 per cent" for "38 per cent",

(f) in section 747D(a)(i)(II), by the substitution of "35 per cent" for "38 per cent", and

(g) in section 747E(1)(b)(ii), by the substitution of "35 per cent" for "38 per cent".

(2) (a) *Subsection (1)(a)* applies and has effect as respects the happening of a chargeable event in relation to a life policy (both within the meaning of Chapter 5 of Part 26 of the Principal Act) on or after 1 January 2027.

(b) *Subsection (1)(b)* applies and has effect as respects the receipt by a person of a payment in respect of a foreign life policy (within the meaning of Chapter 6 of Part 26 of the Principal Act) on or after 1 January 2027.

(c) *Subsection (1)(c)* applies and has effect as respects the disposal in whole or in part of a foreign life policy (within the meaning of Chapter 6 of Part 26 of the Principal Act) on or after 1 January 2027.

(d) *Paragraphs (d)* and *(e)* of *subsection (1)* apply and have effect as respects the happening of a chargeable event in relation to an investment undertaking (both within the meaning of section 739B(1) of the Principal Act) on or after 1 January 2027.

(e) *Subsection (1)(f)* applies and has effect as respects the receipt by a person of a payment in respect of a material interest in an offshore fund (both within the meaning of Chapter 4 of Part 27 of the Principal Act) on or after 1 January 2027.

(f) *Subsection (1)(g)* applies and has effect as respects the disposal in whole or in part by a person of a material interest in an offshore fund (both within the meaning of Chapter 4 of Part 27 of the Principal Act) on or after 1 January 2027.

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 the substitution of "31 December 2030" for "31 December 2026".

Amendment of section 835YA of Principal Act (non-cooperative jurisdictions: modified application of sections 835T, 835U and 835V)

31. Section 835YA(1) of the Principal Act is amended—

(a) in paragraph (d), by the deletion of "and",

(b) by the substitution of the following paragraph for paragraph (e):

"(e) in relation to an accounting period beginning on or after 1 January 2025 but before 1 January 2027, a territory included in Annex 1 of the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes[2], and",

and

(c) by the insertion of the following paragraph after paragraph (e):

2 OJ C, 2024/6322, 18.10.2024

"(f) in relation to an accounting period beginning on or after 1 January 2027, a territory included in Annex 1 of the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes[3].".

Amendment of Chapter 5 of Part 29 of Principal Act (taxation of companies engaged in knowledge development) 5

32. (1) Chapter 5 of Part 29 of the Principal Act is amended—

(a) in section 769K—

(i) in subsection (2)—

(I) in paragraph (b), by the substitution of "20 per cent," for "20 per cent, or", and 10

(II) by the substitution of the following paragraphs for paragraph (c):

"(c) section 243B, 396B or 420B, the section shall apply, with any necessary modifications, as if the reference in the formula to 'R' were a reference to 'R as reduced by 20 per cent', or 15

(d) section 396(1), that section shall apply, with any necessary modifications, as if the amount of a relevant trading loss available to be set off against trading income of the specified trade under that section, other than the portion of the relevant trading loss which is set off against qualifying profits from a qualifying asset in respect of which a claim was made under section 769I(2) (in this section referred to as 'restricted trading losses'), were reduced by 20 per cent.", 20

and

(ii) by the substitution of the following subsection for subsection (3): 25

"(3) (a) For the purposes of determining the amount of relief available in respect of relevant trading charges or relevant trading losses, as the case may be, after the making of a claim for relief under any of the provisions referred to in paragraph (a), (b) or (c) of subsection (2) as applied by that subsection (in this paragraph referred to as 'the first-mentioned claim'), the amount of relevant trading charges or relevant trading losses, as the case may be, available for any subsequent claims shall be reduced by 125 per cent of the amount claimed under the first-mentioned claim. 30

(b) For the purposes of determining the amount of relief available in respect of restricted trading losses after the making of a claim for relief under section 396(1) as applied by paragraph (d) of subsection (2) (in this paragraph referred to as 'the first-mentioned claim'), the amount of restricted trading losses available for any subsequent claims shall be reduced by 125 per cent of the amount claimed under the first-mentioned claim.", 35 40

3 OJ C, 2026/1465, 6.3.2026

(b) in section 769Q, by the substitution of "1 January 2032" for "1 January 2027", and

(c) by the insertion of the following section after section 769R:

"Election by a relevant company to disapply Chapter 5

769S. (1) In this section— 5

'existing qualifying asset', in relation to a relevant company, means any asset of the relevant company which, notwithstanding any election made by that relevant company under subsection (2), is a qualifying asset for the purposes of this Chapter on the date of commencement of the specified accounting period; 10

'new qualifying asset', in relation to a company, means a qualifying asset of the company which is not an existing qualifying asset and in respect of which no claim has been made by that company under section 769I(2) in any accounting period;

'specified accounting period', in relation to a relevant company, means the first accounting period of the relevant company commencing on or after 1 January 2027 and before 1 January 2028. 15

(2) Where, in relation to a specified trade carried on by a relevant company—

(a) the relevant company has made a claim under section 769I(2) in respect of an existing qualifying asset, and 20

(b) the claim referred to in paragraph (a) relates to an accounting period prior to the specified accounting period,

then the relevant company may elect not to apply the provisions of this Chapter in relation to the specified trade for the specified accounting period and subsequent accounting periods. 25

(3) An election under subsection (2) may only be made by a relevant company where a claim has not been made by the relevant company under section 769I(2) in respect of any existing qualifying asset in relation to the specified accounting period or any subsequent accounting period. 30

(4) (a) In this subsection—

'former relevant company' means a relevant company which has made an election under subsection (2);

'former specified trade', in relation to a former relevant company, means the specified trade in relation to which the former relevant company has made an election under subsection (2). 35

(b) On the making of an election under subsection (2), in respect of the specified accounting period and subsequent accounting periods—

(i) the former relevant company shall not, in relation to the former specified trade, be a relevant company for the purposes of this 40

Chapter,

(ii) no claim under section 769I(2) shall be made by the former relevant company in respect of any existing qualifying asset,

(iii) the activities of the former specified trade carried on by the former relevant company shall not 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 former relevant company,

(iv) all existing qualifying assets shall cease to be qualifying assets and shall not, at any time thereafter, be treated as qualifying assets for the purposes of any new specified trade subsequently carried on by the former relevant company to which the provisions of this Chapter may apply in accordance with subsection (6), and

(v) a claim shall not be made under section 396(1) in respect of any losses relating to the former specified trade where those losses were incurred in any accounting period preceding the specified accounting period.

(c) On the making of an election under subsection (2), the former relevant company shall not be entitled to any relief under section 397 in respect of the former specified trade.

(5) (a) The election referred to in subsection (2) shall—

(i) be made in writing and in such form and manner as the Revenue Commissioners may specify,

(ii) contain such particulars as may be specified by the Revenue Commissioners including:

(I) the name, address and corporation tax number of the relevant company;

(II) the specified accounting period of the relevant company;

(III) the number of existing qualifying assets referable to the specified trade;

(IV) the value of each existing qualifying asset referred to in clause (III);

(V) confirmation that no claim has been made by the relevant company under this Chapter in respect of any existing qualifying asset for the specified accounting period or any subsequent accounting period;

(VI) a declaration by the relevant company that no claim shall be made by the relevant company under this Chapter in respect of any existing qualifying asset in the specified accounting period or in any subsequent accounting period,

(iii) be made no later than 24 months from the end of the specified accounting period,

(iv) apply for the specified accounting period and for all subsequent accounting periods, and

(v) once made, be irrevocable. 5

(b) The Revenue Commissioners may require the relevant company to provide any additional information, explanations and particulars and to give all assistance which may reasonably be required for the purposes of giving effect to this section.

(6) (a) Nothing in this section shall prevent a company from making a claim in respect of a new qualifying asset under section 769I(2) in relation to an accounting period subsequent to the specified accounting period (in this subsection referred to as the 'relevant subsequent accounting period'). 10

(b) Where a claim referred to in paragraph (a) is made by a company, for the purposes of this Chapter— 15

(i) the company shall be treated as carrying on a specified trade (in this paragraph referred to as the 'new specified trade') from the date of commencement of the relevant subsequent accounting period, and 20

(ii) the company shall be treated as a relevant company from the date of commencement of the new specified trade.".

(2) (a) Subject to *paragraph (b)*, *subsection (1)* shall apply on and from the date of the passing of this Act.

(b) *Paragraph (a)* of *subsection (1)* shall apply in respect of accounting periods commencing on or after 1 January 2027. 25

Amendment of Part 8 of Principal Act (annual payments, charges and interest)

33. (1) Part 8 of the Principal Act is amended—

(a) in section 243(8)—

(i) in paragraph (a), by the substitution of "loan," for "loan, and", 30

(ii) in paragraph (b), by the substitution of "fulfilled, and" for "fulfilled.", and

(iii) by the insertion of the following paragraph after paragraph (b):

"(c) subsection (3A) of section 247 does not apply to the payment of interest on the loan.",

(b) in section 247— 35

(i) in subsection (1), by the insertion of the following paragraph after paragraph (b):

"(c) For the purposes of this section and section 249, references to a 'company' shall not include a body corporate that—

(i) is incorporated, or formed, under the laws of a jurisdiction other than the State, and

(ii) having regard to the characteristics of that body corporate, and the rights and obligations of each of its members, the body corporate is substantially similar to a partnership formed under the law of the State.",

(ii) in subsection (2)—

(I) by the substitution of "used" for "to defray money applied",

(II) in paragraph (b), by the substitution of "an amount which" for "money which",

(III) in paragraph (ba), by the substitution of "an amount which" for "money which", and

(IV) in paragraph (bb), by the substitution of "an amount which" for "money which",

(iii) in subsection (2A), by the substitution of "Subsection (2) shall not apply to a loan to an investing company which is used to subscribe for share capital" for "Subsection (2) shall not apply to a loan to an investing company to defray money applied in subscribing for share capital",

(iv) in subsection (3)—

(I) by the substitution of "Subject to subsections (3A) and (4)(b), relief shall be given" for "Relief shall be given",

(II) in paragraph (a)—

(A) by the substitution of "amount lent" for "money lent", and

(B) by the substitution of "connected company, and" for "connected company,",

(III) by the substitution of the following paragraph for paragraph (b):

"(b) the investing company shows that, during the period taken as a whole from the application of the proceeds of the loan until the interest was paid, it has not recovered any capital from the company or from a connected company apart from any amount taken into account under section 249.",

and

(IV) by the deletion of paragraph (c),

(v) by the insertion of the following subsection after subsection (3):

"(3A) Relief shall not be given in respect of any payment of interest by an investing company, on a loan to the extent that the amount borrowed is used, in accordance with clauses (A) or (C), as the case may be, of section 249(1)(a)(iii), such that the relief given in respect of the payment of interest on another loan is not reduced by the application of that section.",

(vi) by the substitution of the following subsection for subsection (4):

"(4) (a) Subsection (2) shall not apply to a loan—

(i) made before 1 January 2027 unless it is made in connection with the application of the money and either on the occasion of its application or within what is in the circumstances a reasonable time from the application of the money, and

(ii) the proceeds of which are applied for some other purpose before being applied as described in that subsection.

(b) (i) Relief shall not be given in respect of a payment of interest by an investing company on a loan made on or after 1 January 2027 to the extent that the interest accrues on the loan at a time when the loan was applied for a purpose other than as described in subsection (2).

(ii) For the purposes of subparagraph (i), in determining the amount of interest paid on a loan to which relief shall not be given, unpaid interest that accrued earlier in time shall be treated as paid first.

(iii) For the purposes of this paragraph, where a loan denominated in one currency is used to acquire an amount of money denominated in another currency, including by way of a currency swap agreement, and that amount of money denominated in the other currency is used for a purpose described in subsection (2) within a reasonable period of time from the application of the money, then the loan shall not be considered to have been used for any purpose other than as described in subsection (2).",

(vii) in subsection (4A)—

(I) in paragraph (a)—

(A) by the substitution of "a loan to the investing company used" for "a loan to the investing company to defray money applied", and

(B) in subparagraph (ii), by the substitution of "an amount which" for "money which",

and

(II) in paragraph (c)(i)—

(A) by the deletion of "to defray money applied", and

(B) in clause (II), by the substitution of "an amount which" for "money which",

(viii) in subsection (4B)—

(I) in paragraph (b), by the substitution of "an amount to another company," for "moneys to another company,",

(II) by the substitution of "those subscriptions or that amount to" for "those subscriptions or moneys to", and

(III) in paragraph (ii), by the substitution of "that amount" for "those moneys",

(ix) in subsection (4E)— 5

(I) in paragraph (b), by the substitution of "used in lending to a company an amount which" for "to defray money applied in lending to a company money which",

(II) in paragraph (c)(i), by the substitution of "used in lending to another company (in this paragraph referred to as the 'other company') an amount which" for "to defray money applied in lending to another company (in this paragraph referred to as the 'other company') money which", 10

(III) in paragraph (d)(i), by the substitution of "used in lending to another company (in this paragraph referred to as the 'other company') an amount which" for "to defray money applied in lending to another company (in this paragraph referred to as the 'other company') money which", and 15

(IV) by the insertion of the following paragraphs after paragraph (e):

"(ea) This subsection shall not apply to a loan made to the investing company by a company (in this paragraph referred to as 'the first-mentioned company') that is connected with the investing company where, other than the holding of shares in an investing company or investing companies, the only business of the first-mentioned company is the on-lending to the investing company or investing companies of moneys which the first-mentioned company has borrowed from persons who are not connected with either or both the first-mentioned company and the investing company or investing companies. 20 25

(eb) (i) For the purpose of subparagraph (ii)(II)(B), 'relevant territory' and 'tax' have the same meaning, respectively, as in section 246. 30

(ii) Subject to subparagraph (iii), paragraph (b) shall not apply to an amount of interest on a loan (in this paragraph referred to as the 'connected loan') made to an investing company by a person who is connected with the investing company (in this subparagraph referred to as the 'connected lender') which is used directly or indirectly for the purposes of acquiring an asset from a company which, at the time of the acquiring of the asset, was connected with the investing company (in this paragraph referred to as the 'connected seller'), where— 35 40

(I) the connected seller had borrowed to acquire the asset such that the interest on the borrowings of the connected seller gave rise to a reduction or relief in computing the amount of profits or gains of the connected seller to be charged to

corporation tax under Schedule D, prior to the acquisition of the asset from the connected seller,

(II) the connected lender—

(A) is subject to tax in the State on the interest income in relation to the connected loan, or

(B) by virtue of the law of a relevant territory, is resident in a relevant territory for the purposes of tax and, under the laws of the relevant territory, is subject, without any reduction computed by reference to the amount of such interest, to a tax on the interest income in relation to the connected loan,

and

(III) it is reasonable to consider that the connected loan is made for *bona fide* commercial purposes and does not form part of any arrangement or scheme of which the main purpose, or one of the main purposes, is the avoidance of tax.

(iii) (I) For the purposes of calculating the amount of interest to which subparagraph (ii) applies, the principal on the connected loan shall not exceed—

(A) the principal outstanding on the borrowings of the connected seller in respect of the asset concerned at the time immediately prior to the acquisition of the asset by the investing company, or

(B) where clause (II) applies, the maximum principal amount.

(II) (A) This clause shall apply where, by virtue of subparagraph (ii), paragraph (b) has not applied to an amount of interest on a connected loan made to a company that is connected with the investing company (in this clause referred to as the 'previous investing company') in respect of a previous acquisition of the asset concerned from a company connected with the previous investing company (in this clause referred to as the 'previous connected seller').

(B) Where this clause applies, the 'maximum principal amount' shall be an amount equal to the principal outstanding on the borrowings of the previous connected seller at the time immediately prior to the acquisition of the asset concerned by the previous investing company and, where there has been more than one previous acquisition referred to in subclause (A) in respect of the asset concerned, the maximum principal amount shall be an amount equal to the principal outstanding on the borrowings of the previous connected seller at the time

immediately prior to the acquisition of the asset concerned by the previous investing company in the earliest such previous acquisition of the asset concerned to occur.

(III) For the purposes of calculating— 5

(A) the principal outstanding on the borrowings of the connected seller in respect of the asset concerned at the time immediately prior to the acquisition of the asset by the investing company, or

(B) where clause (II) applies, the maximum principal amount, 10

where only a portion of the borrowings relate to the asset that is acquired by the investing company, then the principal outstanding on the borrowings or the maximum principal amount shall be apportioned on a just and reasonable basis.", 15

(x) in subsection (4F)—

(I) by the substitution of the following paragraph for paragraph (b):

"(b) (i) Subject to subparagraph (ii), where a loan to an investing company, to which subsection (2) applies, has been applied in lending to another company (in this paragraph referred to as the 'other company') not within the charge to corporation tax an amount which is used wholly and exclusively for the purposes of the trade or business of the other company then, notwithstanding subsection (3) and section 243, the amount of the relief to be given in respect of so much of the interest paid (in this subparagraph referred to as the 'interest paid') in an accounting period by the investing company on the loan, as exceeds the amount (including a nil amount) of any interest, arising to the investing company on the amount lent to the other company, for the relevant period, shall not exceed the amount by which the interest paid exceeds the interest (if any) arising to the other company in that relevant period in respect of the amount so used. 20 25 30

(ii) Subparagraph (i) shall not apply where section 835C applies to the arrangement (within the meaning of Part 35A) concerned being the lending by the investing company to the other company referred to in that subparagraph.", 35

(II) in paragraph (c)—

(A) by the substitution of "Subject to paragraph (d), where a loan" for "Where a loan", 40

(B) by the substitution of "an amount which" for "money which",

(C) in subparagraph (i), by the substitution of "the amount lent to the

other company, for the relevant period, shall not exceed the amount by which the interest paid exceeds the interest (if any) arising to the connected company in that relevant period in respect of the amount so used" for "the money lent to the other company, for the relevant period, shall not exceed the amount by which the interest paid exceeds the interest (if any) arising to the connected company in that relevant period in respect of the money so used",

(D) in subparagraph (ii), by the substitution of "the amount lent" for "the money lent",

(E) in clause (I) of subparagraph (ii), by the substitution of "the amount lent" for "the money lent", and

(F) in clause (II) of subparagraph (ii), by the substitution of "the amount so used" for "the money so used",

and

(III) by the insertion of the following paragraph after paragraph (c):

"(d) Paragraph (c) shall not apply where—

(i) section 835C applies to the arrangement (within the meaning of Part 35A) concerned being the lending by the other company to the connected company referred to in paragraph (c)(i), or

(ii) section 835C applies to the arrangement (within the said meaning) concerned being the lending by the investing company to the other company referred to in paragraph (c)(ii).",

and

(xi) in subsection (4G), by the substitution of "an amount which" for "money which",

and

(c) in section 249—

(i) in subsection (1)(a)—

(I) in subparagraph (ii)(II), by the substitution of "paragraph (a), (b), (ba) or (bb)" for "paragraph (a) or (b)", and

(II) by the substitution of the following subparagraphs for subparagraphs (iii) and (iv):

"(iii) Where at any time after the application of the proceeds of the loan to which section 247 applies the investing company—

(I) has recovered any amount of capital from the company concerned or from a connected company, or

(II) is deemed, under paragraph (aa) or (ac) of subsection (2), to have recovered any amount of capital from the company concerned,

without—

(A) the investing company using the amount recovered, or an amount equal to the amount deemed to have been recovered, to make a new investment,

(B) the investing company using the amount recovered, or an amount equal to the amount deemed to have been recovered, in repayment of the loan or any other loan to which section 247 applies, or

(C) the company concerned, or an intermediate holding company, using an amount equal to the amount deemed to have been recovered, to make a new investment,

then, the investing company shall be treated for the purposes of this section as if the investing company had at that time repaid out of the loan an amount equal to the amount of capital recovered or deemed to have been recovered and so that out of the interest otherwise eligible for relief and payable for any period after that time there shall be deducted an amount equal to interest on the amount of capital so recovered or so deemed to have been recovered.

(iv) For the purposes of subparagraph (iii), an investing company, company concerned or intermediate holding company, as the case may be, shall be regarded as having made a new investment where on, or within 6 months after, the date on which the investing company has recovered any amount of capital from the company concerned or from a connected company, or is deemed, under paragraph (aa) or (ac) of subsection (2), to have recovered any amount of capital from the company concerned, the investing company, company concerned or intermediate holding company, as the case may be—

(I) acquires ordinary share capital in a company referred to in paragraph (a) of section 247(2), otherwise than by means of an issuance of shares to the company concerned or intermediate holding company, as the case may be, in respect of which the investing company may make an election under paragraph (ab), or

(II) makes a new loan to which paragraph (b), (ba) or (bb) of section 247(2) applies,

provided that the investing company—

(A) maintains such records as may reasonably be required to demonstrate to the Revenue Commissioners that the investing company, company concerned, or intermediate holding company, as the case may be, has made an acquisition or a new loan, as the case may be, referred to in clause (I) or (II), and

(B) retains such records for a period of 6 years from the date of that acquisition or the making of that new loan.

(v) Where an investing company uses the amount recovered, or an amount equal to the amount deemed to have been recovered, in accordance with clause (A) of subparagraph (iii) to make a new investment, the company in which the new investment is made shall be treated for the purposes of this section and section 247 as if it were a company concerned in respect of the loan to which section 247 applies.

(vi) Where, after the application of the proceeds of a loan to which section 248 applies, the individual has recovered any amount of capital from the company concerned or from a connected company without using that amount in repayment of the loan, the individual shall be treated for the purposes of this section as if the individual had repaid that amount out of the loan and so that out of the interest otherwise eligible for relief and payable for any period after that time there shall be deducted an amount equal to interest on the amount of capital so recovered.",

(ii) in subsection (2)—

(I) in paragraph (aa)—

(A) in clause (II) of subparagraph (i), by the substitution of "company, or" for "company,",

(B) by the deletion of clause (III) of subparagraph (i), and

(C) by the deletion of subparagraph (iii),

and

(II) in paragraph (ac)—

(A) by the deletion of clause (II) of subparagraph (iii), and

(B) by the deletion of subparagraph (vi),

and

(iii) by the insertion of the following subsection after subsection (3):

"(4) (a) Where, in respect of a transaction, an investing company, or where there are 2 or more investing companies, more than one investing company, has recovered an amount of capital from the company concerned or from a connected company, or is deemed to have recovered an amount of capital under paragraph (aa) or (ac) of subsection (2) (in this paragraph referred to as the 'recovered amount'), and that recovery of capital by the investing company or the investing companies, as the case may be, relates, under this section, to more than one loan to which section 247 applies, then—

(i) subject to subparagraphs (ii) and (iii), the recovered amount shall be apportioned to each loan to which section 247 applies

in proportion to the aggregate amount of principal outstanding on the loans, expressed in euro, at the time the recovery of capital occurs, or is deemed to occur,

(ii) in the case where not more than one investing company has recovered, or is deemed to have recovered, an amount of capital, the investing company may specify the amount of the recovered amount to be apportioned to each loan to which section 247 applies and such specification shall be made in writing to the Revenue Commissioners on or before the specified return date for the accounting period (within the meaning of section 959A), or

(iii) in the case where more than one investing company has recovered, or is deemed to have recovered, an amount of capital, if the investing companies agree between them to such other apportionment of the recovered amount as they may consider appropriate, and jointly so specify in writing to the Revenue Commissioners on or before the specified return date for the accounting period (within the meaning of section 959A), then the recovered amount shall be apportioned accordingly.

(b) Where, in respect of a transaction, an investing company, or where there are 2 or more investing companies, more than one investing company, has recovered an amount of capital from the company concerned or from a connected company, or is deemed to have recovered an amount of capital under paragraph (aa) or (ac) of subsection (2), the aggregate amount treated for the purposes of this section as if the investing company or the investing companies, as the case may be, had at the time the recovery of capital occurs, or is deemed to occur, repaid out of the loans to which section 247 applies shall not exceed the total amount of the capital recovered, or deemed to be recovered, in respect of the transaction.".

(2) Subject to *subsection (3)*, this section applies in respect of accounting periods commencing on or after 1 January 2027.

(3) (a) *Paragraph (b)(ix)(IV)* of *subsection (1)* shall apply to an acquisition of an asset (within the meaning of section 247(4E) of the Principal Act) on or after 1 January 2024.

(b) *Subparagraphs (ii)*, *(iii)*, *(iv)(II)(A)*, *(vii)* and *(viii)*, *clauses (I)* to *(III)* of *subparagraph (ix)*, *subclauses (B)* to *(F)* of s*ubparagraph (x)(II)* and *subparagraph (xi)* of *subsection (1)(b)* shall apply to a loan made on or after 1 January 2027.

Amendment of Part 35D (implementation of Council Directive (EU) 2016/1164 of 12 July 2016 as regards interest limitation)

34. (1) Part 35D of the Principal Act is amended—

(a) in section 835AAD(15)(a), by the substitution of "subsections" for "sections",

(b) in section 835AAJ—

(i) in subsection (1)(b), by the substitution of "not later than two years after the end of" for "on or before the specified return date for", and

(ii) in subsection (2), by the substitution of "the same accounting period" for "an accounting period", 5

(c) in section 835AAK—

(i) in subsection (3), by the substitution of the following paragraph for paragraph (c):

"(c) be made not later than two years after the end of the earliest accounting period to which the election applies in accordance with paragraph (a).", 10

and

(ii) in subsection (4), by the substitution of the following paragraph for paragraph (c):

"(c) be made not later than two years after the end of the earliest accounting period to which the withdrawal of the election applies in accordance with paragraph (a).", 15

and

(d) in section 835AAM, by the substitution of the following subsection for subsection (2): 20

"(2) Where an election has been made in accordance with section 835AAK to form an interest group, the reporting company shall make a return, in the form specified by the Revenue Commissioners, on behalf of the interest group on or before the later of—

(a) the specified return date for the accounting period, or 25

(b) the date on which the election is made.".

(2) Subject to *subsection (3)*, *subsection (1)* shall apply for accounting periods commencing on or after 1 January 2027.

(3) (a) *Subsection (1)(a)* shall apply for accounting periods commencing on or after 1 January 2023. 30

(b) *Subsection (1)(b)(ii)* shall apply for accounting periods commencing on or after 1 January 2022.

Chapter 6

Capital Gains Tax

Treatment of certain disposals made by approved body on incorporation as company limited by guarantee 35

35. (1) Chapter 7 of Part 19 of the Principal Act is amended by the insertion of the following section after section 610A:

"Treatment of certain disposals made by approved body on incorporation as company limited by guarantee

610B. (1) In this section—

'approved body' means an approved body of persons within the meaning of section 235(1);

'company limited by guarantee' has the same meaning as in Part 18 of the Companies Act 2014;

'new body' has the meaning given to it by subsection (2);

'old body' has the meaning given to it by subsection (2).

(2) On the occasion of the disposal of chargeable assets by an unincorporated approved body (in this section referred to as an 'old body') to an approved body that is incorporated as a company limited by guarantee (in this section referred to as a 'new body') at the time of the incorporation of the new body as a company limited by guarantee (in this section referred to as a 'relevant disposal')—

(a) the disposal of chargeable assets by the old body and the corresponding acquisition of such chargeable assets by the new body shall be treated for the purposes of the Capital Gains Tax Acts as being made for such consideration as to secure that neither a gain nor a loss accrues on the relevant disposal, and

(b) an asset disposed of by the new body which that body acquired from the old body by way of a relevant disposal shall be deemed to have been acquired by the new body at the same time and for the same consideration that it was acquired by the old body and the provisions of section 556 shall apply accordingly.

(3) Subsection (2) shall not apply to a relevant disposal unless the relevant disposal occurs as part of a *bona fide* arrangement between the old body concerned and the new body concerned that involves the transfer by that old body to that new body of all activities previously undertaken by the old body.".

Amendment of section 28 of Principal Act (taxation of capital gains and rate of charge)

36. (1) Section 28(3) of the Principal Act is amended by the substitution of "31 per cent" for "33 per cent".

(2) *Subsection (1)* applies to disposals of assets made on or after 7 October 2026.

PART 2

EXCISE

Amendment of section 99A of Finance Act 1999 (relief for qualifying road transport operators)

37. Section 99A(3) of the Finance Act 1999 is amended—

(a) in paragraph (a), by the substitution of "1 January 2027" for "1 October 2026", and

(b) in paragraph (b), by the substitution of "1 January 2027" for "1 October 2026".

Amendment of Schedules 2 and 2A to Finance Act 1999 (mineral oil tax)

38. (1) The Finance Act 1999 is amended, with effect as on and from 29 August 2026, by the substitution of the following schedule for Schedule 2:

"SCHEDULE 2

RATES OF MINERAL OIL TAX

With effect as on and from:	Light Oil:		Heavy Oil:						Liquefied Petroleum Gas:		Vehicle gas: Rate per megawatt hour at gross calorific value
	Rates per 1,000 litres		Rates per 1,000 litres						Rates per 1,000 litres		
	Petrol	Aviation gasoline	Used as a propellant	Used for air navigation	Used for private pleasure navigation	Kerosene used other than as a propellant	Fuel oil	Other heavy oil	Used as a propellant	Other liquefied petroleum gas	
10 March 2022	€474.11	€474.11	€413.51	€413.51	€413.51	€84.84	€118.01	€120.55	€118.27	€54.68	€9.36
1 April 2022	€465.98	€465.98	€405.38	€405.38	€405.38	€84.84	€118.01	€120.55	€118.27	€54.68	€9.36
1 May 2022	€465.98	€465.98	€405.38	€405.38	€405.38	€103.83	€141.12	€111.14	€130.52	€66.93	€9.36
12 October 2022	€483.34	€483.34	€425.45	€425.45	€425.45	€103.83	€141.12	€111.14	€130.52	€66.93	€9.36
1 May 2023	€483.34	€483.34	€425.45	€425.45	€425.45	€122.83	€164.23	€131.47	€142.76	€79.17	€9.36
1 June 2023	€532.12	€532.12	€466.10	€466.10	€466.10	€122.83	€164.23	€140.28	€142.76	€79.17	€9.36
1 September 2023	€589.03	€589.03	€506.75	€506.75	€506.75	€122.83	€164.23	€149.09	€142.76	€79.17	€9.36
11 October 2023	€606.39	€606.39	€526.83	€526.83	€526.83	€122.83	€164.23	€149.09	€142.76	€79.17	€9.36
1 April 2024	€638.91	€638.91	€551.22	€551.22	€551.22	€122.83	€164.23	€163.96	€142.76	€79.17	€9.36
1 May 2024	€638.91	€638.91	€551.22	€551.22	€551.22	€141.82	€187.34	€184.30	€155.01	€91.42	€10.13
1 August 2024	€671.43	€671.43	€575.61	€575.61	€575.61	€141.82	€187.34	€199.17	€155.01	€91.42	€10.13
9 October 2024	€688.78	€688.78	€595.68	€595.68	€595.68	€141.82	€187.34	€199.17	€155.01	€91.42	€10.13
1 May 2025	€688.78	€688.78	€595.68	€595.68	€595.68	€160.81	€210.45	€219.50	€167.25	€103.66	€11.48
8 October 2025	€706.14	€706.14	€615.76	€615.76	€615.76	€160.81	€210.45	€219.50	€167.25	€103.66	€11.48
25 March 2026	€584.18	€584.18	€453.15	€453.15	€453.15	€160.81	€210.45	€193.06	€167.25	€103.66	€11.48
15 April 2026	€502.88	€502.88	€371.85	€371.85	€371.85	€160.81	€210.45	€172.14	€167.25	€103.66	€11.48
14 October 2026	€520.23	€520.23	€391.92	€391.92	€391.92	€179.81	€233.57	€192.47	€179.49	€115.90	€12.84
1 November 2026	€560.88	€560.88	€448.83	€448.83	€448.83	€179.81	€233.57	€216.15	€179.49	€115.90	€12.84
1 December 2026	€601.53	€601.53	€505.74	€505.74	€505.74	€179.81	€233.57	€216.15	€179.49	€115.90	€12.84
31 January 2027	€658.44	€658.44	€570.78	€570.78	€570.78	€179.81	€233.57	€239.83	€179.49	€115.90	€12.84
28 February 2027	€723.49	€723.49	€635.83	€635.83	€635.83	€179.81	€233.57	€239.83	€179.49	€115.90	€12.84
1 May 2027	€723.49	€723.49	€635.83	€635.83	€635.83	€198.80	€256.68	€260.16	€191.74	€128.15	€14.20
13 October 2027	€740.85	€740.85	€655.90	€655.90	€655.90	€198.80	€256.68	€260.16	€191.74	€128.15	€14.20
1 May 2028	€740.85	€740.85	€655.90	€655.90	€655.90	€217.80	€279.79	€280.49	€203.98	€140.39	€15.56
11 October	€758.21	€758.21	€675.98	€675.98	€675.98	€217.80	€279.79	€280.49	€203.98	€140.39	€15.56

2028											
1 May 2029	€758.21	€758.21	€675.98	€675.98	€675.98	€236.79	€302.90	€300.83	€216.23	€152.64	€16.91
10 October 2029	€773.25	€773.25	€693.38	€693.38	€693.38	€236.79	€302.90	€300.83	€216.23	€152.64	€16.91
1 May 2030	€773.25	€773.25	€693.38	€693.38	€693.38	€253.25	€322.93	€318.45	€226.84	€163.25	€18.09

”.

(2) The Finance Act 1999 is further amended with effect as on and from 7 October 2026—

(a) by the substitution of the following schedule for Schedule 2:

“SCHEDULE 2

RATES OF MINERAL OIL TAX

With effect as on and from:	Light Oil:		Heavy Oil:						Liquefied Petroleum Gas:		Vehicle gas: Rate per megawatt hour at gross calorific value
	Rates per 1,000 litres		Rates per 1,000 litres						Rates per 1,000 litres		
	Petrol	Aviation gasoline	Used as a propellant	Used for air navigation	Used for private pleasure navigation	Kerosene used other than as a propellant	Fuel oil	Other heavy oil	Used as a propellant	Other liquefied petroleum gas	
10 March 2022	€474.11	€474.11	€413.51	€413.51	€413.51	€84.84	€118.01	€120.55	€118.27	€54.68	€9.36
1 April 2022	€465.98	€465.98	€405.38	€405.38	€405.38	€84.84	€118.01	€120.55	€118.27	€54.68	€9.36
1 May 2022	€465.98	€465.98	€405.38	€405.38	€405.38	€103.83	€141.12	€111.14	€130.52	€66.93	€9.36
12 October 2022	€483.34	€483.34	€425.45	€425.45	€425.45	€103.83	€141.12	€111.14	€130.52	€66.93	€9.36
1 May 2023	€483.34	€483.34	€425.45	€425.45	€425.45	€122.83	€164.23	€131.47	€142.76	€79.17	€9.36
1 June 2023	€532.12	€532.12	€466.10	€466.10	€466.10	€122.83	€164.23	€140.28	€142.76	€79.17	€9.36
1 September 2023	€589.03	€589.03	€506.75	€506.75	€506.75	€122.83	€164.23	€149.09	€142.76	€79.17	€9.36
11 October 2023	€606.39	€606.39	€526.83	€526.83	€526.83	€122.83	€164.23	€149.09	€142.76	€79.17	€9.36
1 April 2024	€638.91	€638.91	€551.22	€551.22	€551.22	€122.83	€164.23	€163.96	€142.76	€79.17	€9.36
1 May 2024	€638.91	€638.91	€551.22	€551.22	€551.22	€141.82	€187.34	€184.30	€155.01	€91.42	€10.13
1 August 2024	€671.43	€671.43	€575.61	€575.61	€575.61	€141.82	€187.34	€199.17	€155.01	€91.42	€10.13
9 October 2024	€688.78	€688.78	€595.68	€595.68	€595.68	€141.82	€187.34	€199.17	€155.01	€91.42	€10.13
1 May 2025	€688.78	€688.78	€595.68	€595.68	€595.68	€160.81	€210.45	€219.50	€167.25	€103.66	€11.48
8 October 2025	€706.14	€706.14	€615.76	€615.76	€615.76	€160.81	€210.45	€219.50	€167.25	€103.66	€11.48
25 March 2026	€584.18	€584.18	€453.15	€453.15	€453.15	€160.81	€210.45	€193.06	€167.25	€103.66	€11.48
15 April 2026	€502.88	€502.88	€371.85	€371.85	€371.85	€160.81	€210.45	€172.14	€167.25	€103.66	€11.48
14 October 2026	€502.88	€502.88	€371.85	€371.85	€371.85	€122.83	€210.45	€172.14	€167.25	€103.66	€11.48
28 February 2027	€543.53	€543.53	€428.76	€428.76	€428.76	€122.83	€210.45	€219.50	€167.25	€103.66	€11.48
8 April 2027	€584.18	€584.18	€485.67	€485.67	€485.67	€122.83	€210.45	€219.50	€167.25	€103.66	€11.48
1 May 2027	€658.44	€658.44	€570.78	€570.78	€570.78	€122.83	€256.68	€239.83	€191.74	€128.15	€14.20
30 June 2027	€723.49	€723.49	€635.83	€635.83	€635.83	€122.83	€256.68	€239.83	€191.74	€128.15	€14.20
13 October 2027	€740.85	€740.85	€655.90	€655.90	€655.90	€122.83	€256.68	€260.16	€191.74	€128.15	€14.20
1 May 2028	€740.85	€740.85	€655.90	€655.90	€655.90	€122.83	€279.79	€280.49	€203.98	€140.39	€15.56
11 October 2028	€758.21	€758.21	€675.98	€675.98	€675.98	€122.83	€279.79	€280.49	€203.98	€140.39	€15.56
1 May 2029	€758.21	€758.21	€675.98	€675.98	€675.98	€122.83	€302.90	€300.83	€216.23	€152.64	€16.91
10 October 2029	€773.25	€773.25	€693.38	€693.38	€693.38	€122.83	€302.90	€300.83	€216.23	€152.64	€16.91
1 May 2030	€773.25	€773.25	€693.38	€693.38	€693.38	€122.83	€322.93	€318.45	€226.84	€163.25	€18.09

”,

and

(b) by the substitution of the following schedule for Schedule 2A:

"SCHEDULE 2A

CARBON CHARGE

With effect as on and from:	Light Oil:		Heavy Oil:						Liquefied Petroleum Gas:		Vehicle gas: Rate per megawatt hour at gross calorific value
	Rates per 1,000 litres		Rates per 1,000 litres						Rates per 1,000 litres		
	Petrol	Aviation gasoline	Used as a propellant	Used for air navigation	Used for private pleasure navigation	Kerosene used other than as a propellant	Fuel oil	Other heavy oil	Used as a propellant	Other liquefied petroleum gas	
1 May 2021	€77.52	€77.52	€89.66	€89.66	€89.66	€84.84	€103.23	€90.81	€54.68	€54.68	€6.06
13 October 2021	€94.87	€94.87	€109.74	€109.74	€109.74	€84.84	€103.23	€90.81	€54.68	€54.68	€6.06
1 May 2022	€94.87	€94.87	€109.74	€109.74	€109.74	€103.83	€126.34	€111.14	€66.93	€66.93	€7.41
12 October 2022	€112.23	€112.23	€129.81	€129.81	€129.81	€103.83	€126.34	€111.14	€66.93	€66.93	€7.41
1 May 2023	€112.23	€112.23	€129.81	€129.81	€129.81	€122.83	€149.45	€131.47	€79.17	€79.17	€8.77
11 October 2023	€129.59	€129.59	€149.89	€149.89	€149.89	€122.83	€149.45	€131.47	€79.17	€79.17	€8.77
1 May 2024	€129.59	€129.59	€149.89	€149.89	€149.89	€141.82	€172.56	€151.81	€91.42	€91.42	€10.13
9 October 2024	€146.94	€146.94	€169.96	€169.96	€169.96	€141.82	€172.56	€151.81	€91.42	€91.42	€10.13
1 May 2025	€146.94	€146.94	€169.96	€169.96	€169.96	€160.81	€195.67	€172.14	€103.66	€103.66	€11.48
8 October 2025	€164.30	€164.30	€190.04	€190.04	€190.04	€160.81	€195.67	€172.14	€103.66	€103.66	€11.48
14 October 2026	€164.30	€164.30	€190.04	€190.04	€190.04	€122.83	€195.67	€172.14	€103.66	€103.66	€11.48
1 May 2027	€181.65	€181.65	€210.11	€210.11	€210.11	€122.83	€241.90	€192.47	€128.15	€128.15	€14.20
13 October 2027	€199.01	€199.01	€230.18	€230.18	€230.18	€122.83	€241.90	€212.80	€128.15	€128.15	€14.20
1 May 2028	€199.01	€199.01	€230.18	€230.18	€230.18	€122.83	€265.01	€233.13	€140.39	€140.39	€15.56
11 October 2028	€216.37	€216.37	€250.26	€250.26	€250.26	€122.83	€265.01	€233.13	€140.39	€140.39	€15.56
1 May 2029	€216.37	€216.37	€250.26	€250.26	€250.26	€122.83	€288.12	€253.47	€152.64	€152.64	€16.91
10 October 2029	€231.41	€231.41	€267.66	€267.66	€267.66	€122.83	€288.12	€253.47	€152.64	€152.64	€16.91
1 May 2030	€231.41	€231.41	€267.66	€267.66	€267.66	€122.83	€308.15	€271.09	€163.25	€163.25	€18.09

".

Amendment of section 67 of Finance Act 2010 (natural gas carbon tax)

39. Section 67 of the Finance Act 2010 is amended, in subsection (1), with effect as on and from 7 October 2026, by the substitution of the following Table for the Table to that subsection:

"TABLE

RATE OF NATURAL GAS CARBON TAX

With effect as on and from (1)	Rate of tax per megawatt hour at gross calorific value (2)
1 May 2021	€6.06
1 May 2022	€7.41
1 May 2023	€8.77
1 May 2024	€10.13
1 May 2025	€11.48
14 October 2026	€8.77

".

Amendment of Schedule 1 to Finance Act 2010 (solid fuel carbon tax)

40. The Finance Act 2010 is amended, with effect as on and from 7 October 2026, by the substitution of the following schedule for Schedule 1:

"SCHEDULE 1

RATES OF SOLID FUEL CARBON TAX

With effect as on and from (1)	Description of Solid Fuel Rate of Tax per tonne (2)			
	Coal	Peat Briquettes	Milled Peat	Other Peat
1 May 2021	€88.23	€61.42	€30.44	€45.65
1 May 2022	€107.98	€75.17	€37.25	€55.87
1 May 2023	€127.74	€88.93	€44.07	€66.10
1 May 2024	€147.49	€102.68	€50.88	€76.32
1 May 2025	€167.24	€116.43	€57.70	€86.54
1 May 2027	€206.75	€143.94	€71.33	€106.98
1 May 2028	€226.51	€157.69	€78.15	€117.21
1 May 2029	€246.26	€171.44	€84.96	€127.43
1 May 2030	€263.38	€183.36	€90.87	€136.29

".

Amendment of Schedule 2 to Finance Act 2005 (rates of tobacco products tax)

41. The Finance Act 2005 is amended, with effect as on and from 7 October 2026, by the substitution of the following Schedule for Schedule 2:

"SCHEDULE 2

RATES OF TOBACCO PRODUCTS TAX

(With effect as on and from 7 October 2026)

Description of Product	Rate of Tax
Cigarettes	Rate of tax at— (a) except where paragraph (b) applies, €520.88 per thousand together with an amount equal to 8.67 per cent of the price at which the cigarettes are sold by retail, or (b) €570.73 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 €580.447 per kilogram.

Fine-cut tobacco for the rolling of cigarettes	Rate of tax at €558.422 per kilogram.
Other smoking tobacco	Rate of tax at €402.688 per kilogram.

”.

Amendment of Schedule 1 to Finance Act 2024 (e-liquid products tax) 5

42. (1) The Finance Act 2024 is amended by the substitution of the following Schedule for Schedule 1:

“SCHEDULE 1

E-LIQUID PRODUCTS TAX

Product (1)	Rate of Tax (2)
e-liquid product	€700.00 per litre

”. 10

(2) *Subsection (1)* shall come into operation on 1 January 2027.

Amendment of section 64 of Finance Act 2002 (interpretation) 15

43. Section 64 of the Finance Act 2002 is amended—

(1) (a) by the designation of that section as subsection (1),

(b) in subsection (1)—

(i) by the insertion of the following definitions:

“ ‘licensed greyhound race track’ means a greyhound race track that operates under a greyhound race track licence under section 22 of the Greyhound Industry Act 1958; 20

‘pool bet’ shall be construed in accordance with subsection (2);

‘pool betting operator’ means the licensee of a licence issued by the Gambling Regulatory Authority of Ireland under section 85 of the Act of 2024 where the licensee is authorised to take pool bets; 25

‘winnings’ means the money or money’s worth paid out to a person who wins at betting;”,

and

(ii) by the deletion of the definitions of “premises”, “proprietor”, “registered premises”, “register”, “remote betting intermediary’s licence”, “remote bookmaker” and ‘totalisator”, 30

and

(c) by the insertion of the following subsection:

“(2) For the purposes of this Chapter, a bet is a pool bet if made on terms that all or part of the winnings are— 35

(a) determined by reference to the aggregate of bets made in respect of

an event, and

(b) divided—

(i) among the persons who make a bet and select the correct outcome in respect of an event,

and

(ii) in proportion to the amount of that bet.".

(2) *Subsection (1)* shall come into operation on 1 January 2027.

Substitution of section 67B of Finance Act 2002 (betting intermediary and pool betting duty)

44. (1) Chapter 1 of Part 2 of the Finance Act 2002 is amended by the substitution of the following section for section 67B—

"67B. (1)There shall be charged, levied and paid on and by—

(a) every remote betting intermediary, and

(b) every pool betting operator in respect of each pool bet taken from persons in the State,

an excise duty, to be known in this Chapter as 'betting intermediary and pool betting duty', at the rate of 25 per cent of the taxable amount.

(2) For the purposes of this section, 'taxable amount' means—

(a) in the case of a remote betting intermediary, the 'commission charge' which shall be the amounts that parties in the State to bets made using the facilities of a remote betting intermediary are charged, whether by deduction from winnings or otherwise, for using those facilities, and

(b) in the case of a pool betting operator, an amount determined by the formula—

S - W

where—

'S' is the aggregate of all sums of money and, where applicable, the open market value of other consideration in exchange for which a pool betting operator entitles persons in the State to participate in pool betting in the accounting period concerned, and

'W' is the total amount of winnings paid by the pool betting operator to third-party persons in the State in settlement of a pool bet or series of pool bets in the accounting period concerned,

and where W is greater than S, the taxable amount shall be deemed to be nil.

(3) For the purposes of subsection (2)(b), the term winnings shall not include—

(a) payments which are made by a pool betting operator other than payments made in settlement of a pool bet or series of pool bets which were entered into by a person in the State, or

(b) any payments related to the cost of provision of pool betting.

(4) Where a person or persons in the State are permitted by a pool betting operator to participate in a pool bet or series of pool bets in the absence of the operator receiving any or full payment for the value of the relevant stake or stakes, the nominal value of amounts included in the pool bet or series of pool bets shall be deemed to be the consideration for the purposes of subsection (2)(b).

(5) Where a pool bet is liable to betting intermediary and pool betting duty under this section, that pool bet shall not also be liable to betting duty under section 67 or remote betting duty under section 67A.

(6) Every person who fails or neglects to pay any sum payable by him or her in respect of betting intermediary and pool betting duty imposed by this section within the prescribed period shall be liable to a penalty of €5,000.".

(2) *Subsection (1)* shall come into operation on 1 January 2027.

Amendment of section 68 of Finance Act 2002 (duty exemptions)

45. (1) Section 68(1)(a) of the Finance Act 2002 is amended—

(a) by the insertion of "and betting intermediary and pool betting duty" after "Betting duty",

(b) by the substitution of the following subparagraph for subparagraph (ii):

"(ii) are entered into during and at a race-meeting held at a licensed greyhound race track, and are in respect of one or more than one event taking place at the race-meeting or at a place other than at the race-meeting.",

and

(c) by the substitution of the following subsection for subsection (2):

"(2) Betting duty and betting intermediary and pool betting duty shall not be charged on bets or pool bets placed with the holder of a licence granted under section 3 of the Totalisator Act 1929 which is for the time being in force.".

(2) *Subsection (1)* shall come into operation on 1 January 2027.

Time when betting commission duty becomes due

46. (1) Chapter 1 of Part 2 of the Finance Act 2002 is amended by the substitution of the following section for section 69A—

"69A. Betting intermediary and pool betting duty shall become due—

(a) in the case of remote betting intermediaries, when the commission is charged in respect of a bet made using the facilities of the remote betting intermediary, or

(b) in the case of pool betting operators, upon the conclusion of each accounting period concerned.".

(2) *Subsection (1)* shall come into operation on 1 January 2027.

Repeal of certain provisions of Finance Act 2002 (betting duties)

47. Sections 65, 66, 66A, 66B, 66C and 66D of the Finance Act 2002 are repealed.

Amendment of section 132 of Finance Act 1992 (charge of excise duty)

48. (1) Section 132 of the Finance Act 1992 is amended, in subsection (3), by the substitution of the following Table for Table 1 to that subsection:

"Table 1

CO_2 Emissions (CO_2 g/km)	**Percentage payable of the value of the vehicle**
0g/km up to and including 50g/km	7% or €140 whichever is the greater
More than 50g/km up to and including 80g/km	9% or €180 whichever is the greater
More than 80g/km up to and including 85g/km	10.75% or €215 whichever is the greater
More than 85g/km up to and including 90g/km	11.5% or €230 whichever is the greater
More than 90g/km up to and including 95g/km	12.25% or €245 whichever is the greater
More than 95g/km up to and including 100g/km	13% or €260 whichever is the greater
More than 100g/km up to and including 105g/km	13.75% or €275 whichever is the greater
More than 105g/km up to and including 110g/km	14.5% or €290 whichever is the greater
More than 110g/km up to and including 115g/km	16.25% or €325 whichever is the greater
More than 115g/km up to and including 120g/km	17% or €340 whichever is the greater
More than 120g/km up to and including 125g/km	17.75% or €355 whichever is the greater
More than 125g/km up to and including 130g/km	18.5% or €370 whichever is the greater
More than 130g/km up to and including 135g/km	20.25% or €405 whichever is the greater

More than 135g/km up to and including 140g/km	21% or €420 whichever is the greater
More than 140g/km up to and including 145g/km	22.5% or €450 whichever is the greater
More than 145g/km up to and including 150g/km	26% or €520 whichever is the greater
More than 150g/km up to and including 155g/km	28.5% or €570 whichever is the greater
More than 155g/km up to and including 170g/km	31% or €620 whichever is the greater
More than 170g/km up to and including 190g/km	36% or €720 whichever is the greater
More than 190g/km	42% or €840 whichever is the greater

".

(2) *Subsection (1)* shall come into operation on 1 January 2027.

Amendment of section 135C of Finance Act 1992 (remission or repayment in respect of vehicle registration tax, etc.)

49. Section 135C of the Finance Act 1992 is amended—

(a) in subsection (3)(b), by the substitution of "31 December 2028" for "31 December 2026", and

(b) in subsection (4), by the substitution of "31 December 2028" for "31 December 2026".

PART 3

VALUE-ADDED TAX

Definition (*Part 3*)

50. In this Part, "Principal Act" means the Value-Added Tax Consolidation Act 2010.

VAT modernisation

51. (1) The Principal Act is amended, with effect from 1 January 2027—

(a) in section 2(1), by the insertion of the following definitions:

" 'intra-Community acquisition of services' means the acquisition of services from a taxable person established in another Member State in respect of which the recipient is liable to pay the value-added tax;

'intra-Community supplies of goods' has the meaning assigned to it by section 82(1);

'intra-Community supplies of services' has the meaning assigned to it by section 83(1);

'specified data' means data specified by regulations made under section 120(9)(fa);

'specified person' means an accountable person to whom section 66A applies by virtue of subsection (2) of that section;

'structured electronic format' means a format that complies with the European standard on electronic invoicing referred to in Article 3(1) of Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014[4] and with any of the syntaxes on the list published pursuant to Article 3(2) of that Directive, as updated or revised from time to time pursuant to Article 5(1)(b) of that Directive;",

(b) in section 16(3)(a), by the substitution of "sections 59(2)(i), 66(4) and 66A(11)" for "sections 59(2)(i) and 66(4)",

(c) in section 45(4), by the substitution of "section 66(1) or any of subsections (3) to (5) of section 66A, as the case may be" for "section 66(1)",

(d) in section 66, by the insertion of the following subsection after subsection (4D):

"(4E) This section shall not apply to an invoice or other document to which section 66A applies.",

(e) by the insertion of the following section after section 66:

"Issue of invoices and other documents in structured electronic format

66A. (1) In this section, 'customer identification number' means—

(a) where a person is a registered person, the registration number assigned to that person under section 65(2), or

(b) where a person is not a registered person, the tax reference number assigned to that person under subsection (7).

(2) This section shall apply—

(a) during the period from 1 November 2028 to 31 October 2029, to an accountable person established in the State whose tax affairs were administered by the division of the Office of the Revenue Commissioners known as the Large Corporates Division on 1 January 2027, and

(b) from 1 November 2029, to an accountable person established in the State—

(i) whose tax affairs were administered by the division of the Office of the Revenue Commissioners known as the Large Corporates Division on 1 January 2027,

(ii) whose tax affairs were administered by the division of the Office of the Revenue Commissioners known as the Large Corporates Division on 1 January 2028, or

(iii) who engages in an intra-Community acquisition of goods, an intra-Community acquisition of services, an intra-Community

4 OJ No. L 133, 6.5.2014, p. 1.

supply of goods or an intra-Community supply of services, as the case may be.

(3) A specified person who supplies taxable goods or services within the State to—

(a) a taxable person established in the State, or

(b) a public body,

shall issue to the person so supplied, in respect of each such supply, an invoice in a structured electronic format and containing such particulars as may be specified by regulations.

(4) An accountable person who is not a specified person and who supplies taxable goods or services within the State to—

(a) a taxable person established in the State, or

(b) a public body,

may issue to the person so supplied, in respect of that supply, an invoice in a structured electronic format and containing such particulars as may be specified by regulations.

(5) A specified person, or an accountable person to whom subsection (4) applies, who supplies taxable goods or services within the State which, if an invoice, in accordance with subsection (3) or (4), were issued at the time of each separate supply of those goods or services, would become chargeable to tax within the same calendar month, may instead issue a summary invoice detailing those supplies of goods or services to the person so supplied for that calendar month, in a structured electronic format and containing such particulars as may be specified by regulations.

(6) The issue of an invoice or other document in a structured electronic format in accordance with this section shall not be subject to the prior agreement of the person who is in receipt of that invoice or other document.

(7) For the purposes of this Chapter and Chapter 6A, the Revenue Commissioners shall—

(a) assign a unique number (in this section referred to as a 'tax reference number') to a taxable person who, or a public body that, is not a registered person, and

(b) notify that taxable person or public body of the number assigned under paragraph (a).

(8) (a) An invoice or other document issued in a structured electronic format in accordance with this Chapter shall include the customer identification number of the person to whom the supply is made.

(b) Where an invoice or other document is to be issued in a structured electronic format, the person to whom the supply is made shall, on

request, provide the person issuing the invoice or other document with the number required for the purposes of paragraph (a).

(9) (a) A person who issues or receives an invoice or other document in a structured electronic format under this Chapter, and for the purposes of section 84(1), shall apply business controls to each such invoice or other document to ensure—

(i) the authenticity of the origin of that invoice or other document,

(ii) the integrity of the content of that invoice or other document,

(iii) that there is a reliable audit trail for that invoice or other document and the supply of goods or services as described therein, and

(iv) that the invoice or other document is issued, received and maintained in a structured electronic format.

(b) The person shall furnish evidence of the business controls used to comply with paragraph (a) as may be required by the Revenue Commissioners and such evidence shall be subject to such conditions as may be specified in regulations (if any).

(10) Where a specified person who carries on a business in the State supplies greenhouse gas emission allowances (within the meaning of section 16(2)) to a recipient (within the meaning of section 16(2)) and the recipient is established in the State, the person shall issue a document in a structured electronic format to the recipient indicating—

(a) that the recipient is liable to account for the tax chargeable on that supply, and

(b) 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 this section but excluding the rate at which tax is chargeable and the amount of tax payable.

(11) (a) Where a subcontractor who is a specified person supplies a service to which section 16(3) applies, and the principal is established in the State, then the subcontractor shall issue a document in a structured electronic format to the principal indicating—

(i) that the principal 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 this section but excluding the rate at which tax is chargeable and the amount of tax payable.

(b) Where the principal and the subcontractor so agree, section 71 may apply to this document as if it were an invoice.

(12) (a) Where a specified person who carries on a business in the State

supplies scrap metal (within the meaning of section 16(4)(a)) to a recipient (within the meaning of section 16(4)(b)), and the recipient is established in the State, the person shall issue a document in a structured electronic format 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 this section 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 scrap metal so agree, section 71 may apply to this document as if it were an invoice.

(13) (a) Where a specified person supplies construction work to which section 16(5)(b) applies, and the recipient is established in the State, the person shall issue a document in a structured electronic format to the recipient of such supplies 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 this section 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 construction work so agree, section 71 may apply to this document as if it were an invoice.

(14) (a) Where a specified 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)), and the recipient is established in the State, the person shall issue a document in a structured electronic format 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 this section 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 may apply to this document as if it were an invoice.

(15) (a) Where a specified 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)), and the recipient is established in the State, the person shall issue a document in a structured electronic format 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 this section 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 may apply to this document as if it were an invoice.",

(f) in section 67—

(i) in subsection (1), by the substitution of "section 66(1) or any of subsections (3) to (5) of section 66A, as the case may be" for "section 66(1)",

(ii) in subsection (3), by the substitution of "section 66(1) or any of subsections (3) to (5) of section 66A, as the case may be, and that invoice" for "section 66(1) which",

(iii) in subsection (5), by the substitution of "section 66(1) or any of subsections (3) to (5) of section 66A, as the case may be" for "section 66(1)", and

(iv) by the insertion of the following subsection after subsection (6):

"(7) Where an invoice issued in a structured electronic format under any of subsections (3) to (5) of section 66A is subsequently amended by another invoice, credit note or debit note in accordance with this section, that other invoice, credit note or debit note shall be issued in the same structured electronic format as the original invoice.",

(g) in section 70(2), by the substitution of "section 66(1), any of subsections (3) to (5) of section 66A or section 68(1)" for "section 66(1) or 68(1)",

(h) in section 71—

(i) in subsection (1), by the substitution of the following paragraph for paragraph (b):

"(b) the customer and the supplier are persons registered for value-added tax,",

and

(ii) by the insertion of the following subsections after subsection (1):

"(1A) For the purposes of subsection (1), where—

(a) the customer is a specified person,

(b) the customer and the supplier are established in the State, and

(c) the taxable supply referred to in that subsection is made within the State,

then, the provisions of section 66A shall apply to the customer in relation to an invoice drawn up and issued by the customer under subsection (1), as those provisions apply to a supplier to whom that section applies.

(1B) For the purposes of subsection (1), where—

(a) the customer is an accountable person who is not a specified person,

(b) the customer and the supplier are established in the State, and

(c) the taxable supply referred to in that subsection is made within the State,

then, the customer may issue an invoice under subsection (1) in a structured electronic format and the provisions of section 66A shall apply to the customer in relation to that invoice as those provisions apply to a person to whom subsection (4) of that section applies.",

(i) by the insertion of the following Chapter after Chapter 6:

"Chapter 6A

Digital reporting

Supplies of goods and services made within the State

83A. (1) This section shall apply from 1 November 2028 in respect of supplies of taxable goods and services made within the State.

(2) (a) Where a specified person is required under Chapter 2 to issue an invoice or other document in a structured electronic format, that person shall transmit electronically to the Revenue Commissioners specified data on each individual transaction to which that invoice or other document relates, in the form and manner specified by regulations, at the time when the invoice or other document is issued or should have been issued.

(b) Where an accountable person who is not a specified person issues an invoice in a structured electronic format under Chapter 2, that person may transmit electronically to the Revenue Commissioners specified data on each individual transaction to which that invoice relates, in the form and manner specified by regulations, at the time when the invoice is issued.

(3) (a) Where section 71(1A) applies to a customer (within the meaning of that section) in relation to an invoice, that customer shall transmit electronically to the Revenue Commissioners specified data on each individual transaction to which that invoice relates, in the form and manner specified by regulations, no later than 5 days after the invoice is issued or should have been issued.

(b) Where section 71(1B) applies to a customer (within the meaning of

that section) in relation to an invoice, that customer may transmit electronically to the Revenue Commissioners specified data on each individual transaction to which that invoice relates, in the form and manner specified by regulations, no later than 5 days after the invoice is issued. 5

(4) A third party may transmit specified data under subsection (2) or (3), as the case may be, on behalf of a person referred to in the subsection concerned.",

(j) in section 108B(1), by the substitution of "section 66(1)(a) or 66A(3)" for "section 66(1)(a)" in each place where it occurs, and 10

(k) in section 120(9)—

(i) in paragraph (b)—

(I) in subparagraph (i), by the substitution of "(including electronic form and structured electronic format)" for "(including electronic form)",

(II) in subparagraph (iv), by the substitution of "form or format (including electronic form and structured electronic format)," for "form,", and 15

(III) by the substitution of the following subparagraph for subparagraph (v):

"(v) the conditions to which the evidence of the business controls used to comply with section 66(2A)(a) or 66A(9)(a) shall be subject, as referred to in section 66(2A)(b) or 66A(9)(b), respectively, as the case may be,", 20

and

(ii) by the insertion of the following paragraph after paragraph (f):

"(fa) as respects the transmission of data under Chapter 6A—

(i) the specified data required to be transmitted to the Revenue Commissioners, and 25

(ii) the form and manner in which such data shall be transmitted,".

Amendment of section 86 of Principal Act (special provisions for tax invoiced by flat-rate farmers)

52. Section 86(1) of the Principal Act is amended, with effect from 1 January 2027, by the substitution of "4.8 per cent" for "4.5 per cent". 30

Amendment of section 91J of Principal Act (import scheme (where the State is Member State of identification))

53. Section 91J of the Principal Act is amended—

(a) in subsection (5)— 35

(i) in paragraph (c), by the substitution of "value-added tax identification number;" for "value-added tax identification number identification number.", and

(ii) by the insertion of the following paragraph after paragraph (c):

"(d) a tax clearance certificate within the meaning of section 1095 of the Taxes Consolidation Act 1997.",

(b) by the insertion of the following subsection after subsection (5):

"(5A) Notwithstanding subsection (5)(d), an intermediary who is registered for use of the import scheme in the State shall be required to hold a tax clearance certificate within the meaning of section 1095 of the Taxes Consolidation Act 1997 for the duration of his or her registration as an intermediary in the import scheme.",

and

(c) by the insertion of the following subsection after subsection (7):

"(7A) An intermediary registered for use of the import scheme in the State shall notify the Revenue Commissioners where he or she no longer holds a tax clearance certificate as required by subsection (5A).".

Amendment of paragraph 6(1) of Schedule 1 to Principal Act (exempt activities)

54. Schedule 1 to the Principal Act is amended, in Part 2, in paragraph 6(1), by the substitution of the following clause for clause (c):

"(c) transactions concerning current, deposit or savings accounts, payments, transfers, debts, cheques and other negotiable instruments, but excluding debt collection and factoring;".

Amendment of section 46 of, and paragraph 5 of Schedule 3 to, Principal Act (pharmaceutical products)

55. The Principal Act is amended—

(a) in section 46(1)(ca), by the substitution of "paragraphs 5(2), 7(a)," for "paragraphs 7(a),", and

(b) in Part 2 of Schedule 3, by the substitution of the following paragraph for paragraph 5:

"5. (1) Non-oral contraceptive products.

(2) The supply of non-oral respiratory vaccines of a kind used for livestock.".

PART 4

STAMP DUTIES

Definition (*Part 4*)

56. In this Part, "Principal Act" means the Stamp Duties Consolidation Act 1999.

Amendment of section 81C of Principal Act (further farm consolidation relief)

57. The Principal Act is amended in section 81C—

(a) by the substitution of the following subsection for subsection (3):

"(3) Subject to subsections (4) and (5), stamp duty shall be chargeable at the rate of one per cent on an instrument executed on or after 1 January 2018 giving effect to the purchase of qualifying land to which this section applies as if it were a purchase of qualifying land made in consideration of a sum determined by the formula—

(P — S)

where—

P is the aggregate of—

(a) the value of the qualifying land being purchased, and

(b) the value of all other qualifying land purchased by the farmer in the relevant period where the date of the purchase falls in the period of 24 months ending on the calculation day and where any such purchase was treated by virtue of this subsection as having been made in consideration of a lesser amount in consequence of a sale of qualifying land being made before the commencement of that 24 month period, that lesser amount shall be treated as the value of that purchase,

and

S is the aggregate of the value of all the qualifying land sold by the farmer in the relevant period where the date of the sale falls in the period of 24 months ending on the calculation day, to the extent that it has not given rise to a repayment of duty under subsection (5) in respect of a purchase of qualifying land made before the commencement of that 24 month period,

provided that where the sum determined by the formula is a negative amount, that sum shall be deemed to be nil.",

and

(b) in subsection (5), by the insertion of "and, for the purposes of subsection (4), the duty that is chargeable on the instrument after the recomputation shall be treated as if it were an amount of duty that has been paid in accordance with subsection (3) on the purchase of qualifying land on the calculation day" after "where a claim for repayment is made to them in that regard".

Amendment of Part 7 of Principal Act (exemptions and reliefs from stamp duty)

58. (1) The Principal Act is amended by the insertion of the following section after section 82B:

"Transfers in connection with incorporation of relevant sports body

82BA. (1) In this section—

'clawback' means the amount determined in accordance with subsection (4) or (5) or referred to in subsection (6) or (7), as the case may be, as being payable to the Commissioners;

'company limited by guarantee' has the same meaning as in Part 18 of the Companies Act 2014;

'competitive sport' means all forms of physical activity which, through organised participation, aim at—

(a) expressing or improving physical fitness, and

(b) obtaining improved results in competition at all levels;

'governing document', in relation to a relevant sports body, means—

(a) the constitution,

(b) the memorandum and articles of association,

(c) the charter,

(d) the trust deed, or

(e) any other document that establishes the formal rules,

of the relevant sports body;

'initial instrument' means an instrument by which land was transferred to a transferor body in respect of which relief from stamp duty under section 82B was claimed;

'objects', in relation to a relevant sports body, means the purposes of the relevant sports body as set out in its governing document;

'recreational sport' means all forms of physical activity which, through casual or regular participation, aim at—

(a) expressing or improving physical fitness and mental well-being, and

(b) forming social relationships;

'relevant instrument' has the meaning given to it by subsection (3);

'relevant sports body' means any body of persons established for and existing for the sole purpose of promoting athletic or amateur games or sports;

'relevant transfer' shall be construed in accordance with subsection (2);

'specified land' means any land, or part of such land, transferred by an initial instrument;

'sport' includes competitive sport and recreational sport;

'successor body' has the meaning given to it by subsection (2)(a);

'transferor body' has the meaning given to it by subsection (2)(a).

(2) For the purposes of this section, a transfer is a relevant transfer where—

(a) the transfer is from a relevant sports body that is not a body corporate (in this section referred to as a 'transferor body') to a relevant sports body that is a company limited by guarantee (in this section referred to as a 'successor body');

(b) the transfer comprises the entirety of the undertaking, assets and liabilities of the transferor body whether effected by way of a single instrument or by way of two or more instruments together with such other arrangements, if any, as may be necessary to effect the transfer, provided that the entire undertaking, assets and liabilities are transferred within a period of 12 months from the date of the instrument being a single instrument or the first of two or more instruments, as the case may be,

(c) the transfer is made for the purposes of, or in connection with, the incorporation of the successor body as a company limited by guarantee,

(d) the objects of the successor body are the same as, or substantially similar to, the objects of the transferor body as set out in the governing document of the transferor body,

(e) the successor body is required by its constitution to apply all of its property in the furtherance of the objects referred to in paragraph (d),

(f) the successor body is prohibited by its constitution from distributing to its members, either directly or indirectly, any of its assets or profits, other than by way of *bona fide* remuneration for services rendered or reimbursement of expenses properly incurred, and

(g) the transfer forms part of a reorganisation of the transferor body carried out for *bona fide* purposes and is not undertaken for the purpose of, or does not have as one of its main purposes, the avoidance of a liability to tax or duty.

(3) Notwithstanding any other provisions of this Act, stamp duty shall not be chargeable on any instrument (in this section referred to as a 'relevant instrument') specified in Schedule 1 which—

(a) on its own, or

(b) together with one or more than one other instrument,

gives effect to a relevant transfer.

(4) (a) Where a successor body to which property, other than specified land, was conveyed, transferred or assigned by a relevant instrument—

(i) disposes of such property, or part of such property (in this

subsection referred to as a 'part disposal'), and

(ii) does not fully apply the proceeds from such disposal or part disposal, as the case may be, directly or indirectly to the sole purpose of promoting athletic or amateur games or sports,

then, the successor body shall become liable to pay to the Commissioners an amount equal to an amount determined by the formula—

$$S \times \frac{N}{V}$$

where—

S is the amount of stamp duty that would have been charged on the relevant instrument had subsection (3) not applied,

V is the market value, immediately before the disposal or part disposal, as the case may be, of all the property transferred by the relevant instrument, and

N is the amount of proceeds from the disposal or part disposal, as the case may be, that has not been, or will not be, applied directly or indirectly to the sole purpose of promoting athletic or amateur games or sports.

(b) For the purposes of paragraph (a)—

(i) where any property is received by way of exchange, in whole or in part for a disposal or part disposal referred to in that paragraph, and that property has been, or will be, applied directly or indirectly to the sole purpose of promoting athletic or amateur games or sports, an amount equal to the market value of that property, at the date of the disposal or part disposal, as the case may be, shall be deemed to be proceeds from such disposal or part disposal which have been, or will be, applied to that same purpose,

(ii) where a disposal or part disposal of property referred to in that paragraph is effected in whole or in part by way of a voluntary disposition *inter vivos*, an amount equal to the market value of the property disposed of, at the date of the disposal or part disposal, as the case may be, less the amount, if any, received as proceeds from the disposal or part disposal, as the case may be, shall be deemed to be proceeds from such disposal or part disposal which have not been, or will not be, applied directly or indirectly to the sole purpose of promoting athletic or amateur games or sports.

(5) (a) Where a successor body to which property which is specified land was conveyed, transferred or assigned by a relevant instrument—

(i) disposes of such specified land, or part of such specified land

(in this subsection referred to as a 'part disposal'), and

(ii) does not fully apply the proceeds from such disposal or part disposal, as the case may be, to the sole purpose of promoting athletic or amateur games or sports,

then, such successor body shall become liable to pay to the Commissioners an amount equal to an amount determined by the formula—

$$S \times \frac{N}{V}$$

where—

S is the duty that would have been charged on the initial instrument had section 82B(2) not applied,

V is the market value, immediately before the disposal or part disposal, as the case may be, of all the property transferred by the relevant instrument, and

N is the amount of proceeds from the disposal or part disposal, as the case may be, that has not been, or will not be, applied to the sole purpose of promoting athletic or amateur games or sports.

(b) For the purposes of paragraph (a)—

(i) where any property is received by way of exchange, in whole or in part for a disposal or part disposal referred to in that paragraph, and that property has been, or will be, applied to the sole purpose of promoting athletic or amateur games or sports, an amount equal to the market value of that property, at the date of the disposal or part disposal, as the case may be, shall be deemed to be proceeds from such disposal or part disposal which have been, or will be, applied to that same purpose,

(ii) where a disposal or part disposal of specified land referred to in that paragraph is effected in whole or in part by way of a voluntary disposition *inter vivos*, an amount equal to the market value of the specified land disposed of, at the date of the disposal or part disposal, as the case may be, less the amount, if any, received as proceeds from the disposal or part disposal, as the case may be, shall be deemed to be proceeds from such disposal or part disposal which have not been, or will not be, applied to the sole purpose of promoting athletic or amateur games or sports.

(6) Subject to subsection (7), where a successor body to which property, other than specified land, was conveyed, transferred or assigned by a relevant instrument ceases, at any time, to use the property, in whole or in part, directly or indirectly, for the sole purpose of promoting athletic or amateur games or sports, the successor body shall become liable to pay to the Commissioners an amount equal to the amount of stamp

duty which would have been charged on the relevant instrument, in the first instance, had subsection (3) not applied.

(7) Where a successor body to which specified land was conveyed, transferred or assigned by a relevant instrument ceases, at any time, to use the specified land, in whole or in part, for the sole purpose of promoting athletic or amateur games or sports, the successor body shall become liable to pay to the Commissioners an amount equal to the amount of stamp duty which would have been charged on the initial instrument had section 82B(2) not applied.

(8) The transfer of specified land to a successor body shall not constitute a disposal for the purposes of section 82B(4).

(9) Interest, calculated in accordance with section 159D, shall be payable on a clawback under subsection (4), (5), (6) or (7), as the case may be, for the period—

(a) beginning on the date of—

(i) any disposal, in the case of clawback determined under subsection (4) or (5), as the case may be, or

(ii) any cessation, in the case of clawback referred to in subsection (6) or (7), as the case may be, and

(b) ending on the date on which the clawback concerned is remitted.

(10) Notwithstanding subsections (4), (5), (6) and (7), the maximum clawback payable on any instrument shall not exceed—

(a) in the case of subsections (4) and (6), the amount of duty which would have been charged on the relevant instrument in respect of property that is not specified land had subsection (3) not applied, and

(b) in the case of subsections (5) and (7), the amount of duty which would have been charged on the initial instrument had section 82B(2) not applied.".

Repeal of section 84 of Finance Act 2025

59. Section 84 of the Finance Act 2025 is repealed.

Levy on authorised insurers

60. (1) The Principal Act is amended—

(a) in section 125A—

(i) in subsection (1), by the substitution of the following definition for the definition of "relevant contract":

" 'relevant contract' means a contract of insurance (not being an excluded contract of insurance) between an authorised insurer and an individual (in this section referred to as 'the relevant individual')

which provides for the making of in-patient indemnity payments under the contract and which, in relation to the relevant individual, the spouse or civil partner of the relevant individual, or the children or other dependents of the relevant individual or of the spouse or civil partner of the relevant individual, provides specifically, whether in conjunction with other benefits or not, for the reimbursement or discharge, in whole or in part, of actual health expenses (within the meaning of section 469 of the Taxes Consolidation Act 1997), being a contract of medical insurance;",

(ii) by the substitution of the following subsection for subsection (2):

"(2) Subject to subsection (7), an authorised insurer shall, in respect of each accounting period and not later than the due date, deliver to the Commissioners a statement showing the number of insured persons in respect of whom a relevant contract was renewed, or entered into, during the accounting period concerned, where the insured person was—

(a) aged less than 18 years on the day the relevant contract was renewed or entered into and the relevant contract provides for non-advanced cover,

(b) aged 18 years or over on the day the relevant contract was renewed or entered into and the relevant contract provides for non-advanced cover,

(c) aged less than 18 years on the day the relevant contract was renewed or entered into and the relevant contract provides for advanced cover, and

(d) aged 18 years or over on the day the relevant contract was renewed or entered into and the relevant contract provides for advanced cover.",

(iii) in subsection (4), by the substitution of "stamp duty" for "duty",

(iv) in subsection (6), by the substitution of "in addition to the stamp duty" for "in addition to the duty",

(v) in subsection (9), by the substitution of "Any stamp duty or interest charged under this section, or any penalty applied under section 134A in relation to a statement required to be delivered under this section," for "The stamp duty, interest and penalty payable under this section",

(vi) by the deletion of subsections (10) and (11),

(vii) in subsection (12)(a), by the deletion of "by an individual referred to in the definition of 'insured person' ", and

(viii) by the insertion of the following subsections after subsection (13):

"(14) Where an authorised insurer is required to pay stamp duty pursuant to subsection (4) in relation to an insured person in respect of whom a relevant contract has been renewed or entered into during an

accounting period, the authorised insurer may charge to the relevant individual an amount equal to the amount of stamp duty payable.

(15) (a) Where, in respect of any accounting period—

(i) an insured person is included in the number of insured persons shown on a statement delivered to the Commissioners pursuant to subsection (2) by virtue of a relevant contract having been entered into, or renewed, during the accounting period concerned,

(ii) stamp duty is paid by the authorised insurer on the delivery of the statement pursuant to subsection (4), and

(iii) during the period of 365 days commencing on the day the relevant contract was renewed or entered into (in this paragraph referred to as the 'relevant period'), the insured person ceases to be insured under the relevant contract,

the authorised insurer shall, on a claim being made to the Commissioners in accordance with paragraph (b) and subject to section 159A, be entitled to a repayment of stamp duty determined by the formula—

$$A \times \frac{B}{365}$$

where—

A is the amount of stamp duty paid by the authorised insurer in relation to the insured person, and

B is the number of days that remain in the relevant period immediately following the date on which the insured person ceases to be insured under the relevant contract.

(b) A claim for repayment of stamp duty under paragraph (a) shall be made by the authorised insurer in the statement that the authorised insurer is required to deliver to the Commissioners pursuant to subsection (2) in respect of the accounting period during which the insured person ceases to be insured under the relevant contract.

(c) For the purposes of paragraph (a), if, on the date the insured person ceases to be insured under the relevant contract, a person (in this paragraph referred to as 'the successor') other than the authorised insurer that delivered the statement to the Commissioners on which the insured person was included carries on the business that required the delivery of that statement, the successor shall be treated as if it were the authorised insurer that delivered the statement.

(d) For the purpose of paragraph (a), where a relevant contract, which is entered into or renewed in a particular accounting period comes to an end in respect of an insured person in the same accounting

period, the authorised insurer will be treated as having paid the stamp duty in relation to the insured person for that accounting period if the insurer includes that insured person in the number of insured persons in respect of whom the relevant contract was entered into or renewed in that accounting period when delivering the statement required to be delivered pursuant to subsection (2).

(16) Without prejudice to section 960H of the Taxes Consolidation Act 1997, where an authorised insurer is entitled to a repayment of stamp duty pursuant to a claim made in accordance with subsection (15), the Collector-General may, instead of making the repayment, set the amount of the repayment against any stamp duty that is payable by the authorised insurer pursuant to subsection (4) in respect of the accounting period during which the insured person ceased to be insured under the relevant contract.

(17) Where, in relation to an insured person—

(a) an authorised insurer is entitled to a repayment of stamp duty pursuant to a claim made in accordance with subsection (15), and

(b) any of the following conditions is satisfied:

(i) the repayment is made to the authorised insurer;

(ii) the Collector-General has, in accordance with subsection (16), set the repayment against stamp duty that is payable by the authorised insurer;

(iii) the Collector-General has set or withheld the repayment pursuant to section 960H of the Taxes Consolidation Act 1997,

then, the authorised insurer shall, to the extent that the relevant individual paid to the authorised insurer the amount referred to in subsection (14), pay to the relevant individual the amount determined by the formula—

$$A - B + C$$

where—

A is the amount paid by the relevant individual to the authorised insurer in relation to that insured person in respect of the accounting period pursuant to subsection (14),

B is the amount of stamp duty paid by the authorised insurer in relation to that insured person in respect of the accounting period pursuant to subsection (4), and

C is the amount of the repayment.”,

and

(b) in section 159A(2)(c)—

(i) in subparagraph (vi), by the deletion of “or”,

(ii) in subparagraph (vii), by the substitution of "section 83DB, or" for "section 83DB.", and

(iii) by the insertion of the following subparagraph after subparagraph (vii):

"(viii) for the purposes of section 125A(15), the date the insured person (within the meaning of section 125A) ceased to be insured under the relevant contract (within the meaning of section 125A).". 5

(2) *Subsection (1)* shall come into operation on 1 April 2027.

Amendment of section 126AB of Principal Act (further levy on certain financial institutions) 10

61. Section 126AB of the Principal Act is amended—

(a) in subsection (1), by the substitution of the following definition for the definition of "base year":

" 'base year' means—

(a) in respect of each of the years 2024 and 2025, the year 2022, and 15

(b) in respect of the years 2026 and 2027, the year 2024;",

(b) in subsection (2), by the substitution of "each of the years 2024 to 2027" for "each of the years 2024 to 2026", and

(c) by the substitution of the following subsection for subsection (3):

"(3) There shall be charged on every statement delivered under subsection (2) a stamp duty of an amount equal to— 20

(a) for the years 2024 and 2025, 0.112 per cent of the assessable amount shown in the statement, and

(b) for the years 2026 and 2027, 0.1025 per cent of the assessable amount shown in the statement.". 25

PART 5

CAPITAL ACQUISITIONS TAX

Definition (*Part 5*)

62. In this Part, "Principal Act" means the Capital Acquisitions Tax Consolidation Act 2003.

Provisions relating to certain transfers in connection with incorporation of relevant sports body 30

63. The Principal Act is amended—

(a) in section 51(3)

(i) in paragraph (f), by the substitution of "disposed of," for "disposed of.", and

(ii) by the insertion of the following paragraph after paragraph (f):

"(g) to the extent to which section 76A(4) or (5) applies, for the duration of the period from the valuation date to the date the exemption ceases to apply.",

and

(b) by the insertion of the following section after section 76:

"Exemption relating to certain transfers in connection with incorporation of relevant sports body

76A. (1) In this section—

'company limited by guarantee' has the same meaning as in Part 18 of the Companies Act 2014;

'competitive sport' means all forms of physical activity which, through organised participation, aim at—

(a) expressing or improving physical fitness, and

(b) obtaining improved results in competition at all levels;

'governing document', in relation to a relevant sports body, means—

(a) the constitution,

(b) the memorandum and articles of association,

(c) the charter,

(d) the trust deed, or

(e) any other document that establishes the formal rules,

of the relevant sports body;

'objects', in relation to a relevant sports body, means the purposes of the relevant sports body as set out in its governing document;

'recreational sport' means all forms of physical activity which, through casual or regular participation, aim at—

(a) expressing or improving physical fitness and mental well-being, and

(b) forming social relationships;

'relevant disposition' has the meaning given to it in subsection (3);

'relevant sports body' means any body of persons established for and existing for the sole purpose of promoting athletic or amateur games or sports;

'relevant transfer' shall be construed in accordance with subsection (2);

'sport' includes competitive sport and recreational sport;

'successor body' has the meaning given to it by subsection (2)(a);

'transferor body' has the meaning given to it by subsection (2)(a).

(2) For the purposes of this section, a transfer is a relevant transfer where—

(a) the transfer is from a relevant sports body that is not a body corporate (in this section referred to as a 'transferor body') to a relevant sports body that is a company limited by guarantee (in this section referred to as a 'successor body'),

(b) the transfer comprises the entirety of the undertaking, assets and liabilities of the transferor body,

(c) the transfer is made for the purposes of, or in connection with, the incorporation of the successor body as a company limited by guarantee,

(d) the objects of the successor body are the same as, or substantially similar to, the objects of the transferor body as set out in the governing document of the transferor body,

(e) the successor body is required by its constitution to apply all of its property in the furtherance of the objects referred to in paragraph (d),

(f) the successor body is prohibited by its constitution from distributing to its members, either directly or indirectly, any of its assets or profits, other than by way of *bona fide* remuneration for services rendered or reimbursement of expenses properly incurred, and

(g) the transfer forms part of a reorganisation of the transferor body carried out for *bona fide* purposes and is not undertaken for the purpose of, or does not have as one of its main purposes, the avoidance of a liability to tax or duty.

(3) Subject to subsection (4), and notwithstanding any other provision of this Act, any benefit arising to a successor body under or in consequence of a disposition (in this section referred to as a 'relevant disposition') made pursuant to a relevant transfer is exempt from tax and is not taken into account in computing tax.

(4) If, and to the extent that, at any time after a relevant disposition—

(a) the property, or any part of the property, comprised in the relevant disposition is disposed of (in this section referred to as a 'subsequent disposal') otherwise than for full consideration in money or money's worth which is applied, directly or indirectly, within a reasonable period, for the sole purpose of promoting athletic or amateur games or sports, or

(b) any of the property comprised in the relevant disposition ceases to be used directly or indirectly by the successor body for the sole purpose of promoting athletic or amateur games or sports,

then—

(i) subsection (3) shall cease to apply—

(I) in a case where paragraph (a) applies, to the extent of the benefit attributable to the property comprised in the subsequent disposal, and

(II) in a case where paragraph (b) applies, to the extent of the benefit attributable to the property which has ceased to be so used,

and

(ii) subject to subsection (5), tax shall be chargeable accordingly as if subsection (3) had not applied.

(5) For the purposes of subsection (4)(a), the part of the benefit attributable to the property comprised in the subsequent disposal to which subsection (3) shall cease to apply shall be determined by the following formula—

$$V1 \times N/V2$$

where—

V1 is the market value, at the date of the relevant transfer, of the property comprised in the subsequent disposal,

V2 is the market value of the property immediately before the subsequent disposal, and

N is the amount of proceeds from the subsequent disposal of that property or, as the case may be, a part thereof, which was not applied, directly or indirectly, for the sole purpose of promoting athletic or amateur games or sports.".

Amendment of section 82 of Principal Act (exemption of certain receipts)

64. Section 82 of the Principal Act is amended by the substitution of the following subsection for subsection (4):

"(4) Notwithstanding anything contained in this Act, the receipt after the death of the disponer by—

(a) a minor child of the disponer or of the civil partner of the disponer, or

(b) a child of the disponer, or of the civil partner of the disponer, who is more than 18 years of age but not more than 25 years of age and is receiving full-time education or instruction at any university, college, school or other educational establishment, or who, regardless of age, is permanently incapacitated by reason of physical or mental infirmity from maintaining himself or herself,

of money or money's worth for support, maintenance or education, is

not a gift or an inheritance where the provision of such support, maintenance or education—

(i) is such as would be part of the normal expenditure of a person in the circumstances of the disponer immediately before the death of the disponer, and

(ii) is reasonable having regard to the financial circumstances of the disponer immediately before the death of the disponer.".

Amendment of section 101 of Principal Act (withdrawal of relief)

65. Section 101(4) of the Principal Act is amended, in paragraph (b)—

(a) by the substitution of "subsection (2)(a)(ii)" for "subsection (2)(b)", and

(b) by the substitution of "disposed of" for "sold".

Amendment of Schedule 2 to Principal Act (computation of tax)

66. (1) Schedule 2 to the Principal Act is amended in paragraph 1 of Part 1, in the definition of "group threshold"—

(a) in paragraph (a), by the substitution of "€420,000" for "€400,000",

(b) in paragraph (b), by the substitution of "€44,000" for "€40,000", and

(c) in paragraph (c), by the substitution of "€22,000" for "€20,000".

(2) *Subsection (1)* applies to gifts and inheritances taken on or after 7 October 2026.

PART 6

MISCELLANEOUS

Definition (*Part 6*)

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

Amendment of section 959AU of Principal Act (date for payment of tax: amended assessments)

68. Section 959AU of the Principal Act is amended—

(a) in subsection (1), by the substitution of "subsection (2), (3) or (4)" for "subsection (2) or (3)", and

(b) by the insertion of the following subsection after subsection (3):

"(4) (a) Where—

(i) a chargeable person has delivered a return containing a full and true disclosure of all material facts necessary for the making of an assessment, and

(ii) the assessment is subsequently amended to give effect to one or more advance pricing agreements,

then, any additional tax due by reason of the amendment of the assessment shall be deemed to have been due and payable not later than one month from the date of the amendment. 5

(b) In this subsection—

'advance pricing agreement' means an agreement—

(i) reached, under an arrangement having the force of law by virtue of subsection (1) or (1B) of section 826, between the competent authority of the State and a competent authority of another jurisdiction, and 10

(ii) which determines, in respect of a period specified in the agreement, criteria for—

(I) determining the pricing for transactions that are covered by the agreement, or 15

(II) attributing either or both income and costs to a permanent establishment that is covered by the agreement;

'permanent establishment' means a place of business that is treated as a permanent establishment under an arrangement having the force of law by virtue of subsection (1) or (1B) of section 826.". 20

Amendment of section 1003 of Principal Act (payment of tax by means of donation of heritage items)

69. (1) Section 1003 of the Principal Act is amended, in subsection (2)(c)(ii), by the substitution of "€12,000,000" for "€8,000,000".

(2) *Subsection (1)* shall come into operation on 1 January 2027. 25

Amendment of Chapter 3 of Part 38 of Principal Act (other obligations and returns)

70. (1) Chapter 3 of Part 38 of the Principal Act is amended—

(a) in section 891HA(8)(a), by the substitution of "subparagraphs (ii) to (iv) of subsection (3)(a)" for "subparagraphs (i) to (iii) of subsection (3)(a)", and

(b) in section 891M(9)(a), by the substitution of "clauses (II) to (IV) of subsection (3)(a)(ii)" for "clauses (I) to (IV) of subsection (3)(a)(ii)". 30

(2) *Subsection (1)* shall be deemed to have come into operation on 1 January 2026.

Amendments to certain provisions relating to agricultural *de minimis* aid

71. (1) Section 667C(1) of the Principal Act is amended by the substitution of the following definition for the definition of "Commission Regulation (EU) No. 1408/2013": 35

" 'Commission Regulation (EU) No. 1408/2013' means Commission

Regulation (EU) No.1408/2013 of 18 December 2013[5] as amended by Commission Regulation (EU) 2019/316 of 21 February 2019[6], Commission Regulation (EU) 2022/2046 of 24 October 2022[7], Commission Regulation (EU) 2023/2391 of 4 October 2023[8], Commission Regulation (EU) 2024/3118 of 10 December 2024[9] and Commission Regulation (EU) 2025/1989 of 2 October 2025[10];".

(2) Section 81D(1) of the Stamp Duties Consolidation Act 1999 is amended by the substitution of the following definition for the definition of "Commission Regulation (EU) No. 1408/2013":

" 'Commission Regulation (EU) No. 1408/2013' means Commission Regulation (EU) No.1408/2013 of 18 December 2013[11] as amended by Commission Regulation (EU) 2019/316 of 21 February 2019[12], Commission Regulation (EU) 2022/2046 of 24 October 2022[13], Commission Regulation (EU) 2023/2391 of 4 October 2023[14], Commission Regulation (EU) 2024/3118 of 10 December 2024[15] and Commission Regulation (EU) 2025/1989 of 2 October 2025[16];".

Amendment of Part 4A of Principal Act (implementation of Council Directive (EU) 2022/2523 of 15 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union)

72. (1) The Principal Act is amended—

(a) in section 111A(1)—

(i) by the substitution of the following definition for the definition of 'qualified domestic top-up tax':

" 'qualified domestic top-up tax' means a top-up tax that is implemented in the domestic law of a jurisdiction, provided that such jurisdiction does not provide any benefits that are related to those rules, and that—

(a) provides for the determination of the excess profits of the constituent entities located in that jurisdiction in accordance with the rules laid down in the Directive or, as regards third country jurisdictions, the OECD Model Rules, and the application of the minimum tax rate to those excess profits for the jurisdiction and the constituent entities in accordance with the rules laid down in the Directive or, as regards third country jurisdictions, the OECD Model Rules, and

(b) is administered in a way that is consistent with the rules laid down

5 OJ No. L352, 24.12.2013, p.9
6 OJ No. L51/I, 22.2.2019, p.1
7 OJ No. L275, 25.10.2022, p.55
8 OJ L, 2023/2391, 5.10.2023
9 OJ L, 2024/3118, 13.12.2024
10 OJ L, 2025/1989, 3.10.2025
11 OJ No. L352, 24.12.2013, p.9
12 OJ No. L51/I, 22.2.2019, p.1
13 OJ No. L275, 25.10.2022, p.55
14 OJ L, 2023/2391, 5.10.2023
15 OJ L, 2024/3118, 13.12.2024
16 OJ L, 2025/1989, 3.10.2025

in the Directive or, as regards third country jurisdictions, the OECD Model Rules,

but shall not include a top-up tax which is an explicitly conditional tax, except where that top-up tax—

(i) applied from 1 January 2024,

(ii) was enacted before 30 November 2024, and

(iii) applies on an unconditional basis to all members of an MNE group located in the jurisdiction concerned for all fiscal years beginning on or after 1 January 2025;",

(ii) by the substitution of the following definition for the definition of 'qualified IIR':

" 'qualified IIR' means a set of rules implemented in the domestic law of a jurisdiction, provided that such jurisdiction does not provide any benefits that are related to those rules, and that is—

(a) equivalent to the rules laid down in the Directive or, as regards third country jurisdictions, the OECD Model Rules, in accordance with which the parent entity of an MNE group or of a large-scale domestic group calculates and pays its allocable share of top-up tax in respect of the low-taxed constituent entities of that group, and

(b) administered in a way that is consistent with the rules laid down in the Directive or, as regards third country jurisdictions, the OECD Model Rules,

but shall not include an explicitly conditional tax;",

(iii) by the substitution of the following definition for the definition of 'qualified UTPR':

" 'qualified UTPR' means a set of rules implemented in the domestic law of a jurisdiction, provided that such jurisdiction does not provide any benefits that are related to those rules, and that is—

(a) equivalent to the rules laid down in the Directive or, as regards third country jurisdictions, the OECD Model Rules, in accordance with which a jurisdiction collects its allocable share of top-up tax of an MNE group that was not charged under the qualified IIR in respect of the low-taxed constituent entities of that MNE group, and

(b) administered in a way that is consistent with the rules laid down in the Directive or, as regards third country jurisdictions, the OECD Model Rules,

but shall not include an explicitly conditional tax;",

and

(iv) by the insertion of the following definition:

" 'explicitly conditional tax' means a tax that—

(a) applies to a constituent entity, joint venture or member of a joint venture group, as the case may be (in this definition referred to as 'the entity'), under the condition that—

(i) a qualified IIR or a qualified UTPR applies in respect of the entity in another jurisdiction, and

(ii) in respect of fiscal years commencing on or after 1 January 2026, section 111AKC, or an equivalent provision under the tax law of another jurisdiction, does not apply to the entity,

or

(b) does not apply to the entity, under the condition that—

(i) a qualified IIR or a qualified UTPR does not apply in respect of the entity in another jurisdiction, or

(ii) in respect of fiscal years commencing on or after 1 January 2026, section 111AKC, or an equivalent provision under the tax law of another jurisdiction, applies to the entity;",

(b) in section 111B(1), in the definition of "OECD Pillar Two guidance"—

(i) in paragraph (f), by the deletion of "and",

(ii) by the insertion of the following paragraphs after paragraph (f):

"(fa) the document entitled OECD (2026), Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on the Application of the Transitional UTPR Safe Harbour to MNE Groups with 52-53-Week Fiscal Years: Inclusive Framework on BEPS, OECD, published by the OECD on 18 May 2026,

(fb) the document entitled OECD (2026), Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on the Global Anti-Base Erosion Model Rules (Pillar Two), September 2026: Inclusive Framework on BEPS, OECD/G20 Base Erosion and Profit Shifting Project, OECD, Paris, published by the OECD on 11 September 2026,",

and

(iii) by the insertion of the following paragraphs after paragraph (fb) (inserted by s*ubparagraph (ii)*):

"(fc) the document entitled OECD (2026), Tax Challenges Arising from the Digitalisation of the Economy – GloBE Information Return (September 2026): Inclusive Framework on BEPS, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, published by the OECD on 11 September 2026,

(fd) the document entitled OECD (2026), Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two), Side-by-Side Package: Inclusive

Framework on BEPS, OECD, published by the OECD on 5 January 2026, and",

(c) in section 111O(1), by the insertion of "111AKX," after "111AB,",

(d) in section 111P(2)—

(i) by the substitution of the following paragraph for paragraph (f):

"(f) subject to section 111AKN(4)(b)(i), asymmetric foreign currency gains or losses;",

and

(ii) by the substitution of the following paragraph for paragraph (i):

"(i) subject to section 111AKN(4)(b)(ii), accrued pension expenses, and",

(e) in section 111R—

(i) in subsection (3), by the substitution of "Subject to subsection (4) and section 111AKY(5)(c)," for "Subject to subsection (4),", and

(ii) by the substitution of the following subsection for subsection (4):

"(4) Subject to section 111AKY(5)(c)—

(a) a qualifying loss of a permanent establishment shall be treated as an expense of the main entity for the purposes of calculating the main entity's qualifying income or loss to the extent that the loss of the permanent establishment is treated as an expense in the calculation of domestic taxable income of the main entity in the jurisdiction in which it is located and is not set off against an item of the domestic taxable income that is subject to tax under the laws of both the jurisdiction of the main entity and the jurisdiction of the permanent establishment, and

(b) qualifying income that is earned by a permanent establishment, after a qualifying loss of the permanent establishment was treated as an expense of the main entity for the purposes of calculating the main entity's qualifying income or loss in accordance with paragraph (a), shall be treated as qualifying income of the main entity up to the amount of the qualifying loss that was previously treated as an expense of the main entity under paragraph (a).",

(f) in section 111T(2)—

(i) in paragraph (d), by the substitution of "imputation tax," for "imputation tax, and",

(ii) in paragraph (e), by the substitution of "returns to policyholders, and" for "returns to policyholders.", and

(iii) by the insertion of the following paragraph after paragraph (e):

"(f) an explicitly conditional tax.",

(g) in section 111U(3)—

(i) in paragraph (g), by the deletion of "and",

(ii) in paragraph (h), by the substitution of "fiscal year concerned, and" for "fiscal year concerned.", and

(iii) by the insertion of the following paragraph after paragraph (h): 5

"(i) the simplified adjustment for negative taxes in accordance with section 111AKR(3)(b).",

(h) in section 111X(2), by the substitution of "Subject to subsections (3) to (8) and section 111AKR(6)(b)" for "Subject to subsections (3) to (8)",

(i) in section 111Z— 10

(i) in subsection (2), by the substitution of "Subject to section 111AKY(5)(d), a permanent establishment shall" for "A permanent establishment shall", and

(ii) in subsection (8), by the substitution of "Subject to section 111AKY(5)(c), where the qualifying income of" for "Where the qualifying income of",

(j) in section 111AD, by the insertion of the following subsection after subsection (7): 15

"(8) Notwithstanding subsection (5), the top-up tax of a relevant investment entity, within the meaning of section 111AT, shall be calculated for a fiscal year in accordance with subsections (4) and (4A) of that section.", 20

(k) in section 111AF(1)(b), by the substitution of "for the purposes of sections 111AD(3) and 111AT(4)" for "for the purpose of section 111AD(3)",

(l) in section 111AI—

(i) in subsection (1)—

(I) by the substitution of the following definition for the definition of 'QDTT Safe Harbour standards': 25

" 'QDTT Safe Harbour standards' means the standards referred to as 'Standards for a QDMTT Safe Harbour' set out in the document referred to in paragraph (e) of the definition, in section 111B, of 'OECD Pillar Two guidance' as amended by the document referred to in paragraph (fb) of that definition;", 30

and

(II) by the insertion of the following definition:

" 'required QDTT fiscal period' means a period that is required by a jurisdiction to be used for the purposes of determining the amount of qualified domestic top-up tax for that jurisdiction;", 35

(ii) in subsection (2)—

(I) by the substitution of "and subject to subsections (2A) to (7) and (9) to (11)" for "and subject to subsections (3) to (7)", and

(II) by the deletion of “, other than such portion of the jurisdictional top-up tax as comprises additional top-up tax determined in accordance with section 111AF(1)(b),”,

(iii) by the insertion of the following subsection after subsection (2):

“(2A) Where an adjustment to covered taxes or qualifying income or loss results in the recalculation of the effective tax rate and top-up tax of an MNE group or large-scale domestic group, as the case may be, for a jurisdiction in accordance with section 111AF for a prior fiscal year to which this section does not apply, and where this section applies to the fiscal year in which the adjustment is made, then, subsection (2) shall not apply for the purposes of determining jurisdictional top-up tax of a QDTT subgroup in respect of that jurisdiction and, notwithstanding section 111AD(3), the jurisdictional top-up tax of the QDTT subgroup for the fiscal year in which the adjustment is made shall be the positive amount, if any, calculated as follows:

ATUJ – D

where—

ATUJ is the additional top-up tax for the jurisdiction for the fiscal year determined in accordance with section 111AF, and

D is the amount of the qualified domestic top-up tax payable for the jurisdiction for the fiscal year that is additional top-up tax calculated under a provision equivalent to section 111AF under the tax law of that jurisdiction.”,

and

(iv) by the insertion of the following subsections after subsection (8):

“(9) Where a jurisdiction has a required QDTT fiscal period, subsection (2) shall apply in respect of a fiscal year of an MNE group or large-scale domestic group, as the case may be, where the qualified domestic top-up tax implemented under the tax law of that jurisdiction is determined to have met the QDTT Safe Harbour standards under an OECD peer review process in respect of—

(a) all of the required QDTT fiscal periods that begin, and

(b) all of the required QDTT fiscal periods that end,

in that fiscal year.

(10) (a) Subject to subsection (11), where any required QDTT fiscal period of a jurisdiction that begins or ends during a fiscal year of an MNE group or large-scale domestic group, as the case may be, is determined not to have met the QDTT Safe Harbour standards under an OECD peer review process, the QDTT Safe Harbour shall not apply in respect of that fiscal year.

(b) Where, in accordance with paragraph (a), the QDTT Safe Harbour

does not apply in respect of a fiscal year and the required QDTT fiscal period is different from the period used for the purposes of preparing the consolidated financial statements of an MNE group, the qualified domestic top-up tax of any required QDTT fiscal period shall be allocated, for the purposes of calculating the jurisdictional top-up tax in accordance with section 111AD, to each month of that required QDTT fiscal period based on the income arising during those months except where it is not reasonably practicable to allocate the qualified domestic top-up tax for a required QDTT fiscal period based on the facts and circumstances, in which case the qualified domestic top-up tax shall be allocated *pro rata* to each month in the period.

(11) Subsection (2) shall apply in respect of a fiscal year where the fiscal year of an MNE group or large-scale domestic group, as the case may be, begins on or before 31 December 2024, and the qualified domestic top-up tax implemented under the tax law of that jurisdiction is determined to have met the QDTT Safe Harbour standards under an OECD peer review process in respect of a required QDTT fiscal period that begins during that fiscal year.",

(m) in section 111AJ—

(i) in subsection (1)—

(I) by the deletion of the definition of "OECD CBCR Guidance",

(II) by the insertion of the following definition:

" 'OECD CbCR Guidance' has the same meaning as it has in section 891H;",

(III) by the substitution of the following definition for the definition of "transition period":

" 'transition period' means any fiscal year beginning on or before 31 December 2027 but shall not include a fiscal year that ends after 30 June 2029;",

and

(IV) in the definition of "transition rate", in paragraph (c), by the substitution of "2026 or 2027" for "2026",

and

(ii) in subsection (19), by the substitution of "OECD CbCR Guidance" for "OECD CBCR Guidance",

(n) in section 111AK(1), by the substitution of the following definition for the definition of "transition period fiscal year":

" 'transition period fiscal year' means a fiscal year not exceeding 53 weeks that begins on or before 31 December 2025 and ends on or before 3 January 2027.",

(o) in section 111AKA—

(i) in subsection (1)—

(I) by the substitution of " 'OECD Report of 2015' and 'OECD CbCR Guidance' have the meaning assigned to each of them, respectively, in section 111AJ(1)" for " 'OECD Report of 2015' and 'OECD CBCR Guidance' have the meaning assigned to them, respectively, by section 111AJ(1)", and

(II) in the definition of "relevant CbC regulations", by the substitution of "OECD CbCR Guidance" for "OECD CBCR Guidance",

(ii) in subsection (2)—

(I) by the substitution of "Subject to subsections (2A) and (3)," for "Subject to subsection (3),", and

(II) by the deletion of ", other than additional top-up tax for a jurisdiction for a fiscal year determined in accordance with section 111AF,",

and

(iii) by the insertion of the following subsection after subsection (2):

"(2A) Where an adjustment to covered taxes or qualifying income or loss results in the recalculation of the effective tax rate and top-up tax of an MNE group or large-scale domestic group, as the case may be, for a jurisdiction in accordance with section 111AF for a prior fiscal year to which this section does not apply, and where this section applies to the fiscal year in which the adjustment is made, then, subsection (2) shall not apply for the purposes of determining jurisdictional top-up tax in respect of that jurisdiction and, notwithstanding section 111AD(3), the jurisdictional top-up tax for the fiscal year in which the adjustment is made shall be the positive amount, if any, calculated as follows:

$$ATUJ - D$$

where—

ATUJ is the additional top-up tax for the jurisdiction for the fiscal year determined in accordance with section 111AF, and

D is the amount of the qualified domestic top-up tax payable for the jurisdiction for the fiscal year that is additional top-up tax calculated under a provision equivalent to section 111AF under the tax law of that jurisdiction.",

(p) by the insertion of the following section after section 111AKA:

"Substance-based tax incentive safe harbour

111AKB. (1) In this section—

'eligible employees', 'eligible payroll costs' and 'eligible tangible assets' have the meaning assigned to each of them, respectively, by section 111AE;

'enhanced allowance' means an allowance in the calculation of a liability to covered taxes which is in addition to any allowance in respect of expenditure incurred by a constituent entity, joint venture or joint venture affiliate, as the case may be;

'income exemption' means an exemption from the inclusion of income in the calculation of a liability to covered taxes;

'qualified tax incentive' has the meaning assigned to it by subsection (4);

'super deduction' means a deduction in the calculation of a liability to covered taxes which is in addition to any deduction in respect of expenditure incurred by a constituent entity, joint venture or joint venture affiliate, as the case may be;

'tax incentive' means a tax law that reduces a current or future liability to covered taxes in a jurisdiction;

'tested jurisdiction' shall be construed in accordance with subsection (2).

(2) For the purposes of this section, a tested jurisdiction consists of constituent entities, joint ventures or joint venture affiliates, as the case may be, for which a separate effective tax rate is required to be calculated in determining top-up tax in accordance with this Part.

(3) (a) Notwithstanding section 111AD(3), on the making of an election by a filing constituent entity, the amount of jurisdictional top-up tax for a tested jurisdiction for a fiscal year that corresponds to the amount of qualified tax incentives for the tested jurisdiction for that fiscal year, calculated in accordance with paragraph (b), shall be deemed to be zero.

(b) The amount of jurisdictional top-up tax for a tested jurisdiction for a fiscal year that corresponds to the amount of qualified tax incentives for the tested jurisdiction for that fiscal year shall be equal to the difference between—

(i) the jurisdictional top-up tax for the tested jurisdiction for that fiscal year calculated under section 111AD(3) where subsection (5) is applied, and

(ii) the jurisdictional top-up tax for the tested jurisdiction for that fiscal year that would have been calculated under section 111AD(3) if the election under this subsection had not been made.

(4) (a) For the purposes of this section, a 'qualified tax incentive' means—

(i) a generally available tax incentive, to the extent that the amount of the tax incentive is calculated based on—

(I) expenditure incurred (in this paragraph referred to as an 'expenditure-based tax incentive'), or

(II) the quantity of tangible property produced in the jurisdiction that provides the tax incentive,

or

(ii) on the making of an election by a filing constituent entity in respect of a fiscal year, a qualified refundable tax credit or a marketable transferable tax credit, or part thereof, that would meet the conditions of subparagraph (i) if it were not a refundable tax credit,

but does not include—

(A) an expenditure-based tax incentive where the value of the tax benefit from the tax incentive exceeds the amount of expenditure incurred that is taken into account in the calculation of the expenditure-based tax incentive,

(B) a tax allowance for capital expenditure that only gives rise to timing differences between recognition of an expense in financial accounting net income or loss and a reduction in a liability to covered taxes in a jurisdiction,

(C) a tax incentive that is calculated based on an amount of expenditure that has not been incurred, or output that has not been produced, by the time that the amount of the tax incentive is determined,

(D) a tax incentive that is calculated based on an amount of expenditure that has been incurred prior to the tax incentive coming into effect, or

(E) a tax incentive that would not have arisen independently of a governmental arrangement within the meaning of section 111AW.

(b) For the purposes of paragraph (a)(i)(II), the production of tangible property includes—

(i) the production of electricity,

(ii) processing activities such as extraction and refining, and

(iii) processes that achieve a reduction in negative externalities such as emissions.

(c) (i) For the purposes of paragraph (a)(A), the value of the tax benefit from the tax incentive is the maximum amount by which a tax liability can be reduced by the tax incentive.

(ii) For the purposes of subparagraph (i), where the tax incentive is a tax credit, the maximum amount by which a tax liability can be reduced by the tax incentive is the amount of the tax credit.

(iii) For the purposes of subparagraph (i), where the tax incentive is a super deduction, enhanced allowance or income exemption,

the maximum amount by which a tax liability can be reduced by the tax incentive is the amount of the super deduction, enhanced allowance or income exemption, as the case may be, multiplied by the statutory tax rate for the jurisdiction that has granted the super deduction, enhanced allowance or income exemption, as the case may be.

(d) For the purposes of paragraph (a), expenditure is incurred when—

(i) it is accrued in the financial accounts used to calculate the financial accounting net income or loss, or

(ii) a payment is made.

(5) (a) This subsection applies where an election is made by the filing constituent entity under subsection (3)(a).

(b) Where this subsection applies, for the purposes of subsection (3)(b)(i), the aggregate of adjusted covered taxes for a fiscal year of constituent entities, joint ventures or joint venture affiliates, as the case may be, that comprise the tested jurisdiction (in this subsection referred to as the 'tested jurisdiction entities') shall be increased by the lower of—

(i) the amount of qualified tax incentives used in the fiscal year in respect of the tested jurisdiction, and

(ii) the substance cap for the tested jurisdiction for the fiscal year as set out in paragraph (d).

(c) For the purposes of paragraph (b)(i), the amount of qualified tax incentives used in the fiscal year in respect of the tested jurisdiction shall be the sum of—

(i) either—

(I) the reduction in the covered taxes expense recorded in the financial accounts of the tested jurisdiction entities due to a tax credit, or

(II) where a tax credit is accounted for as income in those financial accounts, the increase in income recorded in those financial accounts due to a tax credit,

(ii) the amount of an enhanced allowance or a super deduction claimed by or provided to the tested jurisdiction entities in the fiscal year multiplied by the statutory tax rate of the jurisdiction in which the tested jurisdiction entities are located,

(iii) the amount of income attributable to the expenditure incurred that gives rise to the tax incentive that is exempt from tax, in respect of the tested jurisdiction entities, multiplied by the statutory tax rate of the jurisdiction in which the tested jurisdiction entities are located, and

(iv) the amount of income attributable to the expenditure incurred

that gives rise to the tax incentive that is subject to the application of a preferential rate of tax, in respect of the tested jurisdiction entities, multiplied by the difference between the statutory tax rate of the jurisdiction in which the tested jurisdiction entities are located and the preferential tax rate.

(d) For the purposes of paragraph (b)(ii), the substance cap for the tested jurisdiction for the fiscal year shall be—

(i) 5.5 per cent of the greater of—

(I) the eligible payroll costs that relate to eligible employees who perform activities for the tested jurisdiction entities in the jurisdiction in which the tested jurisdiction entities are located for that fiscal year, and

(II) the depreciation and depletion recorded in the financial accounting net income or loss for the tested jurisdiction entities in respect of eligible tangible assets located in the jurisdiction in which the tested jurisdiction entities are located for that fiscal year,

or

(ii) on the making of an election by the filing constituent entity, 1 per cent of the carrying value of eligible tangible assets of tested jurisdiction entities located in the jurisdiction in which the tested jurisdiction entities are located, but not including land and other non-depreciable assets, for that fiscal year.

(e) For the purposes of paragraph (d)(ii), section 111AE(5) shall apply for the purposes of calculating the carrying value of eligible tangible assets.

(f) Where an election is made under subsection (4)(a)(ii) such that a qualified refundable tax credit or a marketable transferable tax credit, or part thereof, is treated as a qualified tax incentive, then, notwithstanding sections 111P(5)(a) and 111U(2)(d), for the purposes of subsection (3)(b)(i), the qualified refundable tax credit or a marketable transferable tax credit, or part thereof, shall be excluded from the calculation of qualifying income and shall be treated as a reduction to adjusted covered taxes of the tested jurisdiction entities, prior to making the adjustment to adjusted covered taxes of the tested jurisdiction entities for a fiscal year set out in paragraph (b).

(6) Where a filing constituent entity withdraws an election made under subsection (5)(d)(ii), the depreciation and depletion in respect of an eligible tangible asset shall be excluded in applying subsection (5)(d)(i)(II), where the carrying value of that asset was included in the calculation of the substance cap for the tested jurisdiction in a previous fiscal year to which subsection (3) applied.

(7) Any qualified refundable tax credit or marketable transferable tax

credit, or part thereof, which is not subject to an election under subsection (4)(a)(ii) shall continue to be treated as a qualified refundable tax credit or a marketable transferable tax credit for the purposes of this Part.

(8) Where an election is made under subsection (4)(a)(ii) in respect of a qualified refundable tax credit or a marketable transferable tax credit that is treated as taxable income, the covered taxes that are attributable to the part of the qualified refundable tax credit or the marketable transferable tax credit that is excluded from qualifying income shall be excluded from adjusted covered taxes.

(9) An election made under subsection (3)(a), (4)(a)(ii) or (5)(d)(ii), as the case may be, shall be made in accordance with section 111AAAD.

(10) All relevant information concerning the application of this section shall be included in the top-up tax information return for the fiscal year in accordance with section 111AAI.",

(q) in Chapter 5, by the insertion of the following sections after section 111AKB (inserted by *paragraph (p)*):

"Side-by-side safe harbour

111AKC. (1) In this section—

'eligible domestic tax system' has the meaning given to it by the January 2026 administrative guidance;

'eligible worldwide tax system' has the meaning given to it by the January 2026 administrative guidance;

'January 2026 administrative guidance' means the document referred to in paragraph (fd) of the definition, in section 111B, of 'OECD Pillar Two guidance';

'OECD Central Record for qualified side-by-side regimes' means the list of jurisdictions published by the OECD that have been determined by the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting to have a qualified side-by-side regime in respect of a fiscal year;

'qualified side-by-side regime' has the meaning assigned to it by subsection (5).

(2) This section shall apply for a fiscal year, on the making of an election by a filing constituent entity, where the ultimate parent entity of an MNE group is located in a jurisdiction with a qualified side-by-side regime for that fiscal year.

(3) Subject to subsection (4), and notwithstanding sections 111I and 111N, where this section applies—

(a) the IIR top-up tax and UTPR top-up tax of any constituent entities of the MNE group for the fiscal year shall be deemed to be zero, and

(b) the allocable share of IIR top-up tax and UTPR top-up tax arising to a constituent entity of the MNE group, with respect to a parent entity's ownership interest in a joint venture or joint venture affiliate, shall be deemed to be zero.

(4) Where an adjustment to covered taxes or qualifying income or loss results in the recalculation of the effective tax rate and top-up tax of an MNE group for a jurisdiction in accordance with section 111AF for a prior fiscal year to which this section does not apply, and where this section applies to the fiscal year in which the adjustment is made, then, subsection (3) shall not apply for the purposes of determining IIR top-up tax and UTPR top-up tax in respect of that jurisdiction and, notwithstanding section 111AD(3), in determining the IIR top-up tax and UTPR top-up tax, the jurisdictional top-up tax for the fiscal year in which the adjustment is made shall be the positive amount, if any, calculated as follows:

ATUJ – D

where—

ATUJ is the additional top-up tax for the jurisdiction for the fiscal year determined in accordance with section 111AF, and

D is the amount of the qualified domestic top-up tax payable for the jurisdiction for the fiscal year that is additional top-up tax calculated under a provision equivalent to section 111AF under the tax law of that jurisdiction.

(5) For the purposes of this section, a jurisdiction has a qualified side-by-side regime in respect of a fiscal year where it—

(a) has been determined by the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting to have a qualified side-by-side regime in respect of that fiscal year, having regard to whether the jurisdiction—

(i) has an eligible domestic tax system,

(ii) has an eligible worldwide tax system,

(iii) provides a foreign tax credit for a qualified domestic top-up tax on the same terms as any covered taxes for which it provides a foreign tax credit, and

(iv) has enacted its eligible domestic tax system and eligible worldwide tax system prior to 1 January 2026, or a later date, in accordance with the procedures set out in the January 2026 administrative guidance,

and

(b) has been listed on the OECD Central Record for qualified side-by-side regimes in respect of that fiscal year.

(6) The election referred to in subsection (2) shall be made in accordance with section 111AAAD.

(7) All relevant information concerning the application of this section shall be included in the top-up tax information return for the fiscal year in accordance with section 111AAI.

Ultimate parent entity safe harbour

111AKD. (1) In this section—

'eligible domestic tax system' has the meaning assigned to it by section 111AKC(1);

'OECD Central Record for qualified UPE regimes' means the list of jurisdictions published by the OECD that have been determined by the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting to have a qualified UPE regime in respect of a fiscal year;

'qualified UPE regime' shall be construed in accordance with subsection (5).

(2) This section shall apply for a fiscal year, on the making of an election by a filing constituent entity, where the ultimate parent entity of an MNE group is located in a jurisdiction with a qualified UPE regime for that fiscal year.

(3) Subject to subsection (4), where this section applies, for the purposes of section 111N(3), the UTPR top-up tax amount of the MNE group for a fiscal year calculated in respect of each low-taxed constituent entity of the MNE group, or member of a joint venture group in which an ultimate parent entity of the MNE group holds a direct or indirect ownership interest, located in the jurisdiction of the ultimate parent entity of the MNE group shall be deemed to be zero.

(4) Where an adjustment to covered taxes or qualifying income or loss results in the recalculation of the effective tax rate and top-up tax of an MNE group, for the jurisdiction of the ultimate parent entity in accordance with section 111AF for a prior fiscal year to which this section does not apply, and where this section applies to the fiscal year in which the adjustment is made, then, subsection (3) shall not apply, and for the purposes of section 111N(3), the top-up tax calculated for each low-taxed constituent entity of an MNE group, or member of a joint venture group in which an ultimate parent entity of the MNE group holds a direct or indirect ownership interest, located in the jurisdiction of the ultimate parent entity of the MNE group for the fiscal year shall be calculated on the basis that, notwithstanding section 111AD(3), the jurisdictional top-up tax for the jurisdiction for the fiscal year in which the adjustment is made in determining UTPR top-up tax shall be the positive amount, if any, calculated as follows:

ATUJ – D

where—

ATUJ is the additional top-up tax for the jurisdiction of the ultimate parent entity for the fiscal year determined in accordance with section 111AF, and

D is the amount of the qualified domestic top-up tax payable for the jurisdiction of the ultimate parent entity for the fiscal year that is additional top-up tax calculated under a provision equivalent to section 111AF under the tax law of that jurisdiction.

(5) For the purposes of this section, a jurisdiction has a qualified UPE regime in respect of a fiscal year where it—

(a) has been determined by the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting to have a qualified UPE regime in respect of that fiscal year, having regard to whether the jurisdiction has an eligible domestic tax system which was enacted and in effect on or before 1 January 2026, and

(b) has been listed on the OECD Central Record for qualified UPE regimes in respect of that fiscal year.

(6) The election referred to in subsection (2) shall be made in accordance with section 111AAAD.

(7) All relevant information concerning the application of this section shall be included in the top-up tax information return for the fiscal year in accordance with section 111AAI.",

(r) by the insertion of the following Chapter after section 111AKD (inserted by *paragraph (q)*):

"Chapter 5A

Simplified Effective Tax Rate Safe Harbour

Interpretation (Chapter 5A)

111AKE. (1) In this Chapter—

'additional tier one capital', 'excluded dividend' and 'excluded equity gain or loss' have the meaning assigned to each of them, respectively, by section 111P;

'joint venture' and 'joint venture affiliate' have the meaning assigned to each of them, respectively, by section 111AO;

'jurisdictional income tax expense' shall be construed in accordance with section 111AKO(2);

'jurisdictional profit or loss before income tax' means the sum of—

(a) the aggregate financial accounting net income or loss of the constituent entities, joint ventures, and joint venture affiliates of an MNE group or large-scale domestic group, as the case may be, in a tested jurisdiction for a fiscal year,

(b) the aggregate current and deferred tax expense accrued in the

financial accounting net income or loss of those entities for that fiscal year, and

(c) any amount of covered taxes that were not treated as an income tax expense in the financial accounting net income or loss of those entities for that fiscal year and to which an election under section 111AKS(1) applies;

'jurisdictional top-up tax' shall be construed in accordance with section 111AD(3);

'local accounting standard' has the meaning assigned to it by section 111AAA;

'minority-owned constituent entity' has the meaning assigned to it by section 111AH;

'non-material constituent entity' has the meaning assigned to it by section 111AKA;

'qualified simplified effective tax rate safe harbour' means a safe harbour in the domestic law of a jurisdiction that is implemented and administered in accordance with Chapter 2 of the document referred to in paragraph (fd) of the definition, in section 111B(1), of 'OECD Pillar Two guidance';

'recapture exception accrual' has the meaning assigned to it by section 111X;

'same-country investment entity' means an investment entity where—

(a) all of its constituent entity-owners are located in the same jurisdiction as the investment entity, and

(b) a filing constituent entity has not made an election under section 111AU(1) or 111AV(1) in respect of the investment entity;

'simplified calculations safe harbour' means the safe harbour provided for in section 111AKA;

'simplified effective tax rate' shall be construed in accordance with section 111AKG(2);

'simplified effective tax rate safe harbour' shall be construed in accordance with section 111AKG(1);

'simplified income or loss' has the meaning assigned to it by section 111AKJ;

'simplified taxes' has the meaning assigned to it by section 111AKO;

'tested jurisdiction' shall be construed in accordance with section 111AKF;

'transition year' has the meaning assigned to it by section 111AKU.

(2) Section 111AAAA shall, with any necessary modifications, apply for the purposes of this Chapter as it applies for the purposes of

determining IIR top-up tax or UTPR top-up tax of a constituent entity of an MNE group or large-scale domestic group, as the case may be, or domestic top-up tax of a qualifying entity.

(3) An election referred to in this Chapter shall be made in accordance with section 111AAAD.

(4) All relevant information concerning the application of this Chapter shall be included in the top-up tax information return for the fiscal year in accordance with section 111AAI.

(5) For the purposes of this Chapter, a reference to a 'constituent entity' shall be read as including a reference to a joint venture and a joint venture affiliate.

Tested jurisdiction

111AKF. (1) Subject to subsections (2) to (4), in this Chapter, a 'tested jurisdiction' consists of constituent entities for which a separate effective tax rate is required to be calculated in determining top-up tax in accordance with this Part.

(2) Each investment entity to which section 111AKZC applies, and each stateless constituent entity to which section 111AKZB applies, shall be treated as a separate tested jurisdiction.

(3) On the making of an election by a filing constituent entity, constituent entities that are not minority-owned constituent entities, joint ventures or joint venture affiliates shall, for the purposes of this Chapter, be included in a single tested jurisdiction with same-country investment entities that are located in the same jurisdiction.

(4) An excluded entity shall not be included in a tested jurisdiction except where an election has been made in respect of that entity under section 111C(3) in respect of a fiscal year.

Simplified effective tax rate safe harbour

111AKG. (1) Subject to subsection (3) and sections 111AKZD, 111AKZE, 111AKZF and 111AKZG, and notwithstanding section 111AD(3), on the making of an election by a filing constituent entity, the jurisdictional top-up tax for an MNE group or large-scale domestic group, as the case may be, in respect of a tested jurisdiction for a fiscal year shall be deemed to be zero (in this Chapter referred to as the 'simplified effective tax rate safe harbour') where, in respect of that fiscal year—

(a) the tested jurisdiction has a simplified effective tax rate that is equal to or greater than the minimum tax rate,

(b) the tested jurisdiction has a simplified loss, or

(c) the simplified income or loss and simplified taxes of all the entities in the tested jurisdiction are deemed to be zero by virtue of subsection (2) or (3) of section 111AKZA, or section 111AKZB.

(2) For the purposes of this Chapter, the simplified effective tax rate of an

MNE group or large-scale domestic group, as the case may be, for a tested jurisdiction for a fiscal year shall be calculated as follows:

ST / SI

where—

ST is the simplified taxes for the tested jurisdiction for the fiscal year, and

SI is the simplified income for the tested jurisdiction for the fiscal year.

(3) Where an adjustment to covered taxes or qualifying income or loss results in the recalculation of the effective tax rate and top-up tax of an MNE group or large-scale domestic group, as the case may be, for a tested jurisdiction in accordance with section 111AF for a prior fiscal year to which subsection (1) does not apply, and where subsection (1) would otherwise apply to the fiscal year in which the adjustment is made, then, subsection (1) shall not apply for the purposes of determining jurisdictional top-up tax in respect of that tested jurisdiction and, notwithstanding section 111AD(3), the jurisdictional top-up tax of the tested jurisdiction for the fiscal year in which the adjustment is made shall be the positive amount, if any, calculated as follows:

ATUJ – D

where—

ATUJ is the additional top-up tax for the tested jurisdiction for the fiscal year determined in accordance with section 111AF, and

D is the amount of the qualified domestic top-up tax payable for the tested jurisdiction for the fiscal year that is additional top-up tax calculated under a provision equivalent to section 111AF under the tax law of the jurisdiction in which the constituent entities of the tested jurisdiction are located.

Accounting standards

111AKH. (1) In this section, 'alternative body of accounting standards' has the meaning assigned to it by section 1400 of the Companies Act 2014.

(2) Subject to subsection (3), for the purposes of this Chapter, the financial accounting net income or loss of a constituent entity for a fiscal year shall be determined in accordance with section 111O.

(3) (a) Subject to paragraph (b), the financial accounting net income or loss of a constituent entity for a fiscal year shall be determined in accordance with section 111O, as modified by section 111AAD(2)(e), for the purposes of applying the simplified effective tax rate safe harbour in respect of domestic top-up tax calculated in accordance with Chapter 9.

(b) (i) On the making of an election by a filing constituent entity, where the consolidated financial statements of the ultimate parent entity of an MNE group or large-scale domestic group, as the case may be, for a fiscal year are prepared in accordance with an alternative body of accounting standards, the financial accounting net income or loss of a constituent entity for a fiscal year shall be determined in accordance with that body of accounting standards for the purposes of applying the simplified effective tax rate safe harbour in respect of domestic top-up tax calculated in accordance with Chapter 9.

(ii) An election shall not be made by an MNE group in accordance with subparagraph (i) unless the MNE group makes that election in respect of all jurisdictions that provide for such an election, except where the MNE group uses a different accounting standard pursuant to section 111O(2).

(4) Where the financial accounting net income or loss of a constituent entity for a fiscal year is determined in accordance with a local accounting standard as provided for in subsection (3)(a), then, this Chapter shall have effect as if a reference in any provision of this Chapter, or in any other provision of this Part that is referred to in this Chapter when such a provision is applied for the purposes of this Chapter, to consolidated financial statements were a reference to financial statements prepared in accordance with that local accounting standard.

Tested jurisdiction basis

111AKI. (1) Subject to subsection (2), the simplified income or loss and the simplified taxes for a fiscal year shall be computed on a tested jurisdiction basis.

(2) Nothing in this section shall be construed as removing the requirement for an MNE group or large-scale domestic group, as the case may be, to use data relating to a single entity where such data is necessary for the application of this Chapter.

Simplified income or loss

111AKJ. (1) In this Chapter, 'simplified income or loss', in respect of a fiscal year for a tested jurisdiction, means the jurisdictional profit or loss before income tax in respect of that fiscal year for that tested jurisdiction, as adjusted in accordance with sections 111AKK, 111AKL, 111AKM, 111AKN, 111AKS, 111AKV, 111AKW, 111AKX, 111AKY, 111AKZ, 111AKZA, 111AKZB, 111AKZD and 111AKZF.

(2) On the making of an election by a filing constituent entity, simplified income or loss for a tested jurisdiction for a fiscal year shall, in respect of a non-material constituent entity, be calculated in accordance with the simplified income calculation within the meaning of section 111AKA(1).

Basic adjustments to determine simplified income

111AKK. (1) In this section—

'policy disallowed expense' means, in respect of a fiscal year, an expense accrued by a constituent entity in a tested jurisdiction for—

(a) illegal payments, or

(b) fines and penalties equal to or greater than €250,000, or an equivalent amount in the functional currency in which the jurisdictional profit or loss before income tax of the tested jurisdiction is calculated,

in the financial accounting net income or loss.

(2) For the purposes of determining the simplified income or loss of a tested jurisdiction in respect of a fiscal year, the jurisdictional profit or loss before income tax for that fiscal year shall be adjusted by—

(a) excluded dividends,

(b) excluded equity gains or losses, and

(c) policy disallowed expenses.

Industry adjustments to determine simplified income – financial services

111AKL. (1) (a) Subject to paragraph (b), to determine the simplified income or loss of a tested jurisdiction in respect of a fiscal year, an insurance company in the tested jurisdiction shall make the following adjustments:

(i) exclude from the calculation of simplified income or loss any amount charged to policyholders for taxes paid by the insurance company in respect of returns to the policyholders;

(ii) include in the calculation of simplified income or loss any returns to policyholders that are not reflected in its financial accounting net income or loss to the extent that the corresponding increase or decrease in liability to the policyholders is reflected in its financial accounting net income or loss.

(b) On the making of an election by a filing constituent entity, an insurance company shall not make the adjustments provided for in paragraph (a).

(2) For the purposes of determining the simplified income or loss of a tested jurisdiction in respect of a fiscal year, any amount that is recognised as—

(a) a decrease in the equity of a constituent entity in the tested jurisdiction for a fiscal year and is the result of distributions made or due in respect of additional tier one capital shall be treated as an expense in the calculation of simplified income or loss for the tested jurisdiction for that fiscal year, and

(b) an increase in the equity of a constituent entity in the tested jurisdiction for a fiscal year and is the result of distributions received or due to be received in respect of additional tier one capital held by the constituent entity shall be included in the calculation of simplified income or loss for the tested jurisdiction for that fiscal year.

(3) (a) Where a movement in an insurance company's reserves economically matches an excluded dividend, net of any investment management fee, from a security held by that insurance company on behalf of a policyholder, the movement in the insurance reserves shall not be allowed as an expense in the calculation of the simplified income or loss for the tested jurisdiction of the insurance company.

(b) Where a movement in an insurance company's reserves is related to an excluded equity gain or loss from a security held by that insurance company on behalf of a policyholder, such movement shall not be allowed as a deduction in the calculation of the simplified income or loss for the tested jurisdiction of the insurance company.

Conditional adjustments to determine simplified income for equity-reported items

111AKM. (1) In this section, 'equity-reported item' means a gain, loss, income or expense referred to in paragraph (d) or (h), as the case may be, of section 111P(2).

(2) To determine the simplified income or loss of a tested jurisdiction in respect of a fiscal year, no adjustment shall be made to the jurisdictional profit or loss before income tax for an equity-reported item where that item is an expense or loss.

(3) (a) Subject to paragraph (b), to determine the simplified income or loss of a tested jurisdiction in respect of a fiscal year, an adjustment shall be made to the jurisdictional profit or loss before income tax for that fiscal year for an equity-reported item where that item is income.

(b) Paragraph (a) shall not apply where—

(i) the equity-reported item of income is subject to tax at a rate that equals or exceeds the minimum tax rate, and

(ii) the income taxes related to the equity-reported item of income are accounted for in equity or other comprehensive income.

(4) For the purposes of paragraph (b) of subsection (3), where the income taxes related to the equity-reported item of income are accounted for as a deferred tax liability, the conditions in that paragraph shall only be met where that deferred tax liability is accrued at a rate that equals or exceeds the minimum tax rate and is a recapture exception accrual within the meaning of section 111X.

Elective adjustments to determine simplified income

111AKN. (1) In this section—

'additional top-up tax' shall be construed in accordance with section 111AF;

'the 5 year period' shall be construed in accordance with section 111P(7)(b).

(2) (a) To determine the simplified income or loss of a tested jurisdiction in respect of a fiscal year, a filing constituent entity may make an election under one or more of the following provisions and those provisions shall, with any necessary modifications, apply for the purposes of determining the simplified income or loss and simplified taxes of a tested jurisdiction in respect of a fiscal year as those provisions apply to determining the qualifying income or loss and adjusted covered taxes of a constituent entity for a fiscal year:

(i) section 111P(3);

(ii) section 111P(6);

(iii) section 111P(7);

(iv) section 111P(9);

(v) section 111P(13);

(vi) section 111P(14);

(vii) section 111P(16);

(viii) section 111W(2).

(b) Where the filing constituent entity makes an election under any of the provisions referred to in subparagraphs (i) to (viii), other than subparagraph (vii), of paragraph (a) (in this paragraph referred to as the 'first-mentioned election') in respect of a fiscal year for which an election is not made under section 111AKG(1), then, the MNE group or large-scale domestic group, as the case may be, shall apply the first-mentioned election in subsequent fiscal years for which an election under section 111AKG(1) is made, until the first-mentioned election is withdrawn.

(c) Where the filing constituent entity makes an election under any of the provisions referred to in subparagraphs (i) to (viii), other than subparagraph (vii), of paragraph (a) (in this paragraph referred to as the 'first-mentioned election') in respect of a fiscal year for which an election is made under section 111AKG(1), then, the MNE group or large-scale domestic group, as the case may be, shall apply the first-mentioned election in subsequent fiscal years for which an election under section 111AKG(1) is not made, until the first-mentioned election is withdrawn.

(3) The following shall apply for the purposes of an election made under section 111P(7):

(a) where the 5 year period includes a fiscal year for which an election was made under section 111AKG(1), an MNE group or large-scale domestic group, as the case may be, shall add the net gain allocable to that fiscal year and tested jurisdiction in accordance with section 111P(7) to simplified income or loss determined for that fiscal year for the tested jurisdiction and redetermine the simplified effective tax rate for that fiscal year for the tested jurisdiction;

(b) where the effect of the redetermination of the simplified effective tax rate for a fiscal year for a tested jurisdiction as provided for in paragraph (a) is that the simplified effective tax rate equals or exceeds the minimum tax rate, then, notwithstanding section 111AF, the additional top-up tax for that fiscal year for the tested jurisdiction shall be zero;

(c) where the effect of the redetermination of the simplified effective tax rate for a fiscal year for a tested jurisdiction as provided for in paragraph (a) is that the simplified effective tax rate is below the minimum tax rate, then, the effective tax rate and additional top-up tax for that fiscal year shall be computed as if an election had not been made under section 111AKG(1) in respect of that tested jurisdiction for that fiscal year;

(d) additional top-up tax arising under paragraph (c) in respect of a fiscal year shall not be considered a top-up tax liability in respect of that fiscal year for the purposes of applying section 111AKZE.

(4) (a) Subject to paragraph (b), to determine the simplified income or loss of a tested jurisdiction in respect of a fiscal year, the jurisdictional profit or loss before income tax of that fiscal year shall be adjusted by—

(i) asymmetric foreign currency gains or losses, and

(ii) accrued pension expenses,

both within the meaning of section 111P.

(b) (i) On the making of an election by a filing constituent entity, paragraph (a)(i) and section 111P(2)(f) shall not apply.

(ii) On the making of an election by a filing constituent entity, paragraph (a)(ii) and section 111P(2)(i) shall not apply.

(iii) Where the filing constituent entity makes an election in accordance with subparagraph (i) or (ii) (referred to in this subparagraph as the 'first-mentioned election'), in respect of a fiscal year for which an election is made under section 111AKG(1), then, the MNE group or large-scale domestic group, as the case may be, shall apply the first-mentioned election in subsequent fiscal years for which an election under section 111AKG(1) is not made and, accordingly, adjustments shall not be made under paragraph (f) or (i), as the case may be, of section 111P(2), in respect of the determination of qualifying

income or loss of a constituent entity for those fiscal years, until the first-mentioned election is withdrawn.

Simplified taxes

111AKO. (1) In this Chapter, 'simplified taxes', in respect of a fiscal year for a tested jurisdiction, means the jurisdictional income tax expense in respect of that fiscal year for that tested jurisdiction, as adjusted in accordance with subsection (3) and sections 111AKN, 111AKP, 111AKQ, 111AKR, 111AKS, 111AKT, 111AKU, 111AKV, 111AKX, 111AKY, 111AKZ, 111AKZA, 111AKZB, 111AKZD and 111AKZF.

(2) Jurisdictional income tax expense shall be calculated as follows:

$$A + B$$

where—

A is the sum of the current and deferred tax expense accrued in the financial accounting net income or loss of the constituent entities of an MNE group or large-scale domestic group, as the case may be, in the tested jurisdiction for a fiscal year, and

B is the deferred tax expense recorded in the consolidated financial statements that is attributable to the constituent entities of an MNE group or large-scale domestic group, as the case may be, in the tested jurisdiction for a fiscal year, and that is related to their financial accounting net income or loss but which is not included in A.

(3) On the making of an election by a filing constituent entity, simplified taxes for a tested jurisdiction for a fiscal year shall, in respect of a non-material constituent entity, be calculated in accordance with the simplified tax calculation within the meaning of section 111AKA(1).

(4) Where an adjustment is described in more than one of the provisions referred to in subsection (1), the jurisdictional income tax expense shall only be adjusted once in the calculation of simplified taxes for a tested jurisdiction for a fiscal year.

Adjustments to determine simplified taxes

111AKP. (1) In this section, 'disallowed accrual' has the meaning assigned to it by section 111X(1).

(2) To determine the simplified taxes of a tested jurisdiction for a fiscal year, the jurisdictional income tax expense for the tested jurisdiction for that fiscal year shall be adjusted by—

(a) excluding tax expenses attributable to taxes that are not covered taxes,

(b) deducting any amount of credit or refund in respect of a non-qualified refundable tax credit, or non-marketable transferable tax credit, that was not recorded as a reduction to the current tax expense in the financial accounts of the constituent entity,

(c) deducting any amount of covered taxes refunded or credited to a constituent entity, other than a qualified refundable tax credit, or a marketable transferable tax credit, that was not treated as an adjustment to current tax expense in the financial accounts of that entity,

(d) excluding tax expenses with respect to income not included in the calculation of simplified income or loss of a tested jurisdiction under this Chapter,

(e) excluding tax expenses of a constituent entity arising from the accrual or reversal of—

(i) an uncertain tax position, or

(ii) a disallowed accrual,

(f) including tax expenses of a constituent entity arising from the accrual or reversal of an uncertain tax position or disallowed accrual, previously excluded under paragraph (e), which is paid in that fiscal year, and

(g) excluding current tax expense of a constituent entity that is not expected to be paid within 3 years after the end of the fiscal year.

(3) Where an item of income or expense, attributable to distributions made, received or due in respect of additional tier one capital that is accounted for in equity or other comprehensive income, is included in simplified income or loss for a tested jurisdiction for a fiscal year, any corresponding tax accounted in equity or other comprehensive income shall be included in simplified taxes for that tested jurisdiction for that fiscal year.

(4) Where a loss or expense that arises in a fiscal year is deducted for tax purposes but is excluded from the computation of simplified income, an adjustment to simplified taxes shall not be made.

Deferred tax adjustments to determine simplified taxes

111AKQ. (1) Where deferred tax assets and liabilities are computed in the financial accounts of a constituent entity based on a tax rate that is greater than the minimum tax rate, the net deferred tax expense included in simplified taxes shall be recalculated to determine the simplified taxes of a tested jurisdiction for a fiscal year, in accordance with the following formula:

$$A \times (B / C)$$

where—

A is the deferred tax expense included in simplified taxes, being the total amount of deferred taxes, including the accrual and reversal of deferred tax assets and liabilities, that are taken into account in the simplified taxes for the tested jurisdiction for the fiscal year,

B is the minimum tax rate, and

C is the income tax rate used to recognise deferred taxes in the financial accounts of the constituent entity before any valuation adjustment.

(2) The simplified taxes of a tested jurisdiction for a fiscal year shall exclude a valuation adjustment or accounting recognition adjustment with respect to a deferred tax asset.

(3) To determine the simplified taxes of a tested jurisdiction for a fiscal year, the jurisdictional income tax expense of a tested jurisdiction shall be adjusted to exclude the following:

(a) the amount of deferred tax expense arising from a re-measurement with respect to a change in the applicable domestic tax rate;

(b) subject to subsection (4), the amount of deferred tax expense with respect to the generation and use of tax credits;

(c) subject to subsection (5), the amount of deferred tax expense attributable to a deferred tax liability that is not a recapture exception accrual.

(4) Subsection (3)(b) shall not apply to an amount of deferred tax expense where a substitute loss carry-forward, pursuant to section 111X(6)(b), arises.

(5) Subsection (3)(c) shall not apply to the deferred tax expense where the deferred tax expense arises from the reversal of a deferred tax liability—

(a) attributable to an M&A transaction within the meaning of section 111AKX and the effect of the M&A transaction is included in the simplified effective tax rate computation pursuant to that section, or

(b) that was included in the computation of the effective tax rate in a prior fiscal year under a qualified IIR, qualified UTPR or qualified domestic top-up tax.

Simplified adjustment for negative taxes in simplified loss years and loss deferred tax asset adjustment

111AKR. (1) In this section—

'negative simplified taxes' means simplified taxes of a tested jurisdiction for a fiscal year that amount to less than zero;

'permanent difference' means a difference in the amount of income or expense taken into account in the calculation of financial accounting net income or loss and taxable income for a tested jurisdiction, where the difference arises because the income or expense is not taxable or deductible, or a greater or lesser amount of the income or expense is taxable or deductible, and such difference will not reverse in a future fiscal year;

'simplified adjustment for negative taxes' means the negative amount,

if any, that results from the calculation set out in subsection (2);

'transitional period' means the period comprising 5 consecutive fiscal years beginning with the transition year.

(2) Subject to subsection (4), where, for a fiscal year and a tested jurisdiction—

(a) a simplified loss, and

(b) negative simplified taxes,

arise, a simplified adjustment for negative taxes shall be calculated for that fiscal year, being a negative amount, as follows:

$$A - (B \times C)$$

where—

A is the negative simplified taxes of a tested jurisdiction for a fiscal year,

B is the simplified loss of a tested jurisdiction for a fiscal year, and

C is the minimum tax rate.

(3) In each fiscal year (in this subsection referred to as a 'relevant fiscal year'), following a fiscal year in which the simplified adjustment for negative taxes is calculated in respect of a tested jurisdiction—

(a) where an election has been made under section 111AKG(1) in respect of the tested jurisdiction for a relevant fiscal year and there is simplified taxes for that tested jurisdiction, the MNE group or large-scale domestic group, as the case may be, shall—

(i) reduce the simplified taxes for the tested jurisdiction by the balance of the simplified adjustment for negative taxes but the amount of simplified taxes after such reduction shall not be less than zero, and

(ii) reduce the balance of the simplified adjustment for negative taxes by the same amount as the amount referred to in subparagraph (i),

or

(b) where an election has not been made under section 111AKG(1) in respect of the tested jurisdiction for a relevant fiscal year and there is adjusted covered taxes for that tested jurisdiction, the MNE group or large-scale domestic group, as the case may be, shall—

(i) reduce the adjusted covered taxes for the tested jurisdiction by the balance of the simplified adjustment for negative taxes but the amount of adjusted covered taxes after such reduction shall not be less than zero, and

(ii) reduce the balance of the simplified adjustment for negative

taxes by the same amount as the amount referred to in subparagraph (i).

(4) (a) On the making of an election by a filing constituent entity in respect of a tested jurisdiction for a fiscal year (in this subsection referred to as the 'first-mentioned fiscal year') during the transitional period, subsection (2) shall not apply and a loss deferred tax asset adjustment shall be determined in accordance with subsection (5) where, for the transition year and each fiscal year in the transitional period preceding the first-mentioned fiscal year, the tested jurisdiction has—

(i) a tax loss,

(ii) a simplified loss, and

(iii) net negative taxes.

(b) For the purposes of paragraph (a)(iii), a tested jurisdiction has net negative taxes for a fiscal year where the jurisdictional income tax expense determined for the tested jurisdiction, excluding valuation adjustments and accounting recognition adjustments on deferred tax assets, is zero or less than zero.

(5) For the purposes of subsection (4), a loss deferred tax asset adjustment for a fiscal year for a tested jurisdiction shall be equal to the sum of—

(a) the loss deferred tax asset arising in respect of the fiscal year used in the calculation of the jurisdictional income tax expense that is attributable to permanent differences between items of income and expense that are included in the calculation of taxable income and financial accounting net income or loss, excluding valuation adjustments or accounting recognition adjustments, and

(b) the deferred tax liabilities accrued during the fiscal year attributable to goodwill and other intangible assets with an indefinite life,

recast at the minimum tax rate.

(6) In each fiscal year following a fiscal year in which the loss deferred tax asset adjustment is calculated—

(a) where an election has been made under section 111AKG(1) in respect of the tested jurisdiction, the MNE group or large-scale domestic group, as the case may be, shall—

(i) reduce the loss deferred tax asset reversal included in the calculation of simplified taxes for the tested jurisdiction by the balance of the loss deferred tax asset adjustment but the amount of the loss deferred tax asset reversal after such reduction shall not be less than zero, and

(ii) reduce the balance of the loss deferred tax asset adjustment by the same amount as the amount referred to in subparagraph (i),

or

(b) where an election has not been made under section 111AKG(1) in respect of the tested jurisdiction, the MNE group or large-scale domestic group, as the case may be, shall—

(i) reduce the loss deferred tax asset reversal included in the calculation of the adjusted covered taxes for the tested jurisdiction by the balance of the loss deferred tax asset adjustment but the amount of the loss deferred tax asset reversal after such reduction shall not be less than zero, and

(ii) reduce the balance of the loss deferred tax asset adjustment by the same amount as the amount referred to in subparagraph (i).

(7) Section 111U(10) shall, with any necessary modifications, apply to the calculation of simplified taxes for a tested jurisdiction as it applies to the calculation of adjusted covered taxes for a jurisdiction.

Elective adjustments to determine simplified taxes

111AKS. (1) On the making of an election by a filing constituent entity in respect of a tested jurisdiction for a fiscal year, simplified taxes shall include any amount of covered taxes accrued as an expense in the profit before taxation in the financial accounts of the constituent entity and such amount shall be excluded from simplified income or loss.

(2) (a) On the making of an election by a filing constituent entity in respect of a tested jurisdiction for a fiscal year, simplified taxes shall include covered taxes attributable to income that is reported in equity and that is included in simplified income or loss.

(b) Where, in accordance with section 111AKM(3), an adjustment is made to the jurisdictional profit or loss before income tax for a fiscal year in respect of a tested jurisdiction for an equity-reported item (within the meaning of section 111AKM), to determine the simplified income or loss of the tested jurisdiction, an adjustment shall be made to the simplified taxes of the tested jurisdiction to include covered taxes attributable to that equity-reported item of income.

(3) (a) On the making of an election by a filing constituent entity in respect of a tested jurisdiction for a fiscal year, a qualified refundable tax credit or marketable transferable tax credit shall be treated as income in the calculation of simplified income or loss and be excluded from the calculation of simplified taxes where the credit is accounted as a tax reduction in the jurisdictional income tax expense for that fiscal year, and the credit—

(i) originated in the fiscal year, or

(ii) originated in a prior fiscal year but is not fully utilised as of the fiscal year of the election.

(b) Where a qualified refundable tax credit or marketable transferable

tax credit is related to the acquisition, or construction, of an asset and the constituent entity which has the benefit of the tax credit—

(i) has an accounting policy of reducing the carrying value of the asset in respect of such a tax credit, or

(ii) recognises the tax credit as deferred income over the productive life of that asset,

then, the constituent entity concerned may follow the same accounting policy for the purposes of determining the simplified income or loss of the constituent entity for a fiscal year.

(4) (a) Subject to paragraph (b), the election referred to in subsection (3)(a) shall be in effect for the fiscal year in respect of which that election was made and shall remain in effect for subsequent fiscal years, other than where a filing constituent entity withdraws the election in respect of a fiscal year subsequent to the fiscal year in respect of which the election is made.

(b) Where subsection (3)(a)(ii) applies, the election shall remain in effect until the tax credit has been fully utilised.

(5) (a) For the purposes of this subsection—

'qualified tax incentive' has the meaning assigned to it by section 111AKB;

'substance cap' shall be construed in accordance with section 111AKB(5)(d).

(b) Where a filing constituent entity makes an election under section 111AKG(1) in respect of a tested jurisdiction for a fiscal year, the filing constituent entity may also make the election provided for under section 111AKB(3)(a).

(c) Where an election is made under sections 111AKB(3)(a) and 111AKG(1) in respect of a fiscal year and a tested jurisdiction then—

(i) where the qualified tax incentive has been included as a reduction to the tax expense in the financial accounts of the constituent entity, simplified taxes shall be increased by the lower of—

(I) the amount of qualified tax incentive used in the fiscal year in respect of the tested jurisdiction, and

(II) the substance cap for the tested jurisdiction for the fiscal year,

calculated in accordance with section 111AKB, and

(ii) where the qualified tax incentive has been included as income in the profit before taxation in the financial accounts of the constituent entity, simplified income shall be reduced by the

lower of—

(I) the amount of qualified tax incentive used in the fiscal year in respect of the tested jurisdiction, and

(II) the substance cap for the tested jurisdiction for the fiscal year,

calculated in accordance with section 111AKB.

Simplified qualifying loss election

111AKT. (1) (a) Where a filing constituent entity makes a qualifying loss election in accordance with section 111Y(1) for a tested jurisdiction in respect of a fiscal year, then, any balance remaining of the qualifying loss deferred tax asset for a tested jurisdiction determined pursuant to section 111Y shall be used in any subsequent fiscal year to which an election under section 111AKG(1) applies (in this section referred to as a 'simplified effective tax rate safe harbour fiscal year'), and any deferred tax expense (other than the amount of qualifying loss deferred tax asset used) shall be excluded from the calculation of simplified taxes for the tested jurisdiction for a simplified effective tax rate safe harbour fiscal year.

(b) To determine the amount of qualifying loss deferred tax asset for a tested jurisdiction used in a simplified effective tax rate safe harbour fiscal year, subsection (2) of section 111Y shall apply subject to the substitution of 'SI' for 'NQI' in the formula set out in paragraph (a) of that subsection, where 'SI' is the simplified income of the tested jurisdiction for the fiscal year.

(c) The qualifying loss deferred tax asset for a tested jurisdiction shall be reduced by the amount that is used in a simplified effective tax rate safe harbour fiscal year and the balance shall be carried forward to subsequent fiscal years.

(2) Where a filing constituent entity makes a qualifying loss election in accordance with section 111Y(1) for a tested jurisdiction in respect of a simplified effective tax rate safe harbour fiscal year, section 111Y shall apply for the purposes of calculating the qualifying loss deferred tax asset for the tested jurisdiction as if references in section 111Y to a net qualifying loss were references to a simplified loss determined in accordance with this Chapter.

(3) A qualifying loss election made in accordance with section 111Y shall remain in effect for all fiscal years following the fiscal year in respect of which the election is made, including a simplified effective tax rate safe harbour fiscal year, until the qualifying loss election is withdrawn.

Transition year rules

111AKU. (1) In this Chapter, 'transition year', for a tested jurisdiction, means the earlier of—

(a) the first fiscal year in which an MNE group or large-scale domestic group, as the case may be, falls within the scope of a qualified IIR,

qualified UTPR or qualified domestic top-up tax, in respect of that tested jurisdiction, or

(b) the first fiscal year that a filing constituent entity makes an election under section 111AKG(1) in respect of that tested jurisdiction.

(2) Subject to subsection (3), section 111AW shall, with any necessary modifications, apply for the purposes of determining the simplified effective tax rate of a tested jurisdiction for a fiscal year, as that section applies for the purposes of determining the effective tax rate of a jurisdiction.

(3) The reversal of any deferred tax liability that is not treated as a recapture exception accrual (including a deferred tax liability that arose prior to a transition year) is excluded from the computation of simplified taxes, unless the MNE group or large-scale domestic group, as the case may be, included that deferred tax liability in the computation of adjusted covered taxes for a prior fiscal year when it was within the scope of a qualified IIR, qualified UTPR or qualified domestic top-up tax.

Tax adjustments after year end

111AKV. (1) For the purposes of determining the simplified income or loss and simplified taxes of a tested jurisdiction for a fiscal year, subject to subsections (2) to (10), where there is an increase or decrease in the covered taxes liability or income of a constituent entity in the tested jurisdiction for a fiscal year (in this section referred to as 'the transaction year') that is accrued in the consolidated financial statements after the end of that fiscal year—

(a) the increase or decrease in income shall be included in simplified income or loss, and

(b) the increase or decrease in covered taxes liability shall be included in simplified taxes,

of the tested jurisdiction for the fiscal year in which the increase or decrease to the covered taxes liability or income, as the case may be, was accrued (in this section referred to as the 'accrual year').

(2) (a) Subject to paragraphs (b) and (c), on the making of an election by a filing constituent entity, all increases or decreases in covered taxes liability or income, as the case may be, of a constituent entity in a tested jurisdiction that accrue in the consolidated financial statements within 12 months of the end of the transaction year shall be included in simplified taxes or simplified income, as the case may be, of the tested jurisdiction for the transaction year.

(b) The election referred to in paragraph (a) applies to increases or decreases in covered taxes liability or income, as the case may be, in all tested jurisdictions of the MNE group.

(c) The election referred to in paragraph (a) shall not apply to covered taxes liability or income adjustments related to transfer pricing

taxable income adjustments (within the meaning of section 111AKZ).

(3) For the fiscal year in which the election referred to in subsection (2)(a) is made (referred to in this subsection as the 'election year'), where there is an increase or decrease to the covered taxes liability or income of a constituent entity in the tested jurisdiction for a prior fiscal year that is accrued in the consolidated financial statements of the election year, such increases or decreases shall be included in simplified income or simplified taxes, as the case may be, of the election year.

(4) Where the election referred to in subsection (2)(a) is withdrawn, any income or covered taxes, as the case may be, taken into account in the preceding transaction year under the election shall be excluded from simplified income or simplified taxes, as the case may be, of the tested jurisdiction for the fiscal year in respect of which the election is withdrawn.

(5) The making of an election referred to in subsection (2)(a) by the filing constituent entity shall not prevent that filing constituent entity from making an election under section 111AKZ(5).

(6) Where—

(a) a net decrease to the covered taxes liability for a prior fiscal year for a constituent entity in a tested jurisdiction, which is not attributable to a decrease in simplified income, accrues more than 12 months after the end of that fiscal year, and

(b) including that net decrease in the simplified taxes of the accrual year would cause the simplified effective tax rate of the tested jurisdiction to be below the minimum tax rate,

then, the MNE group or large-scale domestic group, as the case may be, may exclude the net decrease for that prior fiscal year from the simplified taxes of the accrual year if—

(i) after adjusting the simplified taxes by the net decrease accrued in any fiscal year in respect of that prior fiscal year and any corresponding deferred tax effects for that prior fiscal year, the simplified effective tax rate for that prior fiscal year is not below the minimum tax rate, or

(ii) after adjusting the adjusted covered taxes by the net decrease accrued in any fiscal year in respect of that prior fiscal year and any corresponding deferred tax effects for that prior fiscal year, the effective tax rate, calculated in accordance with section 111AC or 111AT, where applicable, for that prior fiscal year is not below the minimum tax rate.

(7) (a) Where an increase to a covered taxes liability, which is attributable to an income adjustment, is accrued in an accrual year in respect of taxes which relate to a transaction year, the related income adjustment shall be included in the calculation of simplified income

for the accrual year if it is not already included in the financial accounts.

(b) For the purposes of paragraph (a), a change to the covered taxes liability which is attributable to a transfer pricing taxable income adjustment (within the meaning of section 111AKZ) shall be considered to be attributable to an income adjustment.

(c) Where a constituent entity (in this paragraph referred to as the 'seller') has entered into a transaction with another constituent entity (in this paragraph referred to as the 'buyer'), and there is a transfer pricing taxable income adjustment (within the meaning of section 111AKZ) in the respective jurisdictions of the seller and the buyer in respect of the transaction, but a deferred tax asset is recorded in the financial accounts of the buyer instead of adjusting the carrying value of the asset which transferred in the transaction, the accrual of that deferred tax asset shall be excluded from the calculation of simplified taxes.

(8) If a positive adjustment to adjusted covered taxes would arise in respect of a constituent entity by virtue of section 111AB(3) where an election was not made under section 111AKG(1) for a fiscal year, the positive adjustment shall be included in simplified taxes of the tested jurisdiction of the constituent entity for the fiscal year in which the deferred tax asset or liability reverses upon payment of the related tax.

(9) If a negative adjustment to adjusted covered taxes would arise in respect of a constituent entity by virtue of subsection (2), (3) or (4) of section 111AB where an election was not made under section 111AKG(1) for a fiscal year, subsection (1) shall apply to such an adjustment for the purposes of calculating simplified taxes of the tested jurisdiction of the constituent entity.

(10) An MNE group or large-scale domestic group, as the case may be, may add back a refund of covered taxes relating to a prior fiscal year (in this subsection referred to as 'the qualified refund year') for a tested jurisdiction, that is accrued in the accrual year, to simplified taxes of the tested jurisdiction in the accrual year provided that if any adjustments for the refund and any corresponding deferred tax effects, and any refunds and any corresponding deferred tax effects accrued in preceding fiscal years in relation to the qualified refund year, were made in the qualified refund year it would not result in—

(a) a simplified effective tax rate for the tested jurisdiction below the minimum tax rate in the qualified refund year, where an election has been made under section 111AKG(1) in respect of the tested jurisdiction for that fiscal year, or

(b) an effective tax rate for the tested jurisdiction, calculated under section 111AC or 111AT, where applicable, below the minimum tax rate in the qualified refund year, where an election has not been made under section 111AKG(1) in respect of the tested jurisdiction

for that fiscal year.

Industry adjustments – shipping income

111AKW. (1) In this section, 'international shipping income' and 'qualified ancillary international shipping income' have the meaning assigned to each of them, respectively, by section 111Q.

(2) Subject to subsection (3), section 111Q shall, with any necessary modifications, apply for the purposes of calculating simplified income or loss of a constituent entity in a tested jurisdiction for a fiscal year as it applies for the purposes of calculating the qualifying income or loss of a constituent entity for a fiscal year.

(3) Subject to subsection (4), on the making of an election by a filing constituent entity, subsection (2) shall not apply in respect of a tested jurisdiction for a fiscal year.

(4) Subsection (3) shall not apply in respect of a tested jurisdiction for a fiscal year where—

(a) the computation of the aggregate amount of international shipping income and qualified ancillary international shipping income for the tested jurisdiction for the fiscal year results in a loss, or

(b) an election has not been made under section 111AKG(1) in respect of the tested jurisdiction for the fiscal year.

M&A simplification and fair value election

111AKX. (1) In this section—

'GloBE-to-book difference' means the difference between the carrying values of the assets and liabilities acquired in an M&A transaction by an entity, determined in accordance with sections 111AM and 111AN, and the carrying values for financial accounting purposes of those assets and liabilities that is attributable to the M&A transaction and any corresponding deferred tax assets and liabilities reflected in the financial accounts of the acquiring entity that are used to determine its financial accounting net income or loss in accordance with section 111AKH;

'M&A transaction' means a transaction in which assets and liabilities are transferred in connection with—

(a) an acquisition of the controlling interest of an entity, that is not a transaction to which section 111AM(7) applies, or

(b) a reorganisation;

'reorganisation' has the meaning assigned to it by section 111AN.

(2) Subject to subsections (3) to (8), sections 111AM and 111AN shall, with any necessary modifications, apply for the purposes of calculating simplified income or loss and simplified taxes of a tested jurisdiction for a fiscal year, as those sections apply for the purposes of calculating qualifying income or loss, and adjusted covered taxes,

respectively, of a constituent entity.

(3) For the purposes of determining the simplified income or loss and simplified taxes of a tested jurisdiction in respect of a fiscal year with respect to an M&A transaction, where all of the assets, except for goodwill, and liabilities, for which there is a GloBE-to-book difference, have—

(a) the same tax basis before and after the M&A transaction, and

(b) corresponding deferred tax assets or liabilities accrued at a rate that is equal to or greater than the minimum tax rate,

then—

(i) the effect of the GloBE-to-book difference on the jurisdictional profit or loss before income tax for the tested jurisdiction shall not be removed from the computation of simplified income,

(ii) the accrual of the deferred tax assets and liabilities arising from the M&A transaction shall not be included in simplified taxes, and

(iii) the reversal of deferred tax assets and liabilities arising from the M&A transaction, including deferred tax liabilities that are not recapture exception accruals, shall be included in simplified taxes.

(4) Any impairment or amortisation of goodwill in connection with an M&A transaction, that does not have a corresponding deferred tax liability or has a corresponding deferred tax liability recorded at a tax rate below the minimum tax rate, shall be added back to jurisdictional profit or loss before income tax in determining simplified income for a tested jurisdiction for a fiscal year and any reversal of the related deferred tax liability shall be excluded in determining simplified taxes for a tested jurisdiction for a fiscal year.

(5) Where an election under section 111AKG(1) has been made in respect of a tested jurisdiction for a fiscal year, a filing constituent entity may make an election under section 111AN(6) for the purposes of calculating simplified income or loss for a tested jurisdiction for a fiscal year, and section 111AN(6) shall, with any necessary modifications, apply as it applies to the calculation of qualifying income or loss for a constituent entity for a fiscal year, where—

(a) the conditions of section 111AN(6) have been met, or

(b) the tax basis of the assets and liabilities of a constituent entity is adjusted to the fair value as determined in connection with an M&A transaction that occurred in a prior fiscal year, provided that an election under section 111AN(6) could not be made in respect of that prior fiscal year.

(6) (a) Where an election is made under section 111AN(6) in the circumstances described in subsection (5)(b), then—

(i) the GloBE-to-book difference attributable to each asset and

liability shall be included in the computation of simplified income or loss of the tested jurisdiction in respect of the fiscal year of the election, or

(ii) one fifth of the GloBE-to-book difference attributable to each asset and liability shall be included in the computation of simplified income in the fiscal year of the election and in each of the immediate 4 subsequent fiscal years (in this section referred to as the '5-year period'), but where a constituent entity to which the election relates ceases to be a member of the MNE group or large-scale domestic group, as the case may be, in a fiscal year within the 5-year period, the remaining amount of the GloBE-to-book difference shall be included in that fiscal year.

(b) If an election under section 111AKG(1) has not been made by a filing constituent entity for a fiscal year included in the 5-year period, the amount allocated to that fiscal year in accordance with paragraph (a)(ii) shall be included in the computation of qualifying income or loss for that fiscal year.

(c) If an election under section 111AN(6) is made by a filing constituent entity in respect of a fiscal year for which an election under section 111AKG(1) has not been made, any gain or loss included in a fiscal year in accordance with section 111AN(7) for which an election under section 111AKG(1) has been made shall be included in the computation of simplified income or loss for the tested jurisdiction for that fiscal year.

(7) An election made under section 111AN(6) in accordance with subsection (5) shall apply to all assets and liabilities that were transferred in the M&A transaction.

(8) Where an election made under section 111AN(6) in accordance with subsection (5) is made after the fiscal year in which the M&A transaction occurred, the GloBE-to-book difference shall be determined based on the carrying values in the financial accounts of the assets and liabilities at the beginning of the year in which the election is made.

Cross-border allocation of income and taxes

111AKY. (1) For the purposes of this Chapter, subject to subsections (3) to (8), sections 111R, 111S and 111Z(3) shall, with any necessary modifications, apply for the purposes of allocating simplified income or loss or simplified taxes, as the case may be, relating to a permanent establishment or a flow-through entity, as those sections apply for the purposes of allocating qualifying income or loss or adjusted covered taxes, as the case may be, relating to a permanent establishment or a flow-through entity.

(2) (a) Subject to paragraph (b) and subsection (8), any amount of covered taxes allocable from a main entity to a permanent establishment under section 111Z(2), or from a constituent entity-owner to a

subsidiary constituent entity under subsection (4), (5) or (6) of section 111Z, shall be excluded from simplified taxes of all tested jurisdictions.

(b) Paragraph (a) shall not apply to withholding taxes imposed on a distribution from a constituent entity by the jurisdiction in which that constituent entity is located.

(3) A filing constituent entity may make an election (in this section referred to as the 'permanent establishment simplification election') not to apply subsections (3) and (4) of section 111R and subsection (8) of section 111Z in respect of the calculation of simplified income or loss and simplified taxes of a tested jurisdiction of a main entity located in a jurisdiction which—

(a) has implemented in its domestic law, rules which are equivalent to the rules outlined in the document entitled 'OECD (2015), Neutralising the Effects of Hybrid Mismatch Arrangements, Action 2 - 2015 Final Report, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris', and

(b) in its domestic law has a regime under which the income of permanent establishments of main entities located in the jurisdiction is included in the taxable income of those main entities (in this section referred to as a 'taxable branch regime'),

provided that any deferred taxes on the main entity's income and expenses attributable to operations in the jurisdiction in which the main entity is located are not reflected in the jurisdictional income tax expense at a rate below the minimum tax rate.

(4) Where a permanent establishment simplification election is made in respect of a fiscal year—

(a) the simplified income or loss of each permanent establishment shall be included in the simplified income or loss of the main entity's tested jurisdiction to the extent that it is treated as income or loss in the computation of the domestic taxable income under the taxable branch regime in the main entity's jurisdiction,

(b) the main entity's current and deferred taxes related to the income or loss of those permanent establishments shall be included in the simplified taxes of the main entity's tested jurisdiction, and

(c) the amount of foreign tax credit used by the main entity to reduce its current tax expense related to the income of those permanent establishments shall be included in the simplified taxes of the main entity's tested jurisdiction.

(5) (a) A permanent establishment simplification election shall be made on a jurisdictional basis.

(b) Where a simplified loss of a permanent establishment has been included in the simplified income of a main entity pursuant to a

permanent establishment simplification election, the filing constituent entity shall make a permanent establishment simplification election in each subsequent fiscal year in respect of the jurisdiction of the main entity until the fiscal year after the simplified income of the main entity's jurisdiction has included, on a cumulative basis for each subsequent fiscal year, an equal or greater amount of simplified income of that permanent establishment.

(c) Where a permanent establishment simplification election is in effect for a fiscal year in respect of a jurisdiction of a main entity, subsections (3) and (4) of section 111R and subsection (8) of section 111Z shall not apply to—

(i) the computation of simplified income or simplified taxes of the tested jurisdiction of a permanent establishment of the main entity where an election has been made under section 111AKG(1) in respect of the tested jurisdiction of that permanent establishment for that fiscal year, or

(ii) the computation of qualifying income or loss and adjusted covered taxes of a permanent establishment of the main entity where an election has not been made under section 111AKG(1) in respect of the tested jurisdiction of that permanent establishment for that fiscal year.

(d) For any fiscal year in which a permanent establishment simplification election is in effect for the jurisdiction of a main entity, the covered taxes of the main entity shall not be allocated to a permanent establishment under section 111Z(2) nor shall an election be made under subsection (8) to apply section 111Z(2) for the purposes of calculating the simplified effective tax rate.

(6) For the purposes of subsection (4)(c)—

(a) where foreign tax credits used in a fiscal year are attributable to different types of foreign source income, the amount of foreign tax credit used in that fiscal year and related to the income of a permanent establishment shall be determined by multiplying the total amount of foreign tax credit used in the year by the ratio of the permanent establishment's income included in taxable income to the total amount of foreign source income included in taxable income, and

(b) the amount of foreign tax credit included in simplified taxes shall not exceed an amount equal to the nominal tax rate in the main entity's jurisdiction multiplied by the total income of permanent establishments included in the main entity's taxable income.

(7) A permanent establishment simplification election shall not affect the calculation of the simplified effective tax rate of the tested jurisdiction of a permanent establishment and, for that purpose, any taxes paid by a main entity on income attributable to a permanent establishment shall

be excluded from the calculation of the simplified effective tax rate of the tested jurisdiction of a permanent establishment, unless an election is made under subsection (8).

(8) (a) Subject to paragraph (c), for the purposes of calculating the simplified effective tax rate of a tested jurisdiction, a filing constituent entity may make an election to allocate covered taxes referred to in subsections (2), (4), (5) and (6) of section 111Z to another constituent entity in accordance with those subsections and subsection (7) of that section.

(b) Subject to paragraph (c), the election referred to in paragraph (a) shall apply to all members of the MNE group and shall apply to all covered taxes described in subsections (2), (4), (5) and (6) of section 111Z and it shall not be limited to taxes described in only one of those subsections.

(c) The election referred to in paragraph (a) shall not apply to covered taxes referred to in section 111Z(2) where a permanent establishment simplification election is in effect for the jurisdiction of the main entity for the fiscal year.

(d) Where an election is made under paragraph (a)—

(i) covered taxes allocated to a constituent entity located in a jurisdiction that has not implemented a qualified domestic top-up tax shall be included in the simplified taxes for the tested jurisdiction that includes the constituent entity, and

(ii) covered taxes allocable to a constituent entity located in a jurisdiction that has implemented a qualified domestic top-up tax shall be excluded from the simplified taxes of all tested jurisdictions.

Transfer pricing adjustments

111AKZ. (1) In this section—

'accrual year' means the fiscal year in which a transfer pricing taxable income adjustment is accrued in the financial accounts of a constituent entity;

'arm's length price' means the price of a transaction determined in accordance with the arm's length principle;

'arm's length principle' has the meaning assigned to it by section 111P(1);

'transaction year' means the fiscal year in which the transaction to which a transfer pricing taxable income adjustment relates occurred;

'transfer pricing taxable income adjustment' means the difference between the price of a transaction recorded in the financial accounts of a constituent entity at the end of a fiscal year and the transfer price used to compute the taxable income of that constituent entity for that year.

(2) Subject to subsection (6), section 111P(4) shall, with any necessary modifications, apply for the purposes of determining the simplified income or loss of a tested jurisdiction in respect of a fiscal year as it applies to determining the qualifying income or loss of a constituent entity for a fiscal year, and for this purpose a reference to a 'jurisdiction' in section 111P(4) shall be read as a reference to a 'tested jurisdiction'.

(3) (a) Subject to subsection (5), where a transfer pricing taxable income adjustment is made after the end of the fiscal year in respect of a transaction between constituent entities in different tested jurisdictions, it shall be included as an adjustment to the jurisdictional profit or loss before income tax of the tested jurisdiction of the constituent entity in whose financial accounts the adjustment is accrued for the accrual year.

(b) Any increase or decrease in the covered taxes liability of a constituent entity that is attributable to a transfer pricing taxable income adjustment that has been included as an adjustment to the jurisdictional profit or loss before income tax of the tested jurisdiction of a constituent entity for a fiscal year shall be included as an adjustment to the jurisdictional income tax expense for the tested jurisdiction of the constituent entity for that fiscal year.

(4) Where a transfer pricing taxable income adjustment is made in a tested jurisdiction of a constituent entity in respect of a transaction between constituent entities of an MNE group in different tested jurisdictions and no corresponding transfer pricing taxable income adjustment is made in the tested jurisdiction of the counterparty constituent entity, a corresponding adjustment equal to the transfer pricing taxable income adjustment shall be made to the jurisdictional profit or loss before income tax of the tested jurisdiction of the counterparty constituent entity for the accrual year.

(5) (a) On the making of an election by a filing constituent entity, a transfer pricing taxable income adjustment, and any related increase or decrease in covered taxes liability, that accrues within 12 months of the end of the transaction year shall be included as an adjustment to the jurisdictional profit or loss before income tax and jurisdictional income tax expense, as the case may be, for the transaction year and shall be excluded from the jurisdictional profit or loss before income tax and jurisdictional income tax expense, as the case may be, for the accrual year.

(b) An election referred to in paragraph (a) shall apply to all transfer pricing taxable income adjustments and any related increases or decreases in covered taxes liability in all jurisdictions in which members of the MNE group are located.

(c) In the fiscal year for which the election is withdrawn (in this paragraph referred to as 'the withdrawal year'), any income and covered taxes taken into account in a transaction year in

accordance with the election shall be excluded from the jurisdictional profit or loss before income tax and jurisdictional income tax expense in the withdrawal year.

(d) The making of an election referred to in paragraph (a) by the filing constituent entity shall not prevent that filing constituent entity from making an election under section 111AKV(2)(a).

(6) (a) Where a constituent entity of an MNE group (in this subsection referred to as the 'seller') has entered into a transaction with another constituent entity of that MNE group (in this subsection referred to as the 'buyer') in a different tested jurisdiction, and the transaction is recorded at cost in the financial accounts of the seller, the jurisdictional profit or loss before income tax of the tested jurisdiction of the seller shall be adjusted to reflect the transfer price used to determine its taxable income or, where the transaction is not a taxable transaction, the arm's length price.

(b) For the purposes of determining the simplified income or loss and simplified taxes of the tested jurisdiction of the buyer—

(i) subject to subparagraph (ii), the buyer shall use the carrying value of the assets and liabilities arising from the transaction as recorded in its financial accounts, and shall take into account any deferred tax asset, recalculated at the minimum tax rate, recorded in respect of the difference between the tax and accounting carrying values of such assets and liabilities in computing its simplified taxes, and

(ii) in respect of any intangible asset transferred in the transaction, the buyer shall use the arm's length price of that intangible asset in computing simplified income and simplified taxes.

(7) Subsection (3) shall apply to a sale or other transfer of an asset between constituent entities of an MNE group that are in the same tested jurisdiction where that sale or transfer results in a loss, and where the tax law of that jurisdiction disallows the loss for the purposes of calculating a liability to covered taxes instead of adjusting the sale price to arm's length, the amount of the disallowed loss shall be deemed to be a transfer pricing taxable income adjustment for that tested jurisdiction.

Tax neutral ultimate parent entity

111AKZA. (1) In this section—

'deductible dividend' and 'deductible dividend regime' have the same meaning, respectively, as in section 111AR;

'qualified person' means—

(a) in respect of an ultimate parent entity that is a flow-through entity, an ownership holder referred to in subsection (1) or (2) of section 111AQ to which subsection (3)(a) of that section applies, or

(b) in respect of an ultimate parent entity that is subject to a deductible dividend regime, a dividend recipient referred to in subsection (3) of section 111AR.

(2) (a) Subject to paragraph (b), for a constituent entity which is—

(i) an ultimate parent entity that is a flow-through entity, or

(ii) a permanent establishment referred to in section 111AQ(5),

section 111AQ shall, with any necessary modifications, apply for the purposes of determining the simplified income or loss and simplified taxes of the tested jurisdiction of the constituent entity in respect of a fiscal year as it applies to determining the qualifying income or loss and covered taxes of a constituent entity for a fiscal year.

(b) The simplified income or loss and simplified taxes for an entity which is an ultimate parent entity that is a flow-through entity, or a permanent establishment referred to in section 111AQ(5), shall be deemed to be zero where all of the ownership interests in the ultimate parent entity are held by qualified persons.

(3) (a) Subject to paragraph (b), for an entity which is—

(i) an ultimate parent entity, or

(ii) a constituent entity referred to in section 111AR(5),

and is subject to a deductible dividend regime, section 111AR shall, with any necessary modifications, apply for the purposes of determining the simplified income or loss and simplified taxes of a tested jurisdiction of the entity in respect of a fiscal year as it applies to determining the qualifying income or loss and covered taxes of a constituent entity for a fiscal year.

(b) Where an ultimate parent entity, or a constituent entity referred to in section 111AR(5), is subject to a deductible dividend regime for a fiscal year, then, the simplified income or loss and simplified taxes of the ultimate parent entity, or a constituent entity referred to in section 111AR(5), as the case may be, shall be deemed to be zero where—

(i) all of the ownership interests of the ultimate parent entity are held by qualified persons, and

(ii) all the income is distributed as deductible dividends.

Tax transparent entities

111AKZB. The simplified income or loss and the simplified taxes of a constituent entity that is a tax transparent entity, other than an ultimate parent entity, shall be deemed to be zero for a fiscal year where all of the income and covered taxes of the tax transparent entity would, after the application of section 111S(1), be allocated to—

(a) one or more permanent establishments in accordance with sections

111S(3) and 111Z(2), or

(b) its constituent entity-owners in accordance with sections 111S(4) and 111Z(3).

Investment entity tax transparency election

111AKZC. Notwithstanding section 111AT(4), the top-up tax of a constituent entity that is an investment entity for a fiscal year shall be deemed to be zero where that investment entity is treated as a tax transparent entity with respect to all of its constituent entity-owners for that fiscal year— 5

(a) by virtue of an election made under section 111AU(1), or

(b) under section 111A(5)(a)(i). 10

Ineligible tested jurisdictions

111AKZD. (1) An election shall not be made under section 111AKG(1) in respect of a tested jurisdiction for a fiscal year where—

(a) a stateless constituent entity, other than where the top-up tax for the stateless constituent entity would be deemed to be zero for the fiscal year in accordance with sections 111AKG(1)(c) and 111AKZB, 15

(b) an investment entity, other than where the top-up tax for the investment entity is deemed to be zero for the fiscal year in accordance with section 111AKZC, or 20

(c) a constituent entity in respect of which an election has been made in accordance with section 111AS(1) and there is an outstanding balance of the deemed distribution tax recapture account (construed in accordance with section 111AS(3)) for the jurisdiction at the beginning of the fiscal year, 25

is in the tested jurisdiction for that fiscal year.

(2) For the purposes of this Chapter, sections 111AU and 111AV shall, with any necessary modifications, apply for the purposes of determining the simplified income or loss and simplified taxes of a tested jurisdiction in respect of a fiscal year as those sections apply to determining the qualifying income or loss and adjusted covered taxes of a constituent entity-owner for a fiscal year. 30

Entry and re-entry criteria

111AKZE. (1) In this section, 'specified safe harbour' means the simplified calculations safe harbour. 35

(2) Subject to subsections (3) to (5)—

(a) an election under section 111AKG(1) may only be made by an MNE group or large-scale domestic group, as the case may be, for the first time in respect of a tested jurisdiction for a fiscal year (in this paragraph referred to as the 'first election year') where the group had no top-up tax liability in respect of that tested jurisdiction in every fiscal year, if any, that began within the 40

24-month period immediately preceding the first day of the first election year, and

(b) an MNE group or large-scale domestic group, as the case may be, that made an election under section 111AKG(1) in respect of a tested jurisdiction for a fiscal year but did not make, or was not eligible to make, such an election in respect of that tested jurisdiction for a succeeding fiscal year (in this paragraph referred to as the 'non-election year'), may only make an election under section 111AKG(1) in respect of that tested jurisdiction for a fiscal year commencing after the non-election year where the group had no top-up tax liability in respect of that tested jurisdiction in every fiscal year that began within the 24-month period commencing on the first day of the non-election year.

(3) For the purposes of subsection (2), where the MNE group or large-scale domestic group, as the case may be, includes constituent entities and same-country investment entities as a single tested jurisdiction, the requirement for the group to have had no top-up tax liability in respect of the tested jurisdiction for prior fiscal years shall only be satisfied where both the constituent entities and the same-country investment entities to be included in that tested jurisdiction had no top-up tax liability in respect of those fiscal years.

(4) For the purposes of subsection (2)(b), a group shall be treated as having no top-up tax liability for a fiscal year in respect of a tested jurisdiction where—

(a) the group was not within the scope of a qualified IIR, qualified UTPR or qualified domestic top-up tax in respect of that tested jurisdiction for that fiscal year,

(b) the group's top-up tax liability was determined to be zero for that fiscal year under a qualified IIR, qualified UTPR or qualified domestic top-up tax in respect of that tested jurisdiction, or

(c) the top-up tax liability is deemed to be zero for that fiscal year by virtue of the application of a specified safe harbour.

(5) For the purposes of subsection (2)(b), additional top-up tax determined in accordance with section 111AF that is attributable to a prior fiscal year shall be disregarded in determining whether a group had a top-up tax liability for a fiscal year.

Integrity rules

111AKZF. (1) Subject to subsections (2) to (7), an MNE group or large-scale domestic group, as the case may be, shall not be eligible to make an election under section 111AKG(1), in respect of a tested jurisdiction for a fiscal year, unless the group has made such adjustments as are necessary to ensure, when calculating simplified income or loss, simplified taxes, qualifying income or loss and adjusted covered taxes for the purposes of this Part, that—

(a) income arising from an intra-group transaction is not recognised in the financial accounts of a member of the MNE group or large-scale domestic group, as the case may be, in a fiscal year later than the fiscal year in which the corresponding expense is recognised in the financial accounts of a member of the MNE group or large-scale domestic group, as the case may be, that is the counterparty to the transaction, and the amount of the income so recognised matches the amount of the corresponding expense (in this section referred to as the 'matching principle'),

(b) all income, profit or loss of the MNE group or large-scale domestic group, as the case may be, for the fiscal year is allocated to a tested jurisdiction and all of the profit or loss of each constituent entity for the fiscal year, without regard to elimination adjustments in the consolidation process, is reflected in the simplified income or loss of the tested jurisdiction that includes that constituent entity (in this section referred to as the 'full allocation principle'),

(c) an expense or loss incurred by a member of the MNE group or large-scale domestic group, as the case may be, is deducted only once and only in one tested jurisdiction (in this section referred to as the 'single expense and loss principle'), and

(d) an amount of tax incurred by a member of the MNE group or large-scale domestic group, as the case may be, is included only once and in only one tested jurisdiction (in this section referred to as the 'single tax principle').

(2) (a) Where the matching principle would not otherwise be satisfied in respect of an intra-group transaction, and the MNE group or large-scale domestic group, as the case may be, adjusts the jurisdictional profit or loss before income tax of the constituent entity that recognised the expense to exclude such expense from the calculation of its simplified income or loss within the tested jurisdiction for the fiscal year, then the matching principle shall be considered to be satisfied in respect of that intra-group transaction.

(b) The matching principle shall be considered to be satisfied where the failure to satisfy the matching principle arises solely because one of the constituent entities that is a party to the transaction (in this paragraph referred to as the 'transacting party') determines its simplified income or loss in accordance with a financial accounting standard, other than the financial accounting standard used in the preparation of the consolidated financial statements of its ultimate parent entity, which is permitted to be used under a qualified domestic top-up tax in the jurisdiction where the transacting party is located.

(3) Where the full allocation principle would not otherwise be satisfied, but the income that would not otherwise be allocated to a tested jurisdiction is allocated to the jurisdiction that such income would have been allocated to for the purposes of Chapter 3, then the full

allocation principle shall be considered to be satisfied in respect of that income.

(4) (a) Where the single expense and loss principle would not otherwise be satisfied, and the amount of the expense or loss that is deducted more than once is excluded from the calculation of the jurisdictional profit or loss before income tax of all tested jurisdictions in which it was included, then the single expense and loss principle shall be considered to be satisfied in respect of that expense or loss.

(b) Where an expense is economically deducted only once by the group, the single expense and loss principle shall be considered to be satisfied in respect of that expense regardless of whether that expense was recorded by more than one constituent entity due to intra-group cost-sharing or recharging agreements.

(5) Where the single tax principle would not otherwise be satisfied, and the amount of the tax that is included more than once is excluded from the calculation of the jurisdictional income tax expense of all tested jurisdictions in which it was included, then the single tax principle shall be considered to be satisfied in respect of that tax.

(6) A financial instrument issued by one constituent entity and held by another constituent entity in the same MNE group or large-scale domestic group, as the case may be, shall be classified as debt or equity consistently for both the issuer and the holder of the financial instrument based on the financial accounting standard used by the issuer in the calculation of its simplified income.

(7) The requirement to satisfy the single expense and loss principle and the single tax principle shall not apply where the expense, loss or tax is subject to the permanent establishment simplification election under section 111AKY(3).

Applicability date

111AKZG. (1) A filing constituent entity may make an election under section 111AKG(1) in respect of a tested jurisdiction for a fiscal year that commences on or after 31 December 2026.

(2) A filing constituent entity may make an election under section 111AKG(1) in respect of a tested jurisdiction for a fiscal year that commences on or after 31 December 2025 but before 31 December 2026 where—

(a) the QDTT Safe Harbour within the meaning of section 111AI applies with respect to the tested jurisdiction for the fiscal year,

(b) the State is the only jurisdiction that has taxing rights under a qualified IIR, qualified UTPR or qualified domestic top-up tax, with respect to the tested jurisdiction for the fiscal year, or

(c) in all jurisdictions that have taxing rights under a qualified IIR, qualified UTPR or qualified domestic top-up tax, with respect to

the tested jurisdiction, a qualified simplified effective tax rate safe harbour is available for any fiscal years that commence on or after 31 December 2025 under the law of those jurisdictions and an election for the qualified simplified effective tax rate safe harbour is made by the MNE group or large-scale domestic group, as the case may be, with respect to that tested jurisdiction in applying the law of all those jurisdictions.”,

(s) in section 111AT—

(i) in subsection (4)—

(I) in paragraph (a)—

(A) by the substitution of “(A x (B-C)) – D + ATUR” for “(A x (B-C)) – D”,

(B) by the substitution of “C is the substance-based income exclusion calculated for the relevant investment entity as determined in accordance with paragraph (c),” for “C is the substance-based income exclusion calculated for the relevant investment entity as determined in accordance with paragraph (c), and”,

(C) by the substitution for “D is the amount of qualified domestic top-up tax payable for the relevant investment entity for the fiscal year.” of the following:

“D is the amount of qualified domestic top-up tax payable for the relevant investment entity for the fiscal year, and

ATUR is the additional top-up tax for the relevant investment entity for a fiscal year determined in accordance with section 111AF.”,

and

(II) by the deletion of paragraph (b),

and

(ii) by the insertion of the following subsection after subsection (4):

“(4A) Where more than one relevant investment entity of an MNE group or large-scale domestic group is located in a jurisdiction—

(a) the qualifying income or loss and substance-based income exclusion amounts of each relevant investment entity shall be combined to compute the top-up tax of all of the relevant investment entities,

(b) subject to paragraph (c), the top-up tax of a relevant investment entity for a fiscal year shall be calculated in accordance with the formula—

RTUT x (RQI / RAQI)

where—

RTUT is the aggregate top-up tax computed for all of the relevant investment entities located in a jurisdiction for a fiscal year as determined by paragraph (a) and subsection (4),

RQI is the qualifying income of the relevant investment entity for a jurisdiction for a fiscal year, and

RAQI is the sum, if any, of the qualifying income of all of the relevant investment entities for a fiscal year located in the jurisdiction,

and

(c) where—

(i) the top-up tax of a relevant investment entity for a fiscal year is a result of a recalculation to which section 111AF applies, and

(ii) there is no net qualifying income for relevant investment entities in respect of the jurisdiction for the fiscal year,

the top-up tax shall be allocated to each relevant investment entity using the calculation provided for in paragraph (b), based on the qualifying income of the relevant investment entities in the fiscal year, for which the recalculations pursuant to section 111AF are performed.",

(t) in section 111AW(1), by the substitution of the following definition for the definition of 'transition year':

" 'transition year', for a jurisdiction, means the earlier of—

(a) the first fiscal year in which an MNE group or large-scale domestic group, as the case may be, falls within the scope of a qualified IIR, qualified UTPR or qualified domestic top-up tax, in respect of that jurisdiction, or

(b) the first fiscal year that a filing constituent entity makes an election under section 111AKG(1) in respect of that jurisdiction.",

(u) in section 111AAD—

(i) in subsection (2), by the substitution of the following paragraph for paragraph (e):

"(e) there were inserted in section 111O the following subsections after subsection (3):

'(3A) (a) Notwithstanding subsections (2) and (3) and subject to subsection (3B), the financial accounting net income or loss of a qualifying entity for the fiscal year shall be determined in accordance with a local accounting standard where—

(i) the qualifying entity is an entity within the meaning of section 111AAB(1)(c), or

(ii) subject to paragraph (b), all of the qualifying entities of the MNE group, large-scale domestic group or joint venture group, as the case may be, located in the State have financial accounts prepared in accordance with a local accounting standard and the accounting period of all such accounts is the same as the fiscal year of the consolidated financial statements of the MNE group, large-scale domestic group or joint venture group, as the case may be, and—

(I) all such constituent entities are required to prepare or use such accounts for the purposes of determining their liability to tax in the State or to comply with any other law of the State, or

(II) such financial accounts are subject to an external financial audit.

(b) For the purposes of paragraph (a)(ii), where a qualifying entity of an MNE group, large-scale domestic group or joint venture group, as the case may be, located in the State has financial accounts prepared in accordance with a local accounting standard, but the accounting period of such financial accounts is not the same as the fiscal year of the consolidated financial statements of the MNE group, large-scale domestic group or joint venture group, as the case may be, as a result of—

(i) the qualifying entity being formed or created, or in the case of a permanent establishment being established, during the fiscal year,

(ii) the qualifying entity being liquidated, dissolved or otherwise ceasing to exist during the fiscal year,

(iii) a merger or division, both within the meaning, respectively, of section 638A(1), in relation to the qualifying entity during the fiscal year,

(iv) a cross-border merger or cross-border division, both within the meaning, respectively, of the European Union (Cross-Border Conversions, Mergers and Divisions) Regulations 2023 (S.I. No. 233 of 2023), or a merger resulting in the formation of a Societas Europaea in accordance with the SE Regulation, in relation to the qualifying entity during the fiscal year, or

(v) the qualifying entity being acquired by the MNE group, large-scale domestic group or joint venture group, as the case may be, during the fiscal year,

then, for the purposes of paragraph (a)(ii), the accounting period of the financial accounts of the qualifying entity shall be deemed to be the same as the fiscal year of the consolidated financial statements of the MNE group, large-scale domestic group or joint venture group, as the case may be, for that fiscal year and for the fiscal year

immediately following that fiscal year.

(c) In this subsection, 'SE Regulation' means Council Regulation (EC) No. 2157/2001 of 8 October 2001[17] on the Statute for a European company (SE), as amended by Council Regulation (EC) No. 885/2004 of 26 April 2004[18], Council Regulation (EC) No. 1791/2006 of 20 November 2006[19] and Council Regulation (EC) No. 517/2013 of 13 May 2013[20].

(3B) (a) Subject to paragraph (b), where any of the qualifying entities of an MNE group, large-scale domestic group or joint venture group, as the case may be, located in the State prepare financial accounts under more than one local accounting standard then, for the purposes of subsection (3A), the financial accounting net income or loss of a constituent entity for the fiscal year shall be determined in accordance with—

(i) the local accounting standard used for the purposes of determining the profits, losses or gains of the qualifying entity for the purposes of Case I or II of Schedule D, or

(ii) where no such profits, losses or gains exist, the local accounting standard used for the preparation of the financial accounts that are annexed to the annual return to be filed with the Registrar in accordance with the Companies Act 2014, for the accounting period which corresponds to the fiscal year.

(b) Where a qualifying entity does not prepare financial accounts—

(i) for the purposes of determining the profits, losses or gains of the qualifying entity for the purposes of Case I or II of Schedule D, or

(ii) that are annexed to the annual return to be filed with the Registrar in accordance with the Companies Act 2014, for the accounting period which corresponds to the fiscal year,

then, the financial accounting net income or loss of a constituent entity for the fiscal year shall be determined in accordance with subsections (2) and (3).',",

and

(ii) in subsection (5), by the substitution of the following paragraph for paragraph (a):

"(a) For the purposes of this subsection, 'new transition year' means the earlier of—

(i) the first fiscal year that an MNE group is within the scope of a qualified IIR or a qualified UTPR in a jurisdiction in respect of a qualifying entity, or

17 OJ No. L294, 10.11.2001, p.1
18 OJ No. L168, 1.5.2004, p.1
19 OJ No. L363, 20.12.2006, p.1
20 OJ No. L158, 10.6.2013, p.1

(ii) the first fiscal year that a filing constituent entity makes an election under a provision equivalent to section 111AKG(1) under the tax law of a jurisdiction other than the State in respect of a qualified IIR or a qualified UTPR in that jurisdiction in respect of a qualifying entity, 5

where that fiscal year begins on a date later than the beginning of the transition year within the meaning of section 111AW(1).",

(v) in section 111AAI—

(i) in subsection (2)—

(I) in paragraph (b), by the substitution for all of the words from and including "Subsection (1)" down to and including "specified return date by" of the following: 10

"For the purposes of this Part, a constituent entity shall be considered to have prepared and delivered to the Revenue Commissioners a correct and complete top-up tax information return for a fiscal year on the date on which a correct and complete top-up tax information return for the fiscal year is delivered to a tax authority in another jurisdiction by", 15

(II) by the substitution of the following for paragraph (c):

"(c) Where paragraph (b) applies, the constituent entity or a designated local entity on behalf of the constituent entity shall, on or before the specified return date, prepare and deliver to the Revenue Commissioners a correct and complete notification (in this Part referred to as a 'notification of filer') containing the information specified in subsection (7).", 20 25

and

(III) in paragraph (d)(i)—

(A) in clause (I), by the substitution of "located in a Member State," for "located in a Member State, or", and

(B) by the substitution of the following clauses for clause (II): 30

"(II) for a fiscal year, or accounting period, as the case may be, beginning before 31 December 2025, the standardised GloBE Information Return set out in the document referred to in paragraph (f) of the definition, in section 111B, of 'OECD Pillar Two guidance', where the ultimate parent entity or designated filing entity, as the case may be, that files the return is not located in a Member State, or 35

(III) for a fiscal year, or accounting period, as the case may be, beginning on or after 31 December 2025, the standardised GloBE Information Return set out in the document referred to in paragraph (fc) of the definition, in section 111B, of 'OECD Pillar Two guidance', where the ultimate parent 40

entity or designated filing entity, as the case may be, that files the return is not located in a Member State,",

and

(ii) in subsection (3)—

(I) by the substitution of "Subject to subsection (3A), a top-up tax information return shall" for "A top-up tax information return shall", and

(II) by the insertion of the following subsection after subsection (3):

"(3A) Where the filing constituent entity is neither an ultimate parent entity nor a designated filing entity, the filing constituent entity may only include in the top-up tax information return such information in respect of the MNE group as would have been received by the Revenue Commissioners, pursuant to the dissemination approach set out in—

(a) Article 8ae(2) of the Directive on Administrative Cooperation, with respect to information to be exchanged in accordance with that Directive with a jurisdiction that is a Member State, and

(b) the definition of 'dissemination approach' in the OECD Pillar Two MCAA, with respect to information to be exchanged in accordance with the OECD Pillar Two MCAA with a jurisdiction that is not a Member State,

if the top-up tax information return for the fiscal year had been prepared and delivered to a tax authority in another jurisdiction on or before the specified return date by—

(i) the ultimate parent entity located in a jurisdiction that has a qualifying competent authority agreement in effect with the State for that fiscal year, or

(ii) a designated filing entity located in a jurisdiction that has a qualifying competent authority agreement in effect with the State for that fiscal year.",

(w) in section 111AAAB—

(i) in subsection (1)—

(I) by the substitution of "Subject to subsections (1A) and (1B), where a constituent entity" for "Where a constituent entity",

(II) by the substitution of "the constituent entity or designated local entity, as the case may be, shall, subject to subsection (5)," for "the constituent entity shall, subject to subsection (5),",

(III) by the substitution of "be liable to a penalty of €10,000 plus a penalty equal to the amount determined by the formula:" for "be liable to a penalty equal to the amount determined by the formula:", and

(IV) by the substitution of "M is the number of complete months from the specified return date to the day on which the correct and complete

top-up tax information return or notification of filer, as the case may be, is delivered, subject to a maximum of 48 months." for "M is the number of complete months from the specified return date to the day on which the top-up tax information return or notification, as the case may be, is delivered, subject to a maximum of 48 months.",

and

(ii) by the insertion of the following subsections after subsection (1):

"(1A) Where constituent entities that are members of the same MNE group, or large-scale domestic group, located in the State are liable to a penalty in accordance with subsection (1), and where a designated local entity has not been appointed, the constituent entities of the MNE group or large-scale domestic group shall be subject to a maximum aggregate penalty (in this section referred to as a 'penalty cap') for the failure to file a top-up tax information return or notification of filer, as the case may be, for the fiscal year of €1,000,000, and where the aggregate penalty of the constituent entities arising under subsection (1) exceeds the penalty cap, each constituent entity shall instead be liable to its allocable share of the penalty cap, calculated in accordance with the formula—

$$P / N$$

where—

P is €1,000,000 and

N is the number of constituent entities located in the State that are members of the MNE group, or large-scale domestic group, and that are liable to a penalty in accordance with subsection (1) in respect of the fiscal year.

(1B) Where—

(a) a designated local entity has been appointed in accordance with section 111AAI(2)(a) to prepare and deliver to the Revenue Commissioners a top-up tax information return, or is required to deliver a notification of filer to the Revenue Commissioners in accordance with section 111AAI(2)(c), as the case may be, on behalf of a constituent entity, and

(b) the designated local entity fails to deliver a top-up tax information return or notification of filer, as the case may be, for a fiscal year to the Revenue Commissioners on or before the specified return date,

then, the designated local entity shall, for the purposes of subsection (1), be considered to have failed to deliver one top-up tax information return or one notification of filer, as the case may be, for the fiscal year in respect of all of the constituent entities by which it was appointed.",

and

(x) in section 111AAAD—

(i) by the insertion of the following subsections after subsection (8A):

"(8B) An election under section 111AKB(3)(a) shall apply to the fiscal year in respect of which the election is made.

(8C) The election referred to in section 111AKC(2) shall apply to the fiscal year in respect of which the election is made.

(8D) The election referred to in section 111AKD(2) shall apply to the fiscal year in respect of which the election is made.",

(ii) by the insertion of the following subsections after subsection (8D) (inserted by *subparagraph (i)*):

"(8E) An election under section 111AKG(1) shall apply to the fiscal year in respect of which the election is made.

(8F) An election under section 111AKH(3)(b)(i) shall apply to the fiscal year in respect of which the election is made and all subsequent fiscal years for which an election under section 111AKG(1) applies.

(8G) An election under section 111AKR(4)(a) shall apply to the fiscal year in respect of which the election is made.",

(iii) in subsection (10)—

(I) by the insertion of ", (8B), (8C), (8D)" after "(8A)", and

(II) by the insertion of ", (8E)" after "(8D)" (inserted by *clause (I)*),

(iv) in column (1) of the Table—

(I) by the insertion of "Section 111AKB(5)(d)(ii)" after "Section 111Z(9)", and

(II) by the insertion of the following after "Section 111AKB(5)(d)(ii)" (inserted by *clause (I)*):

"Section 111AKN(4)(b)(i)

Section 111AKN(4)(b)(ii)

Section 111AKV(2)(a)

Section 111AKW(3)

Section 111AKY(8)

Section 111AKZ(5)",

and

(v) in column (2) of the Table—

(I) by the insertion of "Section 111AKB(4)(a)(ii)" after "Section 111AKA(2) and (7)", and

(II) by the insertion of the following after "Section 111AKB(4)(a)(ii)" (inserted by cl*ause (I)*):

"Section 111AKF(3)

Section 111AKJ(2)

Section 111AKL(1)(b)

Section 111AKO(3)

Section 111AKS(1) and (2)(a)

Section 111AKY(3)".

(2) Subject to *subsection (3)*, *subsection (1)* shall apply in respect of a fiscal year (within the meaning of section 111A of the Principal Act) or an accounting period, as the case may be, commencing on or after 31 December 2026.

(3) (a) The following provisions of *subsection (1)* shall apply in respect of a fiscal year (within the meaning of section 111A of the Principal Act) or an accounting period, as the case may be, commencing on or after 31 December 2023:

(i) *paragraphs (a)*, *(l)* and *(n)*;

(ii) *subparagraphs (i)* and *(ii)* of *paragraph (b)*;

(iii) *subparagraphs (ii)* and *(iii)* of *paragraph (o)*;

(iv) *subparagraph (i)* of *paragraph (u)*;

(v) *subparagraphs (i)(I)* and *(ii)* of *paragraph (v)*;

(vi) *subparagraphs (i)(I)*, *(i)(II)* and *(ii)* of *paragraph (w)*.

(b) The following provisions of *subsection (1)* shall apply in respect of a fiscal year (within the meaning of section 111A of the Principal Act) or an accounting period, as the case may be, commencing on or after 31 December 2025:

(i) *subparagraph (iii)* of *paragraph (b)*;

(ii) *paragraphs (c)*, *(d)*, *(e)*, *(g)*, *(h)*, *(i)*, *(r)*, *(t)* and *(u)(ii)*;

(iii) *subparagraph (i)(III)* of *paragraph (v)*;

(iv) *subparagraphs (ii)*, *(iii)(II)*, *(iv)(II)* and *(v)(II)* of *paragraph (x)*.

(c) The following provisions of *subsection (1)* shall apply in respect of a fiscal year (within the meaning of section 111A of the Principal Act) or an accounting period, as the case may be, commencing on or after 1 January 2026:

(i) *paragraphs (p)* and *(q)*;

(ii) *subparagraphs (i)*, *(iii)(I)*, *(iv)(I)* and *(v)(I)* of *paragraph (x)*.

(d) *Clauses (III)* and *(IV)* of *subsection (1)(w)(i)* shall apply in respect of a top-up tax information return or notification of filer (within the meaning of section 111AAI of the Principal Act), as the case may be, that is due to be delivered to the Revenue Commissioners on or after the date of the passing of this Act.

Amendment of Schedule 24A to Principal Act (arrangements made by 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)

73. Schedule 24A to the Principal Act is amended in Part 1—

(a) by the insertion of the following paragraph after paragraph 23: 5

"23A. The Double Taxation Relief (Taxes on Income and on Capital) (the Principality of Liechtenstein) Order 2026 (S.I. No. 504 of 2026).",

and

(b) by the substitution of the following paragraph for paragraph 40:

"40. The Double Taxation Relief (Taxes on Income and Capital Gains) (Sweden) Order 1987 (S.I. No. 348 of 1987), the Double Taxation Relief (Taxes on Income and Capital Gains) (Sweden) Order 1993 (S.I. No. 398 of 1993) and the Double Taxation Relief (Taxes on Income and Capital Gains) (Sweden) Order 2026 (S.I. No. 505 of 2026).". 10

Amendment of Chapter 7 of Part 41A of Principal Act (chargeable persons: preliminary tax and dates for payment of tax) 15

74. (1) The Principal Act is amended in Chapter 7 of Part 41A—

(a) in section 959AM(1), in the definition of "relevant limit", by the substitution of "€350,000" for "€200,000",

(b) in section 959AR— 20

(i) in subsection (2)(a), by the substitution of "subsections (3) to (5)" for "subsections (3) and (4)",

(ii) in subsection (3), by the substitution of "subsections (4) and (5)" for "subsection (4)", and

(iii) by the insertion of the following subsection after subsection (4): 25

"(5) Where as respects an accounting period, other than a relevant accounting period—

(a) the preliminary tax paid by the chargeable person for the accounting period in accordance with subsection (1) is less than 90 per cent but equal to or greater than 80 per cent of the tax payable by the chargeable person for the accounting period, 30

(b) the chargeable person makes a further payment of preliminary tax for the accounting period within a period of 4 months after the end of the accounting period, but where the last day of that period of 4 months is later than day 21 of the month in which it occurs, the further payment of preliminary tax for the accounting period is paid no later than— 35

(i) day 21 of the month in which that last day occurs, or

(ii) where payment is made by such electronic means as are

required by the Revenue Commissioners, day 23 of the month in which that last day occurs,

and

(c) following the making of the payment referred to in paragraph (b), the aggregate of that payment and the preliminary tax paid by the chargeable person for the accounting period in accordance with subsection (1) is not less than 100 per cent of the tax payable by the chargeable person for the accounting period,

then the further payment of preliminary tax paid by the chargeable person for the accounting period shall be treated for the purposes of subsection (3) as having been paid by the date on which it is due and payable.",

and

(c) in section 959AS—

(i) in subsection (3)(a), by the substitution of "subsections (4) to (8)" for "subsections (4) to (7)",

(ii) in subsection (4), by the substitution of "subsections (6) to (8)" for "subsections (6) and (7)",

(iii) in subsection (5), by the substitution of the following paragraph for paragraph (b):

"(b) The amount of the initial relevant instalment is—

(i) the lower of—

(I) 45 per cent of the tax payable by the chargeable person for the accounting period, and

(II) 50 per cent of the sum of the corresponding corporation tax for the preceding accounting period and the corresponding income tax for the preceding accounting period,

or

(ii) in a case where the accounting period commenced on the company coming within the charge to corporation tax, 45 per cent of the tax payable by the chargeable person for the accounting period,

and the initial relevant instalment is due and payable not later than the day on which the initial instalment of preliminary tax is due and payable in accordance with subsection (2).",

and

(iv) by the insertion of the following subsection after subsection (7):

"(8) Where as respects a relevant accounting period—

(a) the aggregate of the initial instalment and the final instalment of

preliminary tax paid by the chargeable person for the accounting period in accordance with subsection (2) is less than 90 per cent but equal to or greater than 80 per cent of the tax payable by the chargeable person for the accounting period,

(b) the chargeable person makes a further payment of preliminary tax for the accounting period within a period of 4 months after the end of the accounting period, but where the last day of that period of 4 months is later than day 21 of the month in which it occurs, the further payment of preliminary tax for the accounting period is paid no later than—

(i) day 21 of the month in which that last day occurs, or

(ii) where payment is made by such electronic means as are required by the Revenue Commissioners, day 23 of the month in which that last day occurs,

and

(c) following the making of the payment referred to in paragraph (b), the aggregate of that payment and the initial instalment and the final instalment of preliminary tax paid by the chargeable person for the accounting period in accordance with subsection (2) is not less than 100 per cent of the tax payable by the chargeable person for the accounting period,

then the final instalment of preliminary tax paid by the chargeable person for the accounting period shall be treated for the purposes of subsection (4) as having been paid by the date on which it is due and payable.".

(2) *Subsection (1)* shall have effect for accounting periods (within the meaning of section 959AM of the Principal Act) commencing on or after 1 January 2027.

Residential zoned land tax

75. Part 22A of the Principal Act is amended—

(a) in section 653B(iia)(III), by the substitution of "within which the land is situated," for "within which the land is situated.",

(b) in section 653I—

(i) in subsection (1)—

(I) in paragraph (d), by the substitution of "section 653M(1)," for "section 653M(1), or",

(II) in paragraph (e), by the substitution of "section 653M(1), or" for "section 653M(1),", and

(III) by the insertion of the following paragraph after paragraph (e):

"(f) during the period beginning on 1 February 2027 and ending on 1 April 2027, to a local authority on a revised map for the year 2027

published in accordance with section 653M(1),",

(ii) in subsection (3A)(a)—

(I) in subparagraph (i), by the substitution of "not later than 30 April 2025," for "not later than 30 April 2025, and",

(II) in subparagraph (ii), by the substitution of "not later than 30 April 2026, and" for "not later than 30 April 2026.", and

(III) by the insertion of the following subparagraph after subparagraph (ii):

"(iii) in a case in which the submission is made under subsection (1)(f), not later than 30 April 2027.",

and

(iii) in subsection (4)(c)—

(I) in clause (III), by the substitution of "not later than 30 June 2026;" for "not later than 30 June 2026.", and

(II) by the insertion of the following clause after clause (III):

"(IV) in a case in which a submission is made under subsection (1)(f), not later than 30 June 2027.",

(c) in section 653IA—

(i) in subsection (1)(a), by the substitution of "under paragraph (d), (e) or (f) of subsection (1)" for "under paragraph (d) or (e) of subsection (1)",

(ii) in subsection (2)—

(I) in paragraph (a), by the substitution of "on 1 February 2025," for "on 1 February 2025, and,",

(II) in paragraph (b), by the substitution of "on 1 February 2026, and" for "on 1 February 2026.", and

(III) by the insertion of the following paragraph after paragraph (b):

"(c) in a case in which the submission concerned is made under paragraph (f) of section 653I(1), on 1 February 2027.",

(iii) in subsection (3)(a), by the substitution of "under paragraph (d), (e) or (f) of subsection (1)" for "under paragraph (d) or (e) of subsection (1)", and

(iv) in subsection (5)—

(I) in paragraph (a) by the substitution of "on 1 February 2025," for "on 1 February 2025, and",

(II) in paragraph (b) by the substitution of "on 1 February 2026, and" for "on 1 February 2026.", and

(III) by the insertion of the following paragraph after paragraph (b):

"(c) in a case in which the submission concerned is made under paragraph (f) of section 653I(1), on 1 February 2027.",

and

(d) by the insertion of the following section after section 653AMA:

"Provision of Information by Tailte Éireann

653AMB. (1) Tailte Éireann shall, where requested in writing by the Revenue Commissioners, provide such information as is in the possession or control of Tailte Éireann in respect of land identified on a revised map that the Revenue Commissioners consider is required for the purposes of the administration of residential zoned land tax under this Part.

(2) Without prejudice to the generality of subsection (1), the information to be provided under that subsection may include:

(a) the address of such land;

(b) the unique identifier, or identifiers, allocated to the land under the Registration of Title Act 1964;

(c) the Eircode in respect of that land;

(d) the name of the person or persons recorded in the Land Registry maintained by Tailte Éireann as the registered owner or owners, as the case may be, of that land.".

Derelict property tax

76. (1) The Principal Act is amended by the insertion of the following Part after Part 22B:

"PART 22C

DERELICT PROPERTY TAX

Chapter 1

Interpretation

Interpretation

653BP. In this Part—

'Act of 1990' means the Building Control Act 1990;

'Act of 2000' means the Planning and Development Act 2000;

'Act of 2022' means the Remediation of Dwellings Damaged by the use of Defective Concrete Blocks Act 2022;

'Act of 2024' means the Planning and Development Act 2024;

'aggregated final register' has the meaning assigned to it by section 653BX(4);

'aggregated preliminary register' has the meaning assigned to it by section 653BX(2);

'appeals officer' has the meaning assigned to it by section 653BV(1);

‘building’ means a structure or erection of any kind and of any materials, but excludes a structure or erection that is not permanently attached to the ground;

‘built up area’ has the same meaning as it has in Part 3 of the Act of 2024;

‘central register body’ means the body designated in regulations made under section 653BX(5);

‘commencement notice’ means a notice referred to in section 6(2)(k) of the Act of 1990;

‘confirmation of completion of remediation works’ has the meaning assigned to it by section 653BU;

‘confirmation of eligibility’ has the same meaning as it had in the Dwellings Damaged by the Use of Defective Concrete Blocks in Construction (Remediation) (Financial Assistance) Regulations 2020 (S.I. No. 25 of 2020), as those Regulations stood before the coming into operation of section 55 of the Act of 2022;

‘confirming officer’ has the meaning assigned to it by section 653BU(3);

‘construction works’ means the construction, alteration, repair, extension, demolition or dismantling of a property;

‘court order’ includes any writ, decree, warrant, or other document by whatever name called issued by a court;

‘derelict property’ has the meaning assigned to it by section 653BQ(1);

‘derelict property tax’ has the meaning assigned to it by section 653CA;

‘derelict sites levy’ has the same meaning as it has in the Derelict Sites Act 1990;

‘designated derelict property’ means a property which is included in a final register published under section 653BW by the local authority in whose functional area the property is situated;

‘designated liable person’ shall be construed in accordance with section 653CE;

‘development’ has the same meaning as it has in the Act of 2024;

‘final register’ has the meaning assigned to it by section 653BW(1);

‘liability date’, in respect of a year, means 1 March in that year;

‘liable person’ has the meaning assigned to it by section 653BZ(1);

‘local authority’ means a local authority for the purposes of the Local Government Act 2001;

‘market value’ has the same meaning as it has in the Capital Gains Tax Acts;

‘monument’ has the same meaning as it has in the National Monuments Act, 1930;

'national monument' has the same meaning as it has in the National Monuments Act, 1930;

'owner' has the meaning assigned to it by section 653BZ(1);

'personal data' has the same meaning as it has in Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016[21];

'personal representative' has the meaning assigned to it by section 653CR(1);

'planning permission' means a permission granted under—

(a) section 34, 37, 37G, 170 or 177K of the Act of 2000, or

(b) section 98, 109, 123, 124, 131 or 594 of the Act of 2024;

'preliminary register' has the meaning assigned to it by section 653BS;

'property' means a building, or part of a building, situated in the State;

'property satisfying the relevant criteria' shall be construed in accordance with section 653BQ;

'registered historic monument' means a monument which is—

(a) a historic monument entered in the Register of Historic Monuments under section 5 of the National Monuments (Amendment) Act 1987, and

(b) maintained on behalf of the Minister for Housing, Local Government and Heritage;

'relevant national monument' means—

(a) a national monument in the ownership or guardianship of a local authority or the Minister for Housing, Local Government and Heritage under the National Monuments Acts 1930 to 2014, or

(b) a national monument subject to a preservation order under section 8 of the National Monuments Act, 1930;

'relevant property' means a designated derelict property and the land appurtenant to that property;

'remediation works' means construction works undertaken in respect of a derelict property which has been included on a preliminary register;

'return date', in respect of a year, means 23 June in that year;

'sale' has the meaning assigned to it by section 653CJ;

'self-assessment' means an assessment by a liable person, or by a person acting under the authority of a liable person, of the amount of derelict property tax payable by the liable person in respect of a relevant property in relation to a liability date;

21 OJ No. L 119, 4.5.2016, p. 1.

'specified geographic area' has the meaning assigned to it by section 653BR(1);

'TIN' means a tax reference number (within the meaning of section 891B) or a TIN (within the meaning of section 891F);

'unauthorised development' has the same meaning as it has in the Act of 2024;

'valuation date' shall be construed in accordance with section 653CB(1).

Chapter 2

Derelict property

Criteria for derelict property

653BQ. (1) In this Part, a reference to a 'derelict property' means a property satisfying the relevant criteria.

(2) Subject to subsection (3), a property which satisfies the relevant criteria is a property in a specified geographic area that—

(a) it is reasonable to consider is not in use as, and is not suitable for use as—

(i) a dwelling,

(ii) having regard only to development which is not unauthorised development, a premises in which a business, trade or profession is being carried on,

(iii) social, community or governmental infrastructure and facilities, including infrastructure and facilities used for the purposes of public administration or the provision of education or healthcare,

(iv) transport facilities and infrastructure,

(v) energy infrastructure and facilities,

(vi) telecommunications infrastructure and facilities,

(vii) water and wastewater infrastructure and facilities,

(viii) waste management and disposal infrastructure, or

(ix) recreational infrastructure, including sports facilities and playgrounds,

and

(b) that is not a relevant national monument or a registered historic monument.

(3) Without prejudice to the generality of subsection (2), and for the purposes of this Part, a property will be considered not suitable for the uses specified in paragraph (a) of that subsection where—

(a) the property is boarded or blocked up, either partially or fully and

either to the boundary of land appurtenant to it or at an elevation of the property,

(b) the property has no permanent roof, or the roofing material has partially fallen in or is damaged, to the extent that it is no longer weatherproof or that it may result in material falling onto the land surrounding the property, into public areas or adjoining private property,

(c) the property has lost, or partially lost, an elevation,

(d) the property is no longer weatherproof, such that it allows for ongoing ingress of rain to the interior, or

(e) any elevation or façade of the property has failing render or unsecure brickwork, to the extent that it may fall from the property.

Specified geographic area

653BR. (1) In this Part, 'specified geographic area', in relation to a local authority and a year, means so much of a built up area as lies within the functional area of that local authority, where that built up area has, by reference to the population data for that built up area—

(a) a population of 4,000 or more, for a preliminary register published in accordance with section 653BS(4) by a local authority in 2027, and

(b) a population of 2,000 or more, for a preliminary register published in accordance with section 653BS(4) by a local authority in 2028 and subsequent years.

(2) For the purposes of determining whether a built up area meets a population threshold specified in subsection (1), the total population of that built up area shall be used, including where that built up area is situated within more than one local authority functional area.

(3) For the purposes of this Part—

(a) the boundaries of a built up area shall be those marked in the map titled 'CSO Urban Areas - National Statistical Boundaries – 2022 - Ungeneralised' as published on 16 June 2023 by Tailte Éireann on the website maintained by them known as the Surveying Open Data Portal website, and

(b) the population of a built up area shall be determined by reference to census population data for that built up area as published in respect of the census of population of the State compiled using the information provided under the Statistics (Census of Population) Order 2020 (S.I. No. 637 of 2020).

Preliminary register – preparation

653BS. (1) Subject to subsection (3), a local authority shall, in each year, commencing in 2027, prepare, in respect of its functional area, a register (in this Part referred to as a 'preliminary register') indicating property that, a deciding officer of the local authority considers to be

derelict property at any time during the inspection period concerned based on—

(a) external inspection of the property by the relevant local authority, and

(b) the consideration by the deciding officer of any relevant information readily available to the officer, including the submission, if any, made under subsection (2) for that year and relating to the property.

(2) A person may make a submission in writing to a local authority between 1 January and 1 March in the year for which a preliminary register is to be prepared by the local authority regarding whether a property within the functional area of the local authority is a derelict property.

(3) A local authority shall not include a derelict property on a preliminary register where—

(a) at the time of external inspection by the relevant local authority during the inspection period, the property—

(i) was subject to ongoing substantial construction works, and

(ii) it has not previously been included on a register under this Part, or, if it has been so included, that inclusion was subsequently set aside on foot of—

(I) an appeal under section 653BT(1) or section 653BU(9), or

(II) a judicial review of a determination under section 653BV, or

(b) on a date 28 days or more prior to the publication of that preliminary register—

(i) the local authority has issued a confirmation of completion of remediation works under section 653BU in respect of that property,

(ii) a confirmation of eligibility in relation to the property has been issued, or

(iii) a determination has been made under section 15(1)(a) of the Act of 2022 that the property meets the damage threshold and a notification has issued to the local authority under section 15(4) of that Act.

(4) A local authority shall, not later than 1 September in each year, commencing in 2027—

(a) publish a preliminary register on a website maintained by it, and

(b) make a copy of the preliminary register available for inspection at its offices.

(5) A local authority shall assign a unique identification number to each

property on a preliminary register.

(6) The preliminary register referred to in subsection (1) shall include the following information in relation to each property placed upon that register:

(a) the unique identification number assigned by the local authority to that property under subsection (5);

(b) the full address of the property, and where part only of a building constitutes a derelict property, a description of that part;

(c) the Eircode of the property, where an Eircode has been assigned to that property;

(d) 6-digit Easting location co-ordinates, under the Irish Transverse Mercator system, of the property;

(e) 6-digit Northing location co-ordinates, under the Irish Transverse Mercator system, of the property;

(f) where known to the local authority—

(i) the use to which the property was put prior to it becoming derelict, or

(ii) where construction works had not been completed prior to it becoming derelict, the use to which it was intended to be put following completion.

(7) A local authority shall, not later than 1 September in each year, commencing in 2027, publish a notice in accordance with subsection (8) in one or more newspapers circulating in its functional area.

(8) The notice referred to in subsection (7) shall include the following:

(a) a statement that a preliminary register, prepared under this section, has been published on the website maintained by the local authority and is available for inspection at its offices;

(b) a statement that the preliminary register has been prepared under this section for the purposes of identifying property that is to be subject to the derelict property tax;

(c) the text of section 653BQ and subsection (3);

(d) a statement that, not later than 31 October in the year in which the preliminary register is published—

(i) an appeal of the decision to include a property on that preliminary register may be made in writing to the local authority concerned, and

(ii) a submission regarding the inclusion of a property in the preliminary register to be published by the local authority in accordance with subsection (4) in the following year, may be made in writing to the local authority concerned;

(e) a statement that any such written appeals or submissions received by the date referred to in paragraph (d), other than such elements of an appeal or submission which may constitute personal data, shall be published on the website maintained by the local authority concerned not later than 11 November in the year in which the preliminary register is published.

(9) The form of the notice referred to in subsection (7) shall be prepared by the Minister for Housing, Local Government and Heritage in consultation with the Minister for Finance.

(10) In this section—

'deciding officer' means an officer or employee of a local authority who assesses—

(a) whether a property in the functional area of the local authority is, at any time during the inspection period concerned, a derelict property, and

(b) if so, whether one of the conditions specified in subsection (3) is met;

'inspection period' means—

(a) in 2027, the period beginning on 1 January and ending on 31 August, and

(b) in each subsequent year, the period beginning on 1 March and ending on 31 August.

Submissions and appeals

653BT. (1) An owner who is aggrieved by a decision to include their property on a preliminary register published under section 653BS(4) may, not later than 31 October in the year in which that preliminary register is published, appeal that decision on the basis that—

(a) the property is not a derelict property, or

(b) notwithstanding that the property is a derelict property, the property should not have been included on the preliminary register by virtue of section 653BS(3),

by notice in writing to the local authority concerned, stating the owner's name and address and specifying the grounds for the appeal.

(2) Where it comes to the attention of a person that a property—

(a) within the functional area of a local authority, and

(b) which the person considers is a derelict property,

is not included on a preliminary register published by the local authority in accordance with section 653BS(4), the person may, not later than 31 October in the year in which that preliminary register is published, make a submission in writing, stating the name and address of the person, regarding the inclusion of the property in the

preliminary register to be published by the local authority in accordance with section 653BS(4) in the following year, to the local authority concerned.

(3) Where a submission is made to it under subsection (2), a local authority shall take the submission into account when preparing the preliminary register to be published by it in accordance with section 653BS(4) in the following year.

(4) A local authority shall, not later than 11 November in the year in which a preliminary register is published in accordance with section 653BS(4), publish on the website maintained by it—

(a) the notices (other than elements of such notices which may constitute personal data), if any, received by it under subsection (1) where those notices have been received by the date specified in that subsection, and

(b) the submissions (other than such elements of a submission which may constitute personal data), if any, received by it under subsection (2).

(5) Where an appeal is made under subsection (1), the person making the appeal shall have available such evidence as is necessary to prove their ownership of the property, and the local authority may request that such evidence is provided to the local authority.

(6) An appeal under subsection (1) may be made in writing to a local authority after 31 October in the year in which the preliminary register concerned was published, where exceptional circumstances arise and the local authority consents to the appeal after that date.

Confirmation of completion of remediation works

653BU. (1) This section applies where a property is placed on a preliminary register published by a local authority in accordance with section 653BS(4), and remediation works are completed such that the owner considers that the property is no longer a derelict property.

(2) Where subsection (1) applies, the owner shall make an application to the local authority concerned for a confirmation from the local authority that remediation works have been completed on the property such that it is no longer a derelict property (in this Part referred to as a 'confirmation of completion of remediation works')—

(a) in a case in which the remediation works are completed prior to the date of publication of the first preliminary register on which the property is included, within 30 days of the publication of that preliminary register, or

(b) in all other cases, within 30 days of the remediation of the property such that it is no longer a derelict property,

providing such information or documentation as may be required by the local authority to be included with such an application.

(3) Where an application made in accordance with subsection (2) is received by a local authority, the local authority shall appoint an officer or employee (in this Part referred to as a 'confirming officer') of that local authority to make a determination in respect of the application. 5

(4) A confirming officer shall—

(a) evaluate the application and any other relevant information available to the confirming officer, and

(b) determine whether—

(i) the property has been remediated such that it is no longer a derelict property, or 10

(ii) the property has not been so remediated.

(5) Where the confirming officer makes a determination—

(a) in accordance with subsection (4)(b)(i), the local authority shall issue a confirmation of completion of remediation works stating— 15

(i) the date on which the confirmation was issued, and

(ii) the date on which the application to which the confirmation relates was made,

or

(b) in accordance with subsection (4)(b)(ii), the local authority shall notify the owner of the determination. 20

(6) A confirmation of completion of remediation works in accordance with subsection (5)(a) or a notification in accordance with subsection (5)(b), as the case may be, shall be issued not later than 60 days following the date of receipt of the application concerned under subsection (2). 25

(7) Before making a determination under subsection (4), a confirming officer may, where the confirming officer considers it to be necessary for the purposes of making the determination, within 21 days from the date of receipt of the application concerned under subsection (2), request further information from the owner of the property. 30

(8) Where a confirming officer requests information under subsection (7), the person requested shall provide that information to the local authority within 21 days of receipt of the request.

(9) An owner who is aggrieved by a determination made in accordance with subsection (4)(b)(ii) may, not later than 30 days after the date of the determination, appeal that determination, by notice in writing specifying the grounds for the appeal, to the local authority concerned. 35

Determinations of appeals

653BV. (1) Where an appeal is made— 40

(a) in accordance with section 653BT(1) by the owner of a property seeking the exclusion of a property from a final register on the basis that—

(i) the property is not a derelict property, or

(ii) notwithstanding that the property is a derelict property, it should not have been included on the preliminary register by virtue of section 653BS(3),

or

(b) in accordance with section 653BU(9), by the owner of a property who has been notified of a determination that the property has not been remediated such that it is no longer a derelict property,

the local authority shall appoint an officer or employee of the local authority to decide the appeal (in this Part referred to as an 'appeals officer') and shall furnish that person with the appeal.

(2) An appeals officer shall be a person who—

(a) was not the deciding officer or the confirming officer, as the case may be, in respect of the property concerned, and

(b) is in a more senior role in the local authority than the deciding officer or confirming officer referred to in paragraph (a) or in a role that is equivalent in seniority to a role that is more senior than the role of that person.

(3) An appeals officer shall—

(a) in the case of an appeal referred to in subsection (1)(a), evaluate that appeal and determine—

(i) in the case of an appeal made under section 653BT(1)(a), whether or not the property constitutes property which is a derelict property, or

(ii) in the case of an appeal made under section 653BT(1)(b), whether or not the property constitutes property which should not have been included on the preliminary register by virtue of section 653BS(3),

and not later than 31 January in the year immediately following the year in which the preliminary register concerned was published, notify the owner concerned in writing of the appeals officer's determination, including the reasons for the determination, and

(b) in the case of an appeal referred to in subsection (1)(b)—

(i) evaluate that appeal,

(ii) determine whether the property has been remediated such that it is no longer a derelict property, and

(iii) not later than 60 days following the date of the receipt of the

notice of appeal, notify the owner concerned in writing of the appeals officer's determination, including the reasons for the determination.

(4) Before making a determination under subsection (3), an appeals officer may, where the appeals officer considers it to be necessary for the purposes of making the determination— 5

(a) in the case of an appeal referred to in subsection (1)(a), not later than 21 days from the date referred to in section 653BT(1), or

(b) in the case of an appeal referred to in subsection (1)(b), within 21 days from the date of receipt by the local authority of the notice of appeal, 10

request further information from the owner of the property.

(5) Where an appeals officer requests information under subsection (4), the person requested shall provide that information to the appeals officer within 21 days of receipt of the request. 15

Final register

653BW. (1) A local authority shall, in relation to each preliminary register published by it in accordance with section 653BS(4), reflecting—

(a) the determinations, if any, made under section 653BU or 653BV,

(b) the outcome of any judicial review of a determination made under section 653BU or 653BV, 20

(c) the determinations, if any, made under section 15(1)(a) of the Act of 2022 that a property meets the damage threshold and in relation to which a notification has issued to the local authority under section 15(4) of that Act, and 25

(d) the confirmations of eligibility, if any, issued in relation to a property,

revise the preliminary register concerned and publish, no later than 28 February in the year immediately following the year in which that preliminary register was published, a register (in this Part referred to as a 'final register') on the website maintained by it and make a copy of the register available for inspection at its offices. 30

(2) A local authority shall publish, not later than 28 February in the year immediately following the year in which the preliminary register concerned was published, a notice in accordance with subsection (3) in one or more newspapers circulating in its functional area. 35

(3) The notice referred to in subsection (2) shall include the following:

(a) a statement that a final register, prepared under this section, has been published on the website maintained by the local authority and is available for inspection at its offices; 40

(b) a statement that the final register has been prepared under this

section for the purposes of identifying property that is subject to the derelict property tax.

(4) The form of the notice referred to in subsection (2) shall be prepared by the Minister for Housing, Local Government and Heritage in consultation with the Minister for Finance. 5

Information to be provided to the Revenue Commissioners in respect of registers

653BX. (1) A local authority shall, on or before the date of publication of a preliminary register in accordance with section 653BS(4), provide a copy of that preliminary register to the central register body. 10

(2) The central register body shall, within 7 days of the date referred to in section 653BS(4)—

(a) create a single register (in this Part referred to as an 'aggregated preliminary register') comprising all of the information provided by each local authority under subsection (1), and 15

(b) provide a copy of the aggregated preliminary register in electronic form to the Revenue Commissioners.

(3) A local authority shall, on or before the date of publication of a final register under section 653BW, provide the following information to the central register body— 20

(a) a copy of that final register, and

(b) such information as is in the possession or control of the local authority which may assist the Revenue Commissioners in identifying the owner of any properties on that register, including information which may be available to the local authority arising from— 25

(i) the operation of the Derelict Sites Levy,

(ii) the receipt of appeals under section 653BT(1) or section 653BU(9), or

(iii) applications for planning permission. 30

(4) The central register body shall, within 7 days of the date referred to in section 653BW—

(a) create a single register (in this Part referred to as an 'aggregated final register') comprising all of the information provided by each local authority under subsection (3), and 35

(b) provide a copy of the aggregated final register in electronic form to the Revenue Commissioners.

(5) The Minister for Housing, Local Government and Heritage shall, within 3 months of the coming into operation of this section make regulations— 40

(a) designating a body as the central register body, and

(b) containing such incidental, supplementary and consequential provisions as appear to that Minister to be necessary or expedient for the purposes of the performance by the central register body of its functions under this Part.

(6) 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 under the regulation.

Effect of application, appeal or judicial review not yet determined

653BY. Where—

(a) an appeal made under section 653BT(1) or section 653BU(9),

(b) an application for confirmation of completion of remediation works made under section 653BU,

(c) a judicial review of a determination made by a confirming officer under section 653BU or an appeals officer under section 653BV,

(d) an application for confirmation of eligibility in relation to a property, or

(e) a determination under section 15(1)(a) of the Act of 2022 that a property meets the damage threshold,

is not determined on the date that is 28 days prior to the date on which the final register in relation to the preliminary register concerned is required to be published under this Chapter, the property to which the appeal, application, judicial review or determination, as the case may be, relates shall be included on the final register.

Liable persons

653BZ. (1) For the purposes of this Part—

'liable person', in respect of a relevant property, is, subject to sections 653CE and 653CR, the owner of that property on the liability date;

'owner', in relation to a property, means—

(a) in relation to property that is registered land within the meaning of the Registration of Title Act 1964, the person registered as, or deemed to be registered as, the owner of the property under that Act,

(b) in relation to all other property, a person, other than a mortgagee not in possession, who, whether in his or her own right or as trustee or agent for any other person, is entitled to receive the rack rent of the property or, where the property is not let at a rack rent, would be so entitled if it were so let, or

(c) a person who holds any estate, interest or right in accordance with which that person may carry out remediation works on the property.

(2) The absence of documentary evidence, or the disputing by or on behalf of a person (in this subsection referred to as the 'disputant') of the existence of documentary evidence, of title to a relevant property shall, not of itself preclude—

(a) the making of an assessment to derelict property tax in relation to the relevant property or, as the case may be, the making of an assessment to such tax on the disputant in relation to the relevant property, or

(b) the making of a finding that a person or, as the case may be, the disputant is, for the purposes of this Part, a liable person in relation to the relevant property.

Chapter 3

Derelict property tax

Charge to derelict property tax

653CA. (1) Subject to the provisions of this Part, there shall be charged and levied annually on the liability date a tax to be known as the 'derelict property tax' in respect of a relevant property.

(2) The derelict property tax shall be payable in relation to a relevant property on or before the return date in the year in respect of which the tax is charged and shall, where there is a liable person in respect of the relevant property, be so payable by the liable person.

(3) Where more than one person is a liable person in relation to a relevant property on or before the liability date, those persons shall be jointly and severally liable for the derelict property tax payable in respect of the relevant property.

(4) Any derelict property tax or interest referred to in section 653CI which is due and owing shall be and remain a charge on the property to which it relates.

Amount of derelict property tax

653CB. (1) The valuation date in relation to a relevant property shall be—

(a) in respect of the year in which the derelict property tax first applies to a liable person in respect of the relevant property, the liability date, and

(b) for each successive 3-year period thereafter, 1 March in the year following the third year of the 3-year period.

(2) The amount of derelict property tax to be charged in respect of a relevant property shall be the amount represented by A in the formula—

$$A = B \times C$$

where—

B is the market value of a relevant property on the valuation date, and

C is the rate of 7 per cent.

Chapter 4

Pay and file obligations

Obligation on liable person to prepare and deliver return 5

653CC. (1) A liable person shall prepare and deliver to the Revenue Commissioners, on or before the return date, a return and self-assessment in the form prescribed by the Revenue Commissioners for that purpose where—

(a) a charge to derelict property tax arises in respect of a relevant property under section 653CB, or 10

(b) the Revenue Commissioners have required the liable person, by notice, to prepare and deliver to them a return in relation to the relevant property.

(2) Without prejudice to the generality of subsection (1), the Revenue Commissioners may prescribe the following information to be included in a return referred to in that subsection: 15

(a) in respect of a relevant property—

(i) the unique identification number assigned by the local authority to that property under section 653BS(5), 20

(ii) the full address of the property, and where part only of a building constitutes a derelict property, a description of that part,

(iii) the Eircode of the property, where an Eircode has been assigned to that property, 25

(iv) 6-digit Easting location co-ordinates, under the Irish Transverse Mercator system, of the property,

(v) 6-digit Northing location co-ordinates, under the Irish Transverse Mercator system, of the property,

(vi) where known to the local authority— 30

(I) the use to which the property was put prior to it becoming derelict, or

(II) where construction works had not been completed prior to it becoming derelict, the use to which it was intended to be put following completion, 35

(vii) the market value,

(viii) the valuation date relevant to the return, and

(ix) the area of any land appurtenant to the designated derelict property included in the relevant property;

(b) the name of the local authority in whose functional area a relevant property is situated;

(c) in respect of a liable person or designated liable person, as the case may be—

(i) the person's name, 5

(ii) the person's TIN,

(iii) the nature of the person's ownership interest in the relevant property,

(iv) the person's address for correspondence, and

(v) where there is more than one owner in relation to a relevant property, the information referred to in subparagraphs (i) to (iv) in respect of each owner; 10

(d) details of any claim for exemption from, abatement or deferral of, or repayment of derelict property tax, including of any claims made in accordance with sections 653CM, 653CN, 653CO, 653CP, 653CQ or 653CR; 15

(e) where a claim is made for a deferral under section 653CQ, confirmation of—

(i) in the case of a relevant property in respect of which remediation works have commenced pursuant to a grant of planning permission, the date on which the commencement notice has been lodged, or 20

(ii) in all other cases, the date on which remediation works have commenced in respect of the relevant property.

One return in respect of jointly owned relevant property 25

653CD. (1) Where 2 or more persons are liable persons in relation to a relevant property, the designated liable person in relation to that property shall prepare and deliver the returns required to be delivered under this Part.

(2) The preparation and delivery of a return required to be delivered under this Part— 30

(a) shall operate to satisfy the obligation of the other liable person, or liable persons, as the case may be, under sections 653CC and 653CJ, and

(b) shall bind the other liable person, or liable persons.

(3) Where— 35

(a) more than one return required to be delivered under this Part is delivered in respect of a relevant property, and

(b) one of the returns is delivered by the designated liable person,

the Revenue Commissioners shall notify the person who is not the designated liable person that a return has been delivered by the 40

designated liable person.

(4) Where—

(a) more than one return required to be delivered under this Part is prepared and delivered in respect of a relevant property, and

(b) there is no designated liable person in relation to the relevant property, 5

the Revenue Commissioners shall designate a person to be the designated liable person in accordance with section 653CE and subsection (2) shall apply accordingly.

Designated liable person 10

653CE. (1) In this section, 'specified class of person' means a class of person specified in the Table to this section.

(2) This section has effect for the purpose of determining who shall be the designated liable person for the purposes of section 653CD(1).

(3) Subject to subsections (4) and (5), for the purposes of section 653CD(1), the designated liable person shall be— 15

(a) if only one of the specified classes of person is applicable in the circumstances concerned, the person who falls within that specified class, or

(b) if more than one of the specified classes of person are applicable in the circumstances concerned, the person who falls within whichever of those applicable classes is the class that appears, in the Table to this section, before the other applicable class or classes. 20

(4) Notwithstanding subsection (3), for the purposes of section 653CD(1), the designated liable person shall, if the Revenue Commissioners exercise the power under subsection (5), be the person specified by them in the exercise of that power. 25

(5) The Revenue Commissioners may specify in writing that one of the liable persons, referred to in section 653CD(1), in relation to a relevant property shall be the designated liable person if either— 30

(a) they are of the opinion that it would be more appropriate that that person be the designated liable person than the person who would otherwise fall to be treated as the designated liable person by virtue of the operation of subsection (3), or 35

(b) the application of subsection (3) does not, in the circumstances concerned, result in the determination of a designated liable person.

Table 1

Classes of person

1.	The liable person who is nominated by joint election of all the other persons who are liable persons in relation to the relevant property, being a person whose name, address and TIN are notified in writing to the Revenue Commissioners.
2.	If the relevant property is jointly owned and the joint owners are married to each other or civil partners of each other, as the case may be, the assessable spouse or civil partner where an election under section 1018 or 1031D has effect.
3.	If the relevant property is jointly owned and the joint owners are partners in a partnership, the precedent partner (within the meaning of section 1007).
4.	The liable person with the highest total income (within the meaning of section 3(1)).
5.	If the relevant property is jointly owned and any of the joint owners are not resident or not ordinarily resident in the State, as the case may be, a liable person who is resident or ordinarily resident in the State.

Preparation and delivery of return by person acting under authority

653CF. (1) Notwithstanding section 653CC, a return may be prepared and delivered by a person acting under the authority of a liable person.

(2) Where a return is prepared and delivered by a person acting under the authority of a liable person, this Part shall apply as if the return had been prepared and delivered by the liable person.

(3) Anything required or allowed to be done by a liable person under this Part may be done by a person acting under a liable person's authority.

Electronic delivery of returns

653CG. A return required to be delivered under this Part shall be delivered by electronic means and through such electronic systems as the Revenue Commissioners may make available for the time being for any such purpose, and the relevant provisions of Chapter 6 of Part 38 shall apply.

Assessments, enquiries and appeals

653CH. (1)Sections 959Y, 959Z, 959AA, 959AC, 959AD and 959AE shall apply to derelict property tax, subject to the following modifications:

(a) a reference to a 'person' or a 'chargeable person' shall be construed as a reference to a 'liable person';

(b) a reference to a 'chargeable period' shall be construed as a reference to a 'year';

(c) a reference to 'amount of income, profits or gains, or, as the case may be, chargeable gains' shall be construed as including a

reference to the market value of a relevant property;

(d) a reference to a 'return' shall be construed as including a return required under this Part;

(e) for the purposes of section 653CQ, in section 959AA(1)—

(i) 'after the end of 4 years commencing at the end of the year in which a confirmation of completion of remediation works under section 653BU is issued' shall be substituted for 'after the end of 4 years commencing at the end of the chargeable period in which the return is delivered', and

(ii) in paragraph (ii), 'after the end of 4 years commencing at the end of the year in which a confirmation of completion of remediation works under section 653BU is issued' shall be substituted for 'after the end of a period of 4 years commencing at the end of the chargeable period for which the return is delivered'.

(2) A person aggrieved by an assessment or an amended assessment, as the case may be, made on that person pursuant to the provisions referred to in subsection (1), as applied subject to the modifications referred to in that subsection, may, within 30 days after the date of the notice of assessment—

(a) in respect of matters relating to the market value of a relevant property, appeal the assessment or amended assessment in the manner prescribed by section 33 of the Finance (1909-1910) Act 1910, (as amended by the Property Values (Arbitrations and Appeals) Act 1960), and so much of Part I of that Act as relates to appeals shall apply to an appeal under this subsection, or

(b) in respect of all other matters, appeal the assessment or the amended assessment to the Appeal Commissioners in accordance with section 949I.

Interest on overdue tax

653CI. (1) Any amount of derelict property tax shall carry interest from the date when the tax becomes due and payable until payment for any day or part of a day during which the amount remains unpaid, at a rate of 0.0219 per cent.

(2) Subsections (3) to (5) of section 1080 shall apply in relation to interest payable under subsection (1) as they apply in relation to interest payable under section 1080.

Transfer of relevant property

653CJ. (1)For the purpose of this Part, 'sale' includes, in relation to a relevant property, the transfer of the relevant property by a liable person to another person—

(a) in consequence of—

(i) the exercise of a power under any enactment to compulsorily

acquire land, or

(ii) the giving of notice of intention to exercise the power referred to in subparagraph (i),

or

(b) for no consideration or consideration which is significantly less than the market value of the relevant property at the time of its transfer.

(2) A liable person who proposes to sell a relevant property shall, before the completion of the sale of the relevant property, pay to the Revenue Commissioners the derelict property tax and accrued interest, if any, which is due in respect of that relevant property.

(3) A liable person who proposes to sell a relevant property shall—

(a) seek to agree any penalty due in respect of derelict property tax before the date of completion of the sale of the relevant property, and

(b) pay—

(i) a penalty determined in accordance with this Act before the date of completion of the sale of the relevant property, or

(ii) where a penalty has been agreed before that date, that penalty,

before that date.

(4) The Revenue Commissioners shall provide a liable person, or a person acting on behalf of the liable person in connection with a sale of a relevant property, with—

(a) confirmation of any unpaid derelict property tax, penalties and accrued interest at the date of the sale of a relevant property, or

(b) confirmation that there are no outstanding amounts payable,

as the case may be, in such form and manner as the Revenue Commissioners may decide.

(5) A liable person who proposes to sell a relevant property shall, before the completion of the sale of the relevant property, prepare and deliver to the Revenue Commissioners, or have prepared and delivered on behalf of the liable person, a return in such form as the Revenue Commissioners may prescribe for that purpose.

(6) Without prejudice to the generality of subsection (5), the Revenue Commissioners may prescribe the following information to be included in a return referred to in that subsection:

(a) in respect of a relevant property—

(i) the date of acquisition,

(ii) the market value, at the date of acquisition,

(iii) the market value, at the most recent valuation date, if a valuation date has occurred since the date of acquisition,

(iv) the proposed date of sale, and

(v) the proposed consideration on the sale;

(b) in respect of a liable person or designated liable person (as determined in accordance with section 653CE)—

(i) the person's name,

(ii) the person's TIN,

(iii) the nature of the person's ownership interest in the property,

(iv) the person's address for correspondence,

(v) confirmation as to whether that person and the purchaser are connected persons (within the meaning of section 10), and

(vi) where there is more than one owner in relation to a relevant property, the information referred to in subparagraphs (i) to (v) in respect of each owner;

(c) in respect of the purchaser of the relevant property—

(i) the person's name,

(ii) the person's TIN,

(iii) the person's address for correspondence, and

(iv) where there is more than one purchaser in relation to a relevant property, the information referred to in subparagraphs (i) to (iii) in respect of each purchaser;

(d) the unique identification number assigned by the local authority under section 653BS(5).

Surcharge for undervaluation of the relevant property

653CK. (1) In this section 'ascertained value', in relation to a relevant property, means the market value.

(2) Where—

(a) a return is received in respect of a relevant property, and

(b) the estimate of the ratio of the market value of the relevant property, as stated in the return, to the ascertained value of the relevant property expressed as a percentage, is within any of the percentage bands specified in column (1) of the Table to this section,

the amount of derelict property tax payable in relation to the relevant property shall be increased by an amount (in this section referred to as the 'surcharge') equal to the corresponding percentage, set out in column (2) of that Table opposite the relevant percentage band in column (1), of that amount of tax.

(3) Interest is payable under section 653CI on any surcharge as if the surcharge were derelict property tax, and the surcharge and any interest on that surcharge is chargeable and recoverable as if the surcharge and that interest were part of the derelict property tax.

(4) Where the amount of derelict property tax payable in relation to the relevant property is increased in accordance with subsection (2), the Revenue Commissioners shall issue a notice in writing of the amount of the surcharge to the liable person concerned.

(5) Any person aggrieved by the imposition on that person of a surcharge under this section in respect of a relevant property may appeal to the Appeal Commissioners, in accordance with section 653CH, within the period of 30 days after the date of the notice, referred to in subsection (4), of the amount of that surcharge, against the imposition of such surcharge on the grounds that, having regard to all the circumstances, there were sufficient grounds on which that person might reasonably have based that person's estimate of the market value of the relevant property.

Table

Estimate of the ratio of the market value of the relevant property, as stated in the return, to the ascertained value of the relevant property expressed as a percentage (1)	Surcharge (2)
Equal to or greater than 0 per cent but less than 40 per cent	30 per cent
Equal to or greater than 40 per cent but less than 50 per cent	20 per cent
Equal to or greater than 50 per cent but less than 67 per cent	10 per cent

Surcharge for late return of the relevant property

653CL. (1) Where a liable person fails to deliver a return in respect of a relevant property on or before the return date in a year, the amount of derelict property tax which would have been payable if such a return had been delivered on or before the return date shall be increased by an amount (in this section referred to as the 'surcharge'), equal to—

(a) 5 per cent of that amount of tax, subject to a maximum increased amount of €12,695, where the return is delivered before the expiry of 2 months from the return date, and

(b) 10 per cent of that amount of tax, subject to a maximum increased amount of €63,485, where the return is not delivered before the expiry of 2 months from the return date.

(2) Interest is payable under section 653CI on any surcharge as if the surcharge were derelict property tax, and the surcharge and any

interest on that surcharge is chargeable and recoverable as if the surcharge and that interest were derelict property tax.

(3) Where, in relation to a relevant property, a person deliberately or carelessly delivers an incorrect return, as set out in section 1077F(2), on or before the return date, the person shall be deemed to have failed to deliver that return on or before that date unless the error in the return is remedied on or before that date.

(4) Subsection (3) shall not apply where, in relation to a relevant property, a person deliberately or carelessly delivers an incorrect return as set out in section 1077F(2), on or before the return date and pays the full amount of any penalty calculated in accordance with section 1077F(3) to which the person is liable.

(5) Where a person delivers an incorrect return in respect of a relevant property on or before the return date but does so neither deliberately nor carelessly and it comes to the person's notice (or, if he or she has died, to the notice of his or her personal representatives) that it is incorrect, the person shall be deemed to have failed to deliver the return on or before the return date unless the error in the return is remedied without unreasonable delay.

Chapter 5

Exemptions, deferrals and abatements

Exemption where property is affected by Defective Concrete Blocks

653CM. (1) Subject to subsection (6), this section applies to a relevant property where—

(a) the property has been damaged as a result of the use of defective concrete blocks in its construction, and

(b) one or more of the following conditions is satisfied:

(i) a confirmation of eligibility in relation to the property has issued;

(ii) a determination has been made under section 15(1)(a) of the Act of 2022 that the property meets the damage threshold and a notification has issued under section 15(4) of that Act;

(iii) the property is subject to a compensation claim being made and settled under structural warranty insurance, structural warranty guarantee or some other form of insurance;

(iv) the builder has voluntarily or following the institution of legal proceedings, undertaken to put the liable person in relation to that property in sufficient funds to remediate the property.

(2) Notwithstanding section 653CA, where the condition specified in paragraph (a) of subsection (1) and one or more of the conditions specified in paragraph (b) of that subsection are satisfied in respect of a relevant property on or before a liability date, on the making of a

claim by a liable person in a return delivered under section 653CC in respect of that liability date, derelict property tax shall not be due and payable in respect of that property for the year to which that return relates.

(3) A claim referred to in subsection (2) shall be made in the annual return, in respect of the relevant property, relating to the liability date in respect of which the claim is being made.

(4) Without prejudice to the generality of subsection (3), the Revenue Commissioners may require that the following information or documentation be provided for the purposes of a claim under subsection (2):

(a) the address of the relevant property;

(b) the nature and extent of the damage caused by the use of defective concrete blocks in the property;

(c) the results of any testing carried out at the property to establish the damage caused by the use of defective concrete blocks;

(d) where a confirmation of eligibility has been issued in respect of the property, a copy of that confirmation of eligibility;

(e) where a determination is made under section 15(1)(a) of the Act of 2022 that the property meets the damage threshold and a notification has issued accordingly under section 15(5) of that Act, a copy of that notification;

(f) any documentation provided in relation to a claim or settlement in respect of the property under structural warranty insurance, structural warranty guarantee or some other form of insurance;

(g) any documentation provided by a competent building professional in respect of the property;

(h) any documentation provided by the builder of the property in relation to a compensation claim being made;

(i) any other particulars that the Revenue Commissioners may reasonably require for the purpose of considering the claim.

(5) Where a claim under subsection (2) is made on the basis that a condition specified in subparagraph (iii) or (iv) of subsection (1)(b) is met, the claim shall not be allowed unless the Revenue Commissioners are satisfied that the condition specified in the subparagraph concerned is met.

(6) This section shall not apply unless a return referred to in section 653CC is delivered to the Revenue Commissioners in accordance with that section in respect of the relevant property for the year to which the claim relates.

(7) A liable person who makes a claim under this section shall retain, or cause to be retained on behalf of the liable person, such records as are

required to enable the Revenue Commissioners to determine whether the requirements of this section are met.

(8) In this section—

'builder' means the person who constructed the property, or who caused the property to be constructed; 5

'competent building professional' has the same meaning as it has in Part 2 of the Act of 2022;

'damage threshold' has the meaning assigned to it by section 15(1)(a) of the Act of 2022;

'defective concrete blocks' has the same meaning as it has in the Act of 2022. 10

Deferral of derelict property tax for duration of certain court orders

653CN. (1) In this section, a 'relevant court order' is a court order, or part thereof, that prohibits or otherwise prevents the sale of, or the carrying out of remediation works in respect of, a relevant property, and includes an order continuing, extending, or renewing such an order. 15

(2) Subject to subsection (5), on the making of a claim by a liable person, so much of any derelict property tax arising in relation to a relevant property in respect of a liability date after the date on which a relevant court order comes into effect and before the date on which it ceases to have effect shall not be due and payable until the date that is 12 months after the relevant court order ceases to have effect. 20

(3) A claim referred to in subsection (2) shall be made in the annual return, in respect of the relevant property, relating to the liability date in respect of which the claim is being made. 25

(4) Where derelict property tax becomes due and payable in accordance with subsection (2), the liable person shall amend each return in respect of each liability date to which this section refers and pay any tax and interest due accordingly.

(5) Subsection (2) shall not apply unless a return referred to in section 653CC is delivered to the Revenue Commissioners in accordance with that section in respect of each liability date to which this section refers. 30

Deferral of tax during proceedings

653CO. (1) This section applies where, in relation to a derelict property— 35

(a) an appeal under section 653BT(1) or section 653BU(9),

(b) an application for judicial review of a determination of an application for confirmation of completion of remediation works under section 653BU(4),

(c) an application for judicial review of a determination of an appeal under section 653BV, or 40

(d) an application for—

(i) a confirmation of eligibility under the Regulations of 2022, or

(ii) a remediation option grant under the Act of 2022,

has been made but not been determined.

(2) Subject to subsection (9), where— 5

(a) this section applies,

(b) a return referred to in section 653CC in relation to the derelict property is delivered to the Revenue Commissioners in accordance with that section in respect of each liability date to which this section refers, and 10

(c) as the case may be—

(i) the appeal referred to in paragraph (a) of subsection (1),

(ii) the judicial review referred to in paragraph (b) or (c) of that subsection, or

(iii) the application referred to in paragraph (d) of that subsection, 15

is determined in favour of the owner of the derelict property by the liability date in the year of publication of the most recently published final register,

the derelict property shall be treated for the purposes of this Part as not being a relevant property from the date of the making of the appeal, 20 the date of the application for judicial review or the date of the making of the application, as the case may be.

(3) Where, as the case may be—

(a) the appeal referred to in paragraph (a) of subsection (1),

(b) the judicial review referred to in paragraph (b) or (c) of that 25 subsection, or

(c) the application referred to in paragraph (d) of that subsection,

has not been determined by a return date, a liable person in relation to the derelict property may, in a return made under this Part, make a claim to defer payment of the derelict property tax payable in respect 30 of the derelict property until such time as the appeal, judicial review or application, as the case may be, is determined.

(4) A claim referred to in subsection (3) shall be made in the annual return, in respect of the relevant property, relating to the liability date in respect of which the claim is being made. 35

(5) Where—

(a) a liable person makes a claim under subsection (3), and

(b) either—

(i) the appeal referred to in paragraph (a) of subsection (1) or the application referred to in paragraph (d) of that subsection, as the case may be, is determined in favour of the liable person, or

(ii) the judicial review referred to in paragraph (b) or (c) of that subsection, as the case may be, is determined such that the property is determined—

(I) not to be a derelict property, or

(II) to be a derelict property which should not have been included on the preliminary register by virtue of section 653BS(3),

derelict property tax deferred pursuant to the claim shall not be due and payable.

(6) Where—

(a) a liable person makes a claim under subsection (3), and

(b) either—

(i) the appeal referred to in paragraph (a) of subsection (1) or the application referred to in paragraph (d) of that subsection, as the case may be, is not determined in favour of the liable person, or

(ii) the judicial review referred to in paragraph (b) or (c) of that subsection, as the case may be, is determined such that the property is determined to be a derelict property to which none of the conditions specified in section 653BS(3) apply,

the liable person shall amend each return in which such a claim was made and pay any tax and interest due accordingly.

(7) Where a derelict property ceases to be treated as a relevant property in accordance with subsection (2), the liable person in relation to the relevant property may make a claim for the repayment of all derelict property tax paid by that liable person in respect of the relevant property that arose from the date of the making of the appeal, the date of the application for judicial review or the date of making the application or determination, as the case may be.

(8) Where a liable person makes a claim under subsection (3) and sells their interest in the relevant property before the appeal, judicial review or application, as the case may be, is determined, the liable person shall amend each return in which such claim was made and pay any tax and interest due accordingly.

(9) Subsection (2) shall not apply unless a return referred to in section 653CC in relation to the derelict property is delivered to the Revenue Commissioners in accordance with that section in respect of each liability date to which this section refers.

Deferral of derelict property tax after change of owner

653CP. (1) Subject to subsection (8), this section applies in respect of a derelict property where—

(a) there is a transfer of the derelict property resulting in a change of ownership on or after 1 January 2026,

(b) the transferor and transferee are not connected persons (within the meaning of section 10), and

(c) remediation works have not commenced prior to the liability date referred to in subsection (2).

(2) Subject to subsections (3) and (7), on the making of a claim by the liable person, the derelict property tax arising in respect of the first liability date occurring after the change of ownership referred to in subsection (1), shall not be due and payable until the earlier of—

(a) the date on which there is a subsequent change in the ownership of the relevant property, and

(b) the date that is 12 months after the liability date in respect of which the deferral has been claimed,

and derelict property tax so deferred shall be referred to in this section as 'pre-development deferred derelict property tax'.

(3) A claim referred to in subsection (2) shall be made in the annual return, in respect of the derelict property, relating to the relevant liability date to which the claim relates.

(4) Where a liable person makes a claim under subsection (2) and sells their interest in the relevant property on a date that is prior to—

(a) the date of application as stated on a confirmation of completion of remediation works, and

(b) the date on which tax becomes due and payable in accordance with subsection (2),

the liable person shall amend the return in which the claim was made and pay any tax and interest due accordingly.

(5) Where remediation works commence in respect of the derelict property before the date referred to in subsection (2)(a) or the date first-mentioned in subsection (2)(b), such that the conditions specified in section 653CQ(1) are satisfied, then the pre-development deferred derelict property tax shall be treated as 'deferred derelict property tax' within the meaning of section 653CQ for the purposes of that section.

(6) Where pre-development deferred derelict property tax becomes due and payable in accordance with subsection (2)(b), the liable person shall amend the return in respect of the liability date concerned and pay any tax and interest due accordingly.

(7) Where, in relation to a derelict property to which this section applies, a

confirmation of completion of remediation works is issued under section 653BU(5)(a) which references an application date prior to the dates referred to in subsection (2), then, on the making of a claim by the liable person, the pre-development deferred derelict property tax shall no longer be due and payable. 5

(8) This section shall not apply unless a return referred to in section 653CC in relation to the derelict property is delivered to the Revenue Commissioners in accordance with that section in respect of the liability date to which this section refers.

Deferral of derelict property tax during remediation works 10

653CQ. (1) Subject to subsection (2), this section applies in respect of a relevant property where—

(a) in the case of a relevant property in respect of which remediation works have commenced pursuant to a grant of planning permission, a commencement notice has been lodged, or 15

(b) in all other cases, remediation works have commenced in respect of the relevant property.

(2) This section only applies if a return referred to in section 653CC in relation to the relevant property is delivered to the Revenue Commissioners in accordance with that section in respect of each liability date to which this section refers. 20

(3) Where this section applies in respect of a relevant property, subject to subsections (4) and (6), on the making of a claim by the liable person, the derelict property tax arising in respect of a liability date in relation to the relevant property after the commencement of remediation works shall, notwithstanding section 653CA(2), not be due and payable until the earlier of— 25

(a) the date on which there is a change in the ownership of the relevant property, and

(b) either— 30

(i) in the case of a property referred to in paragraph (a) of subsection (1), the date of expiry of the planning permission period for the planning permission, or

(ii) in the case of a property to which paragraph (b) of that subsection applies, the date that is 17 months after the first liability date following commencement of remediation works. 35

(4) Where—

(a) an application for a confirmation of completion of remediation works in respect of a relevant property to which this section applies has been made in accordance with section 653BU on a date prior to the date on which, but for this subsection, the deferred derelict property tax would be due and payable under subsection (3) (in this subsection referred to as the 'due date'), 40

(b) a determination under section 653BU(4) has not been made by the local authority prior to the due date, and

(c) a notification is subsequently issued under section 653BU(5)(b),

the date that the derelict property tax becomes due and payable shall be the date the determination is notified. 5

(5) Derelict property tax which becomes due and payable in accordance with subsection (3) or (4) shall, in relation to the relevant property, be referred to in this section as 'deferred derelict property tax'.

(6) Where—

(a) an application for a confirmation of completion of remediation works in respect of a relevant property to which this section applies has been made in accordance with section 653BU on a date prior to the date on which, but for this subsection, the deferred derelict property tax would be due and payable under subsection (3) (in this subsection referred to as the 'due date'), and 10 15

(b) a confirmation of completion of remediation works is subsequently issued under section 653BU(5)(a),

on the making of a claim by the liable person, the amount of the deferred derelict property tax shall no longer be due and payable.

(7) Where deferred derelict property tax becomes due and payable in accordance with subsection (3) or (4), the liable person shall amend each return in respect of each liability date in respect of which a claim under this section has been made and pay any tax and interest due accordingly. 20

(8) A claim referred to in subsection (3) shall be made in the annual return relating to the liability date in respect of which the claim relates. 25

(9) A claim referred to in subsection (6) shall be made in such form and contain such particulars as the Revenue Commissioners may prescribe.

(10) In this section, 'planning permission period' means—

(a) in relation to a grant of planning permission under the Act of 2000, the appropriate period (within the meaning of section 40 of that Act), including that period as extended in accordance with section 42 of that Act (or that section as modified in accordance with section 42B of that Act), and 30

(b) in relation to a grant of planning permission under the Act of 2024, the period specified in subsection (1) of section 177 of that Act or in accordance with subsection (3) of that section, as the case may be, including that period as extended in accordance with section 142 or 143 of that Act. 35

Death

653CR. (1) For the purposes of this Part, 'personal representative' has the same meaning as in Chapter 1 of Part 32 and personal representatives shall be treated as being a single continuing body of persons (distinct from the persons who may from time to time be the personal representatives).

(2) Sections 1047(1) and 1048 shall apply in respect of derelict property tax as they apply in respect of income tax, subject to the following modifications:

(a) a reference to 'income tax' shall be construed as a reference to 'derelict property tax';

(b) a reference to 'profits or gains' shall be construed as including a reference to the market value of a relevant property;

(c) a reference to 'Income Tax Acts' shall be construed as a reference to 'Part 22C'.

(3) On the death of a liable person in relation to a derelict property (referred to in this section as the 'deceased person'), a personal representative shall, for the purposes of this Part, be deemed to be the liable person in relation to the derelict property immediately after the death of the deceased person and until such time as—

(a) the administration of the estate of the deceased person is completed (and the period between the date of the death of the deceased person and the date on which the administration of the estate of the deceased person is completed shall be referred to in this section as 'the administration period'), and

(b) another person becomes the liable person in respect of the derelict property in accordance with section 653BZ.

(4) Subject to subsections (7) and (8) the personal representatives of the deceased person shall be responsible for all obligations under this Part as if—

(a) the derelict property concerned was acquired by the personal representatives at the time it was acquired by the deceased person,

(b) the transfer of the derelict property concerned to the personal representative does not give rise to a change of ownership of the derelict property for the purposes of Chapter 5, and

(c) to the extent that a provision of this Part applied to the derelict property concerned in accordance with the conditions specified in that provision prior to the death of the deceased person, that provision continues to apply after that death.

(5) Notwithstanding sections 653CA and 653CJ, and subject to subsections (6), (7) and (8), so much of any derelict property tax as arises in respect of a relevant property and a liability date that occurs on or after the date of death of a deceased person and prior to the end of the administration period (in subsection (7) referred to as the 'post-death tax') shall not be due and payable until the earlier of—

(a) 12 months from the date of the—

(i) grant of probate, or

(ii) grant of letters of administration,

with respect to the deceased person's estate, and

(b) 24 months from the date of death of the deceased person.

(6) Subject to subsection (7), where the return date in respect of a liability date referred to in subsection (5) occurs after the earlier of the dates specified in paragraphs (a) and (b) of subsection (5), derelict property tax arising in respect of that liability date shall be payable on or before the return date in the year in respect of which the tax is charged.

(7) Subject to subsection (8), where the administration period ends prior to the expiry of the periods referred to in subsection (5), then the post-death tax shall no longer be due and payable.

(8) Subsections (5) and (7) shall not apply unless a return in respect of each relevant property that forms part of the estate of the deceased person, is made in accordance with section 653CC for each return date that arises during the period from the death of the deceased person to the earlier to expire of the periods referred to in subsection (5).

(9) Where, on the date of death of a deceased person, section 653CM applies to a relevant property in respect of which the deceased person was the liable person immediately prior to their death, the personal representative may, during the administration period, make any claim under section 653CM(2) that the deceased person would have been entitled to make.

(10) Where, section 653CN applies to a relevant property in respect of which the deceased person was the liable person immediately prior to their death, the personal representative during the administration period, may—

(a) make a claim to defer any derelict property tax, under section 653CN(2), that the deceased person would have been entitled to make, and

(b) any tax so deferred by the personal representative that becomes due and payable under section 653CN(2) prior to the end of the administration period shall become a charge on the property concerned under section 653CA(4).

(11) Where, on the date of death of a deceased person, section 653CO

applies to a property in respect of which the deceased person was the owner immediately prior to their death—

(a) the personal representative may, during the administration period, make any claim for the repayment of derelict property tax under section 653CO(7) that the deceased person would have been entitled to make, or

(b) the personal representative may, during the administration period, make any claim to defer derelict property tax, under section 653CO(3) that the deceased person would have been entitled to make and any tax so deferred by the personal representative that becomes due and payable in accordance with section 653CO(6) or (8) prior to the end of the administration period shall become a charge on the property concerned under section 653CA(4).

(12) Where on the date of death of a deceased person, section 653CP applies with respect to a relevant property to which the deceased person was the liable person of prior to their death—

(a) that section shall apply to the personal representatives as if they were the liable person of the relevant property at the date of death of the deceased person, and

(b) at the completion of the administration period any derelict property tax deferred at that time under section 653CP(2) shall become a charge on the property concerned under section 653CA(4).

(13) Where on the date of death of a deceased person, section 653CQ applies with respect to a relevant property for which the deceased person was the liable person prior to their death—

(a) that section shall apply to the personal representatives as if they were the liable person in respect of the relevant property at the date of death of the deceased person, and

(b) at the completion of the administration period any derelict property tax deferred at that time under section 653CQ(3), or treated, pursuant to section 653CP(5), as 'deferred derelict property tax' within the meaning of section 653CQ for the purposes of that section, shall become a charge on the property concerned under section 653CA(4).

(14) Notwithstanding subsections (10)(a), (11)(b), (12)(a) and (13)(a), section 653CN(2), section 653CO(3), section 653CP(2) and (5) and section 653CQ(3) shall continue to apply to a beneficiary or beneficiaries, as the case may be, of the derelict property at the end of the administration period, as if the beneficiary or beneficiaries were the liable person of that relevant property at the date of death of the deceased person.

(15) Any charge on the derelict property arising under subsections (11)(b) or (13)(b) shall cease to apply where the derelict property tax to which the charge relates would not be payable by a beneficiary or

beneficiaries, as the case may be, of the relevant property to which the charge relates, under section 653CO(5) or section 653CQ(3) or (6), as the case may be, had they been the liable person with respect to that relevant property at the date of death of the deceased person.

Chapter 7

Miscellaneous

Obligation to keep certain records

653CS. (1) A liable person shall retain, or cause to be retained on behalf of the liable person, such records as are required to enable a full and true return to be made for the purposes of this Part.

(2) Without prejudice to the generality of subsection (1), the records required to be retained under that subsection shall include, but are not limited to, books, accounts, documents, and any other data maintained manually or by any electronic, photographic or other process, relating to—

(a) a commencement notice, confirmation of completion of remediation works, a grant of planning permission, where applicable in relation to a relevant property of the liable person,

(b) the valuation, on the valuation date or other specified date, of a relevant property of the liable person, or part thereof under any provision of this Part,

(c) any claim to an exemption, abatement or deferral claimed under any provision of this Part,

(d) the purchase or sale of a relevant property of the liable person, and

(e) evidence of title to a relevant property of the liable person.

(3) Records required to be retained by virtue of this section shall be retained—

(a) in written form in an official language of the State, or

(b) subject to section 887(2), by means of any electronic, photographic or other process.

(4) Notwithstanding any other law, records to be retained under this section shall be retained by the person required to retain the records, where the requirements of section 653CC regarding the delivery of a return on or before the relevant return date are met, for the period of 6 years commencing from the end of the year in which a return has been delivered.

(5) For the purposes of this section, where the liable person is a company and the company—

(a) is wound up, the liquidator, or

(b) is dissolved without the appointment of a liquidator, the last

directors, including any person occupying the position of director by whatever name called, of the company,

shall retain the records required to be retained under this section for a period of 5 years from the date from which the company is wound up or dissolved. 5

(6) For the purposes of this section, where a liable person dies, the executor or administrator of that deceased person shall retain the records required to be retained under this section for a period of 5 years from the date of death of the liable person.

(7) A person who fails to comply with this section in respect of the retention of any records relating to derelict property tax is liable to a penalty of €3,000. 10

Restriction of deduction

653CT. (1) Notwithstanding anything in the Tax Acts or Capital Gains Tax Acts, in computing the amount of profits or gains to be charged to income tax, corporation tax or capital gains tax, no sum shall be deducted in respect of any amount of derelict property tax. 15

(2) Notwithstanding anything in the Tax Acts or Capital Gains Tax Acts, in computing amounts to be charged in accordance with Part 18D, no sum shall be deducted in respect of any amount of derelict property tax, nor shall any sum be deducted from the amount of domicile levy chargeable under Part 18C. 20

Credit for local property tax

653CU. (1)This section applies where—

(a) a property is a relevant property on the liability date in a year, and 25

(b) the liable person in relation to that relevant property has paid local property tax in respect of that property arising on an LPT date in the year prior to the liability date.

(2) Where this section applies, the liable person referred to in subsection (1)(b) shall be entitled to a credit against the derelict property tax payable by that person in respect of the property in the year referred to in subsection (1)(a), of an amount determined in accordance with subsection (3). 30

(3) The amount of the credit to which a person is entitled under subsection (2) shall be an amount equal to the lesser of— 35

(a) the amount of local property tax referred to in subsection (1)(b) that has actually been paid by that person, and

(b) the amount of derelict property tax that would, but for this section, be payable by that person in respect of the relevant property for that year. 40

(4) Where a person is entitled to a credit under this section—

(a) no part of that credit shall be repaid to the person concerned,

(b) no part of that credit shall be carried forward for set-off against derelict property tax payable by that person for any subsequent liability date, and

(c) no part of that credit shall be carried back for set-off against derelict property tax payable by that person for any earlier year. 5

(5) Where local property tax paid in respect of a relevant property is subsequently repaid, in whole or in part, to a person by the Revenue Commissioners under the Finance (Local Property Tax) Act 2012, the amount of the credit allowed under this section by reference to the local property tax so repaid shall be treated as never having been 10 allowed, and—

(a) an assessment or amended assessment may be made under section 653CH to give effect to this subsection, and

(b) any derelict property tax that becomes payable as a result of this subsection shall be payable together with interest calculated under 15 section 653CI, from the date on which the derelict property tax would originally have been payable but for the credit.

(6) A claim for a credit under this section shall be made in a derelict property tax return required under section 653CC.

(7) In this section, 'LPT date' means a liability date within the meaning of 20 the Finance (Local Property Tax) Act 2012.

Credit for vacant homes tax

653CV. (1) This section applies where—

(a) a property is a relevant property on the liability date in a year, and

(b) the liable person in relation to that relevant property has paid 25 vacant homes tax in respect of that property arising on a VHT date in the year following that liability date.

(2) Where this section applies, the liable person referred to in subsection (1)(b) shall be entitled to a credit against the derelict property tax payable by that person in respect of the property in the year referred to 30 in subsection (1)(a), of an amount determined in accordance with subsection (3).

(3) The amount of the credit to which a person is entitled under subsection (2) shall be an amount equal to the lesser of—

(a) the amount of vacant homes tax referred to in subsection (1)(b) that 35 has actually been paid by that person, and

(b) the amount of derelict property tax that would, but for this section, be payable by that person in respect of the relevant property for that year.

(4) Where a person is entitled to a credit under this section— 40

(a) no part of that credit shall be repaid to the person concerned,

(b) no part of that credit shall be carried forward for set-off against derelict property tax payable by that person for any subsequent liability date, and

(c) no part of that credit shall be carried back for set-off against derelict property tax payable by that person for any earlier year. 5

(5) Where vacant homes tax paid in respect of a relevant property is subsequently repaid, in whole or in part, to a person by the Revenue Commissioners, the amount of the credit allowed under this section by reference to the vacant homes tax so repaid shall be treated as never having been allowed, and— 10

(a) an assessment or amended assessment may be made under section 653CH to give effect to this subsection, and

(b) any derelict property tax that becomes payable as a result of this subsection shall be payable together with interest calculated under section 653CI, from the date on which the derelict property tax would originally have been payable but for the credit. 15

(6) A claim for a credit under this section shall be made in a derelict property tax return required under section 653CC.

(7) In this section, 'VHT date' means a relevant date within the meaning of Part 22B. 20

Care and management of derelict property tax

653CW. (1) Derelict property tax is under the care and management of the Revenue Commissioners.

(2) Part 37 shall apply to derelict property tax as it applies to income tax, corporation tax and capital gains tax. 25

Where no owner has engaged

653CX. (1) This section shall apply to a relevant property where no person has filed a return in respect of the relevant property under section 653CC and an amount of derelict property tax and interest has been charged on the land to which the tax relates under section 653CA(4). 30

(2) Where—

(a) this section applies to a relevant property, and

(b) the amount of derelict property tax and interest charged on the land under section 653CA(4) exceeds an amount, calculated as 110 per cent of the market value of the relevant property on a valuation date, 35

the Revenue Commissioners may publish a notice in *Iris Oifigiúil* in accordance with subsection (3).

(3) The notice referred to in subsection (2) shall state—

(a) that the issue of the notice is the first step in a process that may result in the relevant property concerned becoming the property of 40

the State,

(b) the address of the relevant property,

(c) the unique identifier, or identifiers, allocated to the relevant property under the Registration of Title Act 1964, if available,

(d) the name of the local authority in whose functional area the relevant property is situated, and

(e) that the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation may, after 6 months has elapsed from the date of the publication of the notice, apply to the High Court for an order that the relevant property is the property of the State.

(4) Where the Revenue Commissioners have published a notice in relation to a relevant property in accordance with subsection (3), the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation may make an application referred to in subsection (5).

(5) An application referred to in this subsection is an application by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation to the High Court for an order that the relevant property is the property of the State.

(6) An application to the High Court under subsection (4) shall in the first instance be made *ex parte* and the High Court shall thereupon give such directions as it thinks proper in regard to service or publication of notice of such application and shall not finally determine such application unless or until the directions so given have been complied with and such time as the Court shall consider reasonable in the circumstances has elapsed since such compliance.

(7) Where it is shown to the satisfaction of the High Court on application to it under subsection (4) that, in respect of a property—

(a) the property is a relevant property,

(b) no person has filed a return in respect of the relevant property under section 653CC, and

(c) the amount of derelict property tax and interest charged on the relevant property under section 653CA(4) exceeds an amount, calculated as 110 per cent of the market value of the relevant property on a valuation date,

the Court may order that the relevant property is the property of the State from the date of the order.

(8) An order made by the High Court on an application under this section that a relevant property is the property of the State in accordance with this section shall (subject to appeal to the Court of Appeal) be conclusive evidence binding on all persons whatsoever (whether they had or had not notice of such application) that the said relevant

property is the property of the State from the date of the order.

(9) Where any relevant property becomes the property of the State in accordance with this section, such land shall, upon so becoming the property of the State, vest in the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. 5

(10) The Registrar of Titles shall cause the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation to be registered as the owner of the land under the Registration of Title Act 1964.

Functions conferred on Limerick City and County Council 10

653CY. A function conferred by this Part on a local authority shall, in the case of Limerick City and County Council, be performed for it or on its behalf and in its name by the director general of Limerick City and County Council.".

(2) Section 851A(1) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (ba): 15

"(bb) Part 22C,".

(3) Section 858(1) of the Principal Act is amended, in paragraph (a) of the definition of "the Acts", by the insertion of the following subparagraph after subparagraph (iva):

"(ivaa) Part 22C,". 20

(4) Section 859(1) of the Principal Act is amended, in the definition of "the Revenue Acts", by the insertion of the following paragraph after paragraph (da):

"(daa) Part 22C,".

(5) Section 865(1)(a) of the Principal Act is amended—

(a) in the definition of "Acts", by the substitution of "Part 18D, Part 22A, Part 22B and Part 22C" for "Part 18D, Part 22A and Part 22B", and 25

(b) in the definition of "tax", by the substitution of "universal social charge, residential zoned land tax, vacant homes tax or derelict property tax" for "universal social charge, residential zoned land tax or vacant homes tax".

(6) Section 865B(1) of the Principal Act is amended— 30

(a) in the definition of "Acts", by the insertion of the following paragraph after paragraph (da):

"(db) Part 22C,",

and

(b) in the definition of "tax", by the substitution of "universal social charge, vacant homes tax, derelict property tax or local property tax" for "universal social charge, vacant homes tax or local property tax". 35

(7) Section 874A(1) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (da):

"(db) Part 22C,".

(8) Section 949A of the Principal Act is amended—

(a) in the definition of "Acts", by the insertion of the following paragraph after paragraph (cb):

"(cc) Part 22C,", 5

and

(b) in the definition of "tax", by the substitution of "local property tax, vacant homes tax, derelict property tax, temporary solidarity contribution (within the meaning of the Energy (Windfall Gains in the Energy Sector) (Temporary Solidarity Contribution) Act 2023)" for "local property tax, vacant homes tax, temporary 10 solidarity contribution (within the meaning of the Energy (Windfall Gains in the Energy Sector) (Temporary Solidarity Contribution) Act 2023)".

(9) Section 960A of the Principal Act is amended—

(a) in the definition of "Acts", by the insertion of the following paragraph after paragraph (gb): 15

"(gc) Part 22C,",

and

(b) in the definition of "tax", by the substitution of "local property tax, vacant homes tax, derelict property tax, temporary solidarity contribution (within the meaning of the Energy (Windfall Gains in the Energy Sector) (Temporary Solidarity 20 Contribution) Act 2023)" for "local property tax, vacant homes tax, temporary solidarity contribution (within the meaning of the Energy (Windfall Gains in the Energy Sector) (Temporary Solidarity Contribution) Act 2023)".

(10) Section 960P of the Principal Act is amended, in subsection (2), by the substitution of "capital gains tax, local property tax, vacant homes tax and derelict property tax" for 25 "capital gains tax, local property tax and vacant homes tax".

(11) Section 1002(1)(a) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following subparagraph after subparagraph (iiic):

"(iiid) Part 22C,".

(12) Section 1006(1) of the Principal Act is amended, in the definition of "the Acts", by 30 the insertion of the following paragraph after paragraph (ac):

"(ad) Part 22C,".

(13) Section 1077A of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (cb):

"(cc) Part 22C,". 35

(14) Section 1077F of the Principal Act is amended, in subsection (1)—

(a) in the definition of "the Acts", by the substitution of "22A, 22B and 22C of this Act," for "22A and 22B of this Act," and

(b) in the definition of "tax", by the substitution of "universal social charge, local

property tax, vacant homes tax or derelict property tax" for "universal social charge, local property tax or vacant homes tax".

(15) Section 1078(1) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (cc):

"(cd) Part 22C,". 5

(16) Section 1079(1) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (cc):

"(cd) Part 22C,".

(17) Section 1086A(1) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (ba): 10

"(bb) Part 22C,".

(18) Section 1094(1) of the Principal Act is amended, in the definition of "the Acts", by the insertion of the following paragraph after paragraph (cc):

"(cd) Part 22C,".

(19) Section 1095(1) of the Principal Act is amended, in the definition of "the Acts", by 15 the insertion of the following paragraph after paragraph (cc):

"(cd) Part 22C,".

(20) Schedule 29 to the Principal Act is amended, in column 1, by the insertion of "section 653CC" after "section 653AQ".

(21) The Ministers and Secretaries (Amendment) Act 2011 is amended, in section 101(3), 20 in the definition of "relevant enactment", by the insertion of the following paragraph after paragraph (eb):

"(eba) Part 22C of the Taxes Consolidation Act 1997,".

(22) The Provisional Collection of Taxes Act, 1927 is amended, in section 1, in the definition of "tax", by the substitution of "residential zoned land tax, vacant homes 25 tax, derelict property tax or IIR top-up tax," for "residential zoned land tax, vacant homes tax, or IIR top-up tax,".

(23) The Finance (Tax Appeals) Act 2015 is amended, in section 2, in the definition of "Taxation Acts", by the insertion of the following paragraph after paragraph (ca):

"(cb) Part 22C of the Act of 1997,". 30

(24) This section shall come into operation on such day or days as the Minister for Finance may by order or orders appoint and different days may be appointed for different purposes or different provisions.

Miscellaneous technical amendments in relation to tax

77. The enactments specified in the *Schedule*— 35

(a) are amended to the extent and in the manner specified in *paragraph 1* of that Schedule, and

(b) apply and come into operation in accordance with *paragraph 2* of that Schedule.

Care and management of taxes and duties

78. All taxes and duties imposed by this Act are placed under the care and management of the Revenue Commissioners.

Short title, construction and commencement

79. (1) This Act may be cited as the Finance (No. 2) Act 2026. 5

(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. 10

(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. 15

(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) residential zoned land tax, shall be construed together with Part 22A of the Principal Act, 20

(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) duties of excise, shall be construed together with the statutes which relate to duties of excise and the management of those duties, 25

(f) value-added tax, shall be construed together with the Value-Added Tax Acts,

(g) stamp duty, shall be construed together with the Stamp Duties Consolidation Act 1999 and the enactments amending or extending that Act, and

(h) 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. 30

(8) Except where otherwise expressly provided for in *Part 1*, that Part shall come into operation on 1 January 2027.

(9) Except where otherwise expressly provided for, 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. 35

SCHEDULE

Section 77

Miscellaneous Technical Amendments in Relation to Tax

1. The Taxes Consolidation Act 1997 is amended—

   (a) in section 195E(1), in the definition of 'medical practitioner', by the substitution of "Medical Practitioners Act 2007" for "Medical Practioners Act 2007", and

   (b) in section 960H, by the deletion of subsection (7).

2. This Schedule shall have effect on and from the date of the passing of this Act.

An Bille Airgeadais (Uimh. 2), 2026

BILLE

(mar a tionscnaíodh)

dá ngairtear

Acht do dhéanamh socrú maidir le forchur, aisghairm, loghadh, athrú agus rialáil cánachais, dleachtanna stampa agus dleachtanna a bhaineann le mál agus do dhéanamh socrú breise thairis sin i dtaobh airgeadais; agus do dhéanamh socrú i dtaobh nithe gaolmhara.

An tAire Airgeadais a thíolaic,

19 *Deireadh Fómhair,* 2026

Finance (No. 2) Bill 2026

BILL

(as initiated)

entitled

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; and to provide for related matters.

Presented by the Minister for Finance,

19*th October,* 2026

BAILE ÁTHA CLIATH
ARNA FHOILSIÚ AG OIFIG AN tSOLÁTHAIR
Le ceannach díreach ó
FOILSEACHÁIN RIALTAIS,
BÓTHAR BHAILE UÍ BHEOLÁIN, CILL MHAIGHNEANN,
BAILE ÁTHA CLIATH 8, D08 XAO6.
Teil: 046 942 3100
r-phost: publications@opw.ie
nó trí aon dioltóir leabhar.

DUBLIN
PUBLISHED BY THE STATIONERY OFFICE
To be purchased from
GOVERNMENT PUBLICATIONS,
MOUNTSHANNON ROAD, KILMAINHAM,
DUBLIN, D08 XAO6.
Tel: 046 942 3100
Email: publications@opw.ie
or through any bookseller.

€22.35

9 781399 343275