



# **DÁIL ÉIREANN**

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## **AN BILLE AIRGEADAIS 2006 FINANCE BILL 2006**

## **LEASUITHE TUARASCÁLA REPORT AMENDMENTS**

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# DÁIL ÉIREANN

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## AN BILLE AIRGEADAIS 2006 —AN TUARASCÁIL

### FINANCE BILL 2006 —REPORT

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#### *Leasuithe Amendments*

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**1.** In page 9, between lines 15 and 16, to insert the following:

“Taxpayers’  
advocate office.

1.—The Ombudsman shall include in her annual report a special report on the overpayment of tax by PAYE taxpayers, and on the take up of credits by such taxpayers, and the branch of her office dedicated to ensuring that the take up of credits is readily available to all taxpayers, and refunds made as rapidly as possible where this arises, shall be known as the taxpayers’ advocate office.”

—Joan Burton.

**2.** In page 9, between lines 15 and 16, to insert the following:

“Increase of  
exemptions etc. in  
line with inflation.

1.—The tax bands, exemption limits and tax credits relating to income tax set out in the Finance Acts are hereby increased by such rate as would maintain the real value of those bands, limits and credits in terms of changes in the cost of living since 2003.”

—Joan Burton.

**3.** In page 9, between lines 15 and 16, to insert the following:

“Commission on  
Taxation.

1.—The Minister shall as soon as may be after the passing of this Act establish a commission on taxation to inquire into the fairness and equity of the overall tax system and to provide for the evaluation of tax breaks and other provisions permitting tax payers to mitigate their tax liabilities and the impact in particular of provisions for exemption from tax and residency rules and shall publish at regular intervals the outcome of their enquiries into the tax system.”

—Joan Burton.

**4.** In page 9, between lines 15 and 16, to insert the following:

“Kyoto obligations.

1.—The Minister shall establish a new subhead in the Book of Estimates on expenditure to be incurred as a result of obligations under the Kyoto Protocol.”

—Dan Boyle.

5. In page 9, between lines 15 and 16, to insert the following:

“1.—The tax bands, exemption limits and tax credits relating to income tax set out in the Finance Act 2005 are hereby increased by such rate as would maintain the real value of those bands, limits and credits in terms of changes in the cost of living since 2004.”

—Caoimhghín Ó Caoláin.

6. In page 9, between lines 15 and 16, to insert the following:

“1.—The Minister shall, upon the passing of this Act, undertake a comprehensive and thorough review of the taxation system, including income tax, corporation tax, capital gains tax, tax exemptions and all other relevant matters with a view to ensuring greater equity within the system itself and to deriving the maximum social and economic benefit from the taxation system. This review shall be conducted in an open, transparent and accountable manner and the Minister shall take measures, as he sees fit, to maximise public participation. The review shall be completed within one year from the passing of this Act.”

—Caoimhghín Ó Caoláin.

7. In page 9, between lines 15 and 16, to insert the following:

“Definition.

1.—(1) In this Part, the “tax cost” of a relief is defined to be: the next Present Value of revenue foregone, plus the cost of administration; the benefit of a tax relief is the Net Present Value sum of—

- (a) the value of underutilised resources brought into active use by the relief,
- (b) the value of the social benefits derived from additional activity induced by the relief which are not captured by market value.

(2) Prior to the publication of the Finance Bill, the Minister shall publish a review of the tax cost and the benefit of tax exemptions, capital allowances and investment incentives in respect of the most recent year for which data is available.”

—Richard Bruton.

8. In page 9, between lines 15 and 16, to insert the following:

“Amendment  
section 466A of the  
Principal Act.

1.—The Principal Act is amended in section 466A by the substitution of the following for subsection (2):

“(2) Where in any year of assessment an individual proves that he or she is a qualifying claimant he or she shall be entitled to a tax credit (to be known as the ‘home carer tax credit’) of a sum equal to the higher of the amount specified in section 472 of this Act.”

—Richard Bruton.

**9.** In page 9, between lines 15 and 16, to insert the following:

“Amendment of the Principal Act by insertion of a new section 15A.

1.—The Principal Act is amended by the insertion of the following new section 15A:

“15A.—(1) In any year of assessment where monies are paid to any state or other body in respect of which the individual making such payments would be entitled to a tax credit or an allowance for income tax the Minister for Finance may direct that such state or other body shall make a return of such payments made by such persons in such format and shall be determined by regulations as shall be made by the Minister for Finance to enable a tax credit or deduction to be made or allowed.

(2) In respect of any such information provided to the Offices of the Revenue Commissioners no liability shall attach to the Office of the Revenue Commissioners or otherwise for failing to provide such tax credit or allowance to the person who made the payment.”.

—Richard Bruton.

**10.** In page 9, between lines 15 and 16, to insert the following:

“Amendment to section 779 (relief for pension contributions).

1.—A person, none of whose taxable income is chargeable at the higher rate, who makes a pension contribution within the limit set out in section 779 of the Principal Act, shall be entitled to receive a tax credit contributed to the pension scheme equivalent to relief at the higher rate.”.

—Richard Bruton.

**11.** In page 10, line 6, column (1), to delete “€32,000” and substitute “€34,000”.

—Richard Bruton.

**12.** In page 10, line 12, column (1), to delete “€36,000” and substitute “€38,000”.

—Richard Bruton.

**13.** In page 10, line 18, column (1), to delete “€41,000” and substitute “€46,000”.

—Richard Bruton.

**14.** In page 11, between lines 24 and 25, to insert the following:

“Private nursing homes.

4.—The Minister shall review tax relief arrangements for private nursing homes to determine their compatibility with health criteria and in particular health and welfare related criteria regarding the size and location of facilities.”.

—Joan Burton.

15. In page 11, between lines 24 and 25, to insert the following:

“Allowable deductions.

4.—No deduction, allowance or relief that would, but for this section, be allowed or available in computing profits or gains arising from rental income or in assessing liability to tax on that income shall be allowed or made available to a landlord of a tenancy, within the meaning of the Residential Tenancies Act 2004 and to which Part 7 of that Act applies, who has failed to comply with the requirements of that Part.”.

—Joan Burton.

16. In page 11, between lines 24 and 25, to insert the following:

“Rent.

4.—Where a person avails of tax relief relating to income including or consisting of rental income pursuant to the Principal Act, he or she shall furnish to the Commissioners sufficient information to demonstrate that he or she has complied with any requirement of the law regarding registration as a landlord.”.

—Joan Burton, Caoimhghín Ó Caoláin.

17. In page 11, between lines 24 and 25, to insert the following:

“Childcare services relief — Social Insurance registration.

4.—A person who benefits from the relief on childcare services by virtue of section 216C of the Principal Act as inserted by this Part shall nonetheless be fully registered for PRSI.”.

—Joan Burton.

18. In page 11, between lines 24 and 25, to insert the following:

“Restriction of benefit in kind.

4.—Where an employer provides a childcare facility directly to an employee, or pays the childcare costs of an employee to a third party, the provision or payment shall not constitute a taxable benefit in kind.”.

—Joan Burton.

19. In page 14, between lines 30 and 31, to insert the following:

“(8) The Minister shall undertake a review of the operation of the foregoing section in the context of a comprehensive assessment of the case for abolishing local authority refuse charges and reversing the privatisation of local authority services.”.

—Caoimhghín Ó Caoláin.

20. In page 19, between lines 13 and 14, to insert the following:

“(8) Persons qualifying for relief under this section shall be entitled to register as self-employed, to make PRSI contributions and to benefit therefrom.”.

—Caoimhghín Ó Caoláin.

21. In page 19, between lines 13 and 14, to insert the following:

“Amendment of section 462 (one-parent family tax allowances for single-earner families).”

14.—The Principal Act is amended in section 462—

- (a) in subsection (1), by the deletion of paragraph (b), and
- (b) in subsection (2), by inserting the words “unless in the latter case, one or other does not have a taxable income” after the word “wife” at the end of the subsection.”.

—Richard Bruton.

22. In page 19, between lines 13 and 14, to insert the following:

“Amendment of section 469 (removal of deductible in respect of medical relief).”

14.—The Principal Act is amended in section 469—

- (a) in subsection (1), in the definition of “health care”, by deleting the words “but does not include routine ophthalmic treatment or routine dental treatment”, and
- (b) in subsection (2), by the deletion of that subsection and substitution with the following:

“(2) Subject to this section, where an individual for a year of assessment proves that, in the year of assessment, he or she defrayed health expenses incurred for the provision of health care for any qualified person, the individual shall be entitled, for the purpose of ascertaining the amount of the income on which he or she is to be charged to income tax, to have a deduction of the amount made from his or her total income.”.

—Richard Bruton.

23. In page 19, line 18, to delete “Chapter”, and substitute “Chapter”, and”.

—An tAire Airgeadais.

24. In page 20, to delete lines 25 and 26 and substitute the following:

“(vi) in any other case, 15 per cent,”,

and

(iv) by inserting the following after section 779—”.

—An tAire Airgeadais.

25. In page 25, line 51, to delete “subsection (IC),” and substitute “subsection (IC)”.

—An tAire Airgeadais.

26. In page 26, to delete lines 3 and 4 and substitute the following:

“the purposes of subsection (1B)”,

and

(iv) in section 787—”.

—An tAire Airgeadais.

27. In page 26, line 37, to delete “paragraphs” and substitute “paragraph”.

—An tAire Airgeadais.

28. In page 27, to delete lines 11 and 12 and substitute the following:

“(f) in any other case, 15 per cent,”

and

(II) in subsection (3)(b)—”.

—An tAire Airgeadais.

29. In page 27, line 44, to delete “subsection (5)(b)” and substitute “subsection (5)”.

—An tAire Airgeadais.

30. In page 27, to delete line 46 and in page 28, to delete lines 1 and 2 and substitute the following:

“this Chapter”,

and

(v) in section 787K by inserting the following after subsection (2):”.

—An tAire Airgeadais.

31. In page 28, line 9, to delete “Administrator” and substitute “administrator”.

—An tAire Airgeadais.

32. In page 31, line 19, to delete “to relevant” and substitute “to a relevant”.

—An tAire Airgeadais.

33. In page 33, line 13, to delete “€5,000,000” and substitute “€1,000,000”.

—Caoimhghín Ó Caoláin.

34. In page 45, to delete lines 46 and 47, and substitute the following:

“done thereunder.”,

and

(f) in Chapter 4 of Part 30—”.

—An tAire Airgeadais.

**35.** In page 46, to delete lines 22 and 23 and substitute the following:

“*Iris Oifigiúil.*”

and

(ii) by inserting the following after section 790A—”.

—An tAire Airgeadais.

**36.** In page 56, after line 47, to insert the following:

“(5) Within 1 year of the commencement of this section, and each year thereafter, the Minister shall publish details of the distribution of tax relief on pension contributions across the income categories and an assessment of the adequacy of pension cover.”.

—Richard Bruton.

**37.** In page 56, after line 47, to insert the following:

“Returns to be formatted so as to facilitate information regarding use of exemptions.

15.—The Minister shall by regulations determine the form of tax returns in such a way as to facilitate the compilation of statistics on the extent to which tax reliefs are availed of by taxpayers.”.

—Joan Burton, Caoimhghín Ó Caoláin.

**38.** In page 56, after line 47, to insert the following:

“Travel benefit in kind.

15.—The provisions of the Principal Act regarding travel benefit in kind shall be extended to make provision for disregarding the benefit of monthly and quarterly tickets provided by an employer.”.

—Joan Burton.

**39.** In page 56, after line 47, to insert the following:

“Failure by Employer to reimburse travel costs.

15.—Where an employee incurs travel costs in connection with his or her employment, which are not reimbursed by an employer, the employee may be afforded a relief on such travel costs against his or her liability to income tax in connection with the employment.”.

—Joan Burton.

40. In page 56, after line 47, to insert the following:

“Donations to charities.

15.—The minimum threshold for deductible donations to charities is reduced from €250 to €100.”.

—Joan Burton.

41. In page 57, between lines 13 and 14, to insert the following:

“(2) Within 1 year of the commencement of this section, and each year thereafter, the Minister shall publish an assessment of its impact on the operation of companies in the exposed sectors of the economy.”.

—Richard Bruton.

42. In page 89, between lines 30 and 31, to insert the following:

“(4) Within 1 year of the commencement of this section, and each year thereafter, the Minister shall publish an assessment of the take up of the reliefs covered in this section, in order to establish the extent to which tax is paid by top earners.”.

—Richard Bruton.

43. In page 89, between lines 32 and 33, to insert the following:

“Artists’ tax relief for choreographers.

18.—Section 195 of the Principal Act is amended in subsection (1) by adding:

“(f) a piece of choreography”.”.

—Dan Boyle.

44. In page 89, between lines 32 and 33, to insert the following:

“Tax relief for monthly travel passes.

18.—Tax relief may be extended in respect of all monthly travel passes related to travelling to and from work.”.

—Dan Boyle.

45. In page 92, to delete lines 22 to 46, to delete page 93 and in page 94, to delete lines 1 to 35.

—Caoimhghín Ó Caoláin.

46. In page 95, lines 20 and 21, to delete “subsection (6)” and substitute “subsections (6) and (7)”.

—An tAire Airgeadais.

47. In page 95, line 48, to delete “subsections (4) and (5)” and substitute the following:

“subsections (4) and (5) and, as the case may be, subsection (7)”.

—An tAire Airgeadais.

48. In page 96, line 17, to delete “section 270(5)” and substitute “section 270(5) and, as the case may be, section 270(7)”.

—An tAire Airgeadais.

49. In page 96, line 33, to delete “section 270(5)” and substitute the following:

“section 270(5) and, as the case may be, section 270(7)”.

—An tAire Airgeadais.

50. In page 96, line 41, to delete “with section 270(5) or to’.” and substitute the following:

“with section 270(5) and, as the case may be, section 270(7) or to’.

(7) (a) This subsection applies to a building or structure to which paragraph (a), paragraph (d) (other than a qualifying premises which fronts on to a qualifying street (within the meaning of section 372A)), paragraph (e) or paragraph (g) of subsection (4) applies and in relation to which building or structure a person must show that the condition in—

(i) where subsection (4)(a) applies, section 268(13)(c)(ii)(I) or, as the case may be, sections 272(9)(b)(i) and 274(1B)(b)(i),

(ii) where subsection (4)(d) applies, section 372A(3)(a),

(iii) where subsection (4)(e) applies, section 372L(3)(a), or

(vi) where subsection (4)(g) applies, section 372AA(3)(a),

was satisfied on or before 31 December 2006.

(b) (i) A person shall not be treated as having satisfied the condition referred to in paragraph (a) in relation to a building or structure unless—

(I) where paragraph (a)(ii) applies, the relevant local authority (within the meaning of section 372A), and

(II) in any other case, the local authority (within the meaning of the Local Government Act 2001),

in whose administrative area the building or structure is situated, gives a certificate in writing on or before 30 March 2007, to the person constructing or refurbishing the building or structure stating—

(A) that it is satisfied that work to the value of not less than 15 per cent of the actual construction or refurbishment costs of the building or structure involved was carried out on or before 31 December 2006,

- (B) the actual amount of the capital expenditure incurred on the construction or refurbishment of the building or structure by 31 December 2006, and
  - (C) the projected amount of the balance of the capital expenditure (other than that referred to in clause (B)) which is to be incurred on the construction or refurbishment of the building or structure.
- (ii) An application for a certificate referred to in subparagraph (i) shall be made on or before 31 January 2007 by the person who is constructing or refurbishing the building or structure.
  - (iii) In considering whether to give a certificate referred to in subparagraph (i), the relevant local authority or, as the case may be, the local authority shall have regard to guidelines in relation to the giving of such certificates issued by the Department for the Environment, Heritage and Local Government.
- (c) Where this subsection applies, the amount of capital expenditure referred to in subsection (4) which is to be treated as incurred in the period from 1 January 2007 to 31 July 2008 for the purposes of the making of allowances and charges (as referred to in subsection (5)) under this Part, shall not exceed the amount which has been certified by the relevant local authority or, as the case may be, the local authority under clause (C) of paragraph (b)(i) in relation to that building or structure.
  - (d) The provisions of this subsection shall apply prior to the application of the provisions of subsections (5) and (6) and where the provisions of this subsection apply to reduce the amount of capital expenditure which is to be treated as incurred in the period from 1 January 2007 to 31 July 2008, such reduction shall be made in relation to expenditure incurred in the period from 1 January 2008 to 31 July 2008 in priority to the period from 1 January 2007 to 31 December 2007.
  - (e) Where a building or structure to which this subsection applies is sold by the person who constructed or refurbished the building or structure, such person shall, at the time of such sale, supply the purchaser with a copy of the certificate referred to in paragraph (b)(i) for the purposes of the making of a claim by the purchaser under any of the provisions of this Part.””.

—An tAire Airgeadais.

51. In page 97, to delete lines 34 to 47, to delete page 98 and in page 99, to delete lines 1 to 29.

—Caoimhghín Ó Caoláin.

52. In page 97, line 47, to delete “and”.

—An tAire Airgeadais.

53. In page 98, to delete line 1 and substitute the following:

“(ii) subject to paragraphs (a) and (b) of section 270(7)—

(I) the person who is constructing or”.

—An tAire Airgeadais.

54. In page 98, to delete line 16 and substitute the following:

“(I) was satisfied,

(iii) a binding contract in writing under which expenditure on the construction or refurbishment of the holiday cottage is incurred was in existence on or before 31 July 2006, and

(iv) such other conditions, as may be specified in regulations made for the purposes of this subparagraph by the Minister for Finance, have been satisfied; but such conditions shall be limited to those necessary to ensure compliance with the laws of the European Communities governing State aid or with a decision of the Commission of the European Communities as to whether aid to which this subsection relates is compatible with the common market having regard to Article 87 of the European Communities Treaty.”.

—An tAire Airgeadais.

55. In page 98, line 30, to delete “and”.

—An tAire Airgeadais.

56. In page 98, to delete line 31 and substitute the following:

“(b) subject to paragraphs (a) and (b) of section 270(7)—

(i) the person who is constructing or”.

—An tAire Airgeadais.

57. In page 98, to delete line 45 and substitute the following:

“in subparagraph (i) was satisfied,

(c) a binding contract in writing under which expenditure on the construction or refurbishment of the building or structure is incurred was in existence on or before 31 July 2006, and

(d) such other conditions, as may be specified in regulations made for the purposes of this paragraph by the Minister for Finance, have been satisfied; but such conditions shall be limited to those necessary to ensure compliance with the laws of the European Communities governing State aid or with a decision of the Commission of the European Communities as to whether aid to which this subsection relates is compatible with the common market having regard to Article 87 of the European Communities Treaty.”.

—An tAire Airgeadais.

58. In page 99, line 10, to delete “and”.

—An tAire Airgeadais.

**59.** In page 99, to delete line 11 and substitute the following:

“(b) subject to paragraphs (a) and (b) of section 270(7)—

(i) the person who is constructing or”.

—An tAire Airgeadais.

**60.** In page 99, to delete line 25 and substitute the following:

“in subparagraph (i) was satisfied,

(c) a binding contract in writing under which expenditure on the construction or refurbishment of the building or structure is incurred was in existence on or before 31 July 2006, and

(d) such other conditions, as may be specified in regulations made for the purposes of this paragraph by the Minister for Finance, have been satisfied; but such conditions shall be limited to those necessary to ensure compliance with the laws of the European Communities governing State aid or with a decision of the Commission of the European Communities as to whether aid to which this subsection relates is compatible with the common market having regard to Article 87 of the European Communities Treaty.”.

—An tAire Airgeadais.

**61.** In page 100, to delete lines 16 to 49 and in page 101, to delete lines 1 to 6.

—Caoimhghín Ó Caoláin.

**62.** In page 101, to delete lines 7 to 45, to delete page 102 and in page 103, to delete lines 1 to 9.

—Caoimhghín Ó Caoláin.

**63.** In page 101, line 27, to delete ““(3) This subsection shall apply in relation to the” and substitute the following:

““(3) Subject to paragraphs (a) and (b) of section 270(7), this subsection shall apply in relation to the”.

—An tAire Airgeadais.

**64.** In page 102, line 3, to delete “was satisfied.” and substitute the following:

“was satisfied, and

(c) in the case of a building or structure or a part of a building or structure the site of which is wholly within a qualifying area where—

- (i) a binding contract in writing under which expenditure on the construction or refurbishment of the building or structure or the part of a building or structure is incurred was in existence on or before 31 July 2006, and
- (ii) such other conditions, as may be specified in regulations made for the purposes of this subparagraph by the Minister for Finance, have been satisfied; but such conditions shall be limited to those necessary to ensure compliance with the laws of the European Communities governing State aid or with a decision of the Commission of the European Communities as to whether aid to which this subsection relates is compatible with the common market having regard to Article 87 of the European Communities Treaty.”.”  
—An tAire Airgeadais.

65. In page 102, line 34, to delete “270(6)” and substitute “270(6), 270(7)”.  
—An tAire Airgeadais.

66. In page 102, line 38, to delete “270(6)” and substitute “270(6), 270(7)”.  
—An tAire Airgeadais.

67. In page 103, to delete lines 10 to 47 and in page 104, to delete lines 1 to 6.  
—Caoimhghín Ó Caoláin.

68. In page 103, to delete line 23 and substitute the following:

“ “(3) Subject to paragraphs (a) and (b) of section 270(7), this subsection shall apply in relation to the”.

—An tAire Airgeadais.

69. In page 103, line 33, to delete “and”.

—An tAire Airgeadais.

70. In page 103, line 40, to delete “was satisfied.”.” and substitute the following:

“was satisfied,

- (c) a binding contract in writing, under which expenditure on the construction or refurbishment of the building or structure is incurred, was in existence on or before 31 July 2006, and
- (d) such other conditions, as may be specified in regulations made for the purposes of this paragraph by the Minister for Finance, have been satisfied; but such conditions shall be limited to those necessary to ensure compliance with the laws of the European Communities governing State aid or with a decision of the Commission of the European Communities as to whether aid to which this subsection relates is compatible with the common market having regard to Article 87 of the European Communities Treaty.”.”

—An tAire Airgeadais.

71. In page 103, line 43, to delete “270(6)” and substitute “270(6), 270(7)”.  
—An tAire Airgeadais.
72. In page 103, line 47, to delete “270(6)” and substitute “270(6), 270(7)”.  
—An tAire Airgeadais.
73. In page 104, to delete lines 7 to 45 and in page 105, to delete lines 1 to 4.  
—Caoimhghín Ó Caoláin.
74. In page 105, to delete lines 5 to 46 and in page 106, to delete lines 1 to 26.  
—Caoimhghín Ó Caoláin.
75. In page 105, line 16, to delete ““(3) This subsection shall apply in relation to the” and substitute the following:  
““(3) Subject to paragraphs (a) and (b) of section 270(7), this subsection shall apply in relation to the”.  
—An tAire Airgeadais.
76. In page 105, line 28, to delete “and”.  
—An tAire Airgeadais.
77. In page 105, line 36, to delete “was satisfied.”,” and substitute the following:  
“was satisfied,  
(c) a binding contract in writing under which expenditure on the construction or refurbishment of the building or structure or the part of a building or structure is incurred was in existence on or before 31 July 2006, and  
(d) such other conditions, as may be specified in regulations made for the purposes of this paragraph by the Minister for Finance, have been satisfied; but such conditions shall be limited to those necessary to ensure compliance with the laws of the European Communities governing State aid or with a decision of the Commission of the European Communities as to whether aid to which this subsection relates is compatible with the common market having regard to Article 87 of the European Communities Treaty.”.”  
—An tAire Airgeadais.
78. In page 106, line 14, to delete “270(6)” and substitute “270(6), 270(7)”.  
—An tAire Airgeadais.

**79.** In page 106, line 19, to delete “270(6)” and substitute “270(6), 270(7)”.

—An tAire Airgeadais.

**80.** In page 106, between lines 26 and 27, to insert the following:

“Claim for relief regarding construction of premises.

33.—Where a taxpayer claims relief based on the construction of any premises, he or she shall furnish to the Revenue Commissioners sufficient information to demonstrate that he or she or any relevant contractor is complying with any relevant requirement imposed by the Health and Safety Authority or by law in respect of the construction.”.

—Joan Burton.

**81.** In page 106, between lines 26 and 27, to insert the following:

“Psychiatric Hospitals, Mental Health Centres.

33.—Prior to the commencement of *sections 34 to 36* the Minister for Finance shall—

- (a) prepare and lay before both Houses of the Oireachtas a cost benefit analysis of the cost of the allowances provided by those sections,
- (b) an analysis, jointly prepared with the Minister for Health and Children, of the health policy implications of facilitating small and medium sized facilities as proposed by those sections,
- (c) an analysis of the implications of subjecting such allowances to periodic review,
- (d) an analysis of the implications of subjecting such allowances to a claw back provision where the facility fails to meet required healthcare standards.”.

—Joan Burton.

**82.** In page 106, between lines 26 and 27, to insert the following:

“Capital Tax Allowance on Failte Ireland Registered Parks.

33.—Pending a report from the Minister for Finance to both Houses of the Oireachtas on the matter, a caravan park approved by Fáilte Ireland and included in its register of approved caravan parks could be regarded as a holiday camp for capital allowance purposes.”.

—Joan Burton.

**83.** In page 107, to delete lines 9 to 44, to delete pages 108 and 109 and in page 110, to delete lines 1 to 14.

—Caoimhghín Ó Caoláin.

**84.** In page 107, line 27, to delete “1 August 2006” and substitute “1 February 2007”.

—An tAire Airgeadais.

- 85.** In page 107, line 33, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 86.** In page 108, lines 26 and 27, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 87.** In page 108, lines 34 and 35, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 88.** In page 109, lines 9 and 10, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 89.** In page 109, line 18, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 90.** In page 109, lines 38 and 39, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 91.** In page 109, line 48, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.
- 92.** In page 110, to delete lines 15 to 41, to delete pages 111 to 113 and in page 114, to delete lines 1 to 13.  
—Caoimhghín Ó Caoláin.
- 93.** In page 114, to delete lines 14 to 49 and in page 115, to delete lines 1 to 31.  
—Caoimhghín Ó Caoláin.
- 94.** In page 114, line 42, to delete “1 August 2006” and substitute “1 February 2007”.  
—An tAire Airgeadais.

95. In page 114, line 49, to delete “1 August 2006” and substitute “1 February 2007”.

—An tAire Airgeadais.

96. In page 115, lines 18 and 19, to delete “1 August 2006” and substitute “1 February 2007”.

—An tAire Airgeadais.

97. In page 115, line 28, to delete “1 August 2006” and substitute “1 February 2007”.

—An tAire Airgeadais.

98. In page 115, between lines 31 and 32, to insert the following:

“38.—The Minister shall review tax relief arrangements for convalescent homes, registered nursing homes and qualifying residential units to determine their compatibility with health criteria and in particular health and welfare related criteria regarding the operation, size and location of facilities.”.

—Caoimhghín Ó Caoláin.

99. In page 115, line 40, to delete “1 August 2006” and substitute “1 February 2007”.

—An tAire Airgeadais.

100. In page 116, lines 1 and 2, to delete “1 August 2006” and substitute “1 February 2007”.

—An tAire Airgeadais.

101. In page 116, between lines 35 and 36, to insert the following:

“(d) the Minister shall undertake a review of the operation of the foregoing section, including detailed consideration of the option of direct public expenditure on provision of childcare facilities as an alternative to tax incentives.”.

—Caoimhghín Ó Caoláin.

102. In page 118, between lines 25 and 26, to insert the following:

“Amendment of section 812 (taxation of income deemed to arise from transfers of right to receive interest from securities) of Principal Act.

40.—(1) Section 812 of the Principal Act is amended—

(a) in subsection (2)(a)—

(i) by inserting “and” at the end of subparagraph (ii), and

(ii) by deleting subparagraph (iii),

and

(b) by deleting subsection (2)(b).

(2) This section applies in relation to a sale, transfer or other realisation, on or after 7 March 2006, of the right to receive any interest (within the meaning of section 812) payable in respect of any securities (within the meaning of that section).”.

—An tAire Airgeadais.

**103.** In page 120, between lines 15 and 16, to insert the following:

“Implications for married couples.

848W.—The Minister may by regulations extend the provisions of this Part in circumstances where the restrictions contained in this Part have a disproportionate effect on single income married couples.”.

—Joan Burton.

**104.** In page 126, between lines 33 and 34, to insert the following:

“Amendment of section 530 (interpretation (Chapter 2)) of Principal Act.

42.—Section 530 of the Principal Act is, with effect from 7 March 2006, amended by inserting the following after subsection (3):

“(4) This Chapter applies in relation to relevant operations which are carried out in the State regardless of whether or not one or more of the following circumstances apply in respect of those operations:

(a) that either or both the principal and the subcontractor under the relevant contract under which the operations are so carried out—

(i) is not or are not resident in the State for the year of assessment or accounting period, as may be appropriate, in which the operations are carried out, or

(ii) in relation to those relevant operations, is not or are not, or not deemed to be, carrying on in the State—

(I) through a branch or agency or otherwise, a trade in respect of which the principal or subcontractor, as the case may be, is liable to income tax or corporation tax, as may be appropriate, or

(II) through a permanent establishment, within the meaning of arrangements having the force of law by virtue of section 826(1)(a), a business;

(b) that the relevant contract under which the relevant operations are carried out is not subject to the law of the State;

(c) that payment in respect of the relevant operations is made outside the State.”.

—An tAire Airgeadais.

**105.** In page 139, between lines 39 and 40, to insert the following:

“Securitisation companies and money market funds.

50.—The Principal Act is amended—

(a) in section 739D(6)(k)(I)(A) by inserting “or 110(2)” after “section 739G(2)”, and

(b) in section 739G(2)(g) by inserting “, or is a qualifying company within the meaning of section 110 that is chargeable to tax on the payment under Case III of Schedule D” after “Case I of Schedule D”.”.

—An tAire Airgeadais.

**106.** In page 139, after line 43, to insert the following:

“Irish citizens resident abroad.

51.—Where an Irish citizen resident abroad for the purposes of the Principal Act is within the State for a period exceeding 10 days in any year of assessment he or she shall, for statistical purposes, give to the Commissioners on or before the 31st day of October in the following year a statement of his or her profits or gains outside the State.”.

—Joan Burton.

**107.** In page 139, after line 43, to insert the following:

“List of approved schemes.

51.—The Revenue Commissioners shall publish at least annually a list of all schemes approved under Part 30, Chapter One, Taxes Consolidation Act 1997.”.

—Joan Burton.

**108.** In page 145, between lines 3 and 4, to insert the following:

“Definition of assurance company.

56.—(1) The Principal Act is amended—

(a) in section 588(1) by substituting for the definition of “assurance company” the following definition:

“ ‘assurance company’ means—

(a) an assurance company within the meaning of section 3 of the Insurance Act 1936, or

(b) a person that holds an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994);”,

(b) in section 594(1)(c)(i) by substituting for the definition of “assurance company” the following definition:

“ ‘assurance company’ means—

(I) an assurance company within the meaning of section 3 of the Insurance Act 1936, or

- (II) a person that holds an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994);”,
- (c) in section 706(1) by substituting for the definition of “assurance company” the following definition:
- “ ‘assurance company’ means—
- (a) an assurance company within the meaning of section 3 of the Insurance Act 1936, or
- (b) a person that holds an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994);”,
- and
- (d) in section 902B(1) by substituting for the definition of “assurance company” the following definition:
- “ ‘assurance company’ means—
- (a) an assurance company within the meaning of section 3 of the Insurance Act 1936, or
- (b) a person that holds an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994);”.
- (2) (a) Paragraphs (a), (b) and (c) of subsection (1) are deemed to have applied as on and from 20 December 2000.
- (b) Paragraph (d) of subsection (1) applies as on and from the passing of this Act.”.

—An tAire Airgeadais.

- 109.** In page 154, line 30, to delete “clause” and substitute “subparagraph”.

—An tAire Airgeadais.

- 110.** In page 156, line 2, to delete “clause” and substitute “subparagraph”.

—An tAire Airgeadais.

- 111.** In page 156, line 44, to delete “clause” and substitute “subparagraph”.

—An tAire Airgeadais.

- 112.** In page 159, line 10, after “period” to insert the following:

“before deducting any amount under paragraph 7(3)(c)”.

—An tAire Airgeadais.

113. In page 159, to delete line 17 and substitute the following:

“(b) in subparagraph (2) of paragraph 9B, by substituting “a relevant company” for “an Irish company”,”.

—An tAire Airgeadais.

114. In page 159, line 31, to delete “relevant”.

—An tAire Airgeadais.

115. In page 161, line 13, to delete “in that accounting period” and substitute “for the accounting period from foreign companies”.

—An tAire Airgeadais.

116. In page 161, line 15, to delete “period.”.” and substitute “period.”.”.

—An tAire Airgeadais.

117. In page 161, between lines 15 and 16, to insert the following:

“and

(c) by inserting the following after paragraph 9F (inserted by paragraph (b)):

*“Dividends paid by companies that are taxed as a group under the law of a territory outside the State*

9G (1) This paragraph applies in any case where—

(a) under the law of a territory outside the State, tax is payable by a company (in this paragraph referred to as the ‘responsible company’) resident in that territory in respect of the aggregate profits, or aggregate profits and aggregate gains, of that company and one or more other companies (in this paragraph referred to as the ‘consolidated companies’), taken together as a single taxable entity, and

(b) a dividend is paid—

(i) by any one of the consolidated companies (in this paragraph referred to as the ‘paying company’) to a company that is not one of the consolidated companies (in this paragraph referred to as the ‘recipient company’), or

(ii) by a company that is not one of the consolidated companies (in this paragraph referred to as the ‘third company’) to any one of the consolidated companies.

(2) (a) Where this paragraph applies, then for the purposes of allowing credit under this Schedule for foreign tax in respect of profits attributable to dividends this Schedule shall apply with any necessary modifications as if—

- (i) the consolidated companies, taken together, were a single company (in this paragraph referred to as the ‘single company’),
- (ii) any dividend paid by any of the consolidated companies to a recipient company was paid by the single company,
- (iii) any dividend paid by a third company to any one of the consolidated companies was paid to the single company,
- (iv) the single company is related to the recipient company if the paying company is related to the recipient company,
- (v) the third company is related to the single company if the third company is related to that one of the consolidated companies to which it paid the dividend, and
- (vi) the single company is resident in the territory in which the responsible company is resident,

so that the relevant profits for the purposes of paragraph 8 is a single aggregate figure in respect of the single company and the foreign tax paid by the responsible company is foreign tax paid by the single company.

(b) For the purposes of this paragraph—

- (i) a single company that is treated as paying a dividend shall be treated as connected with a relevant company (within the meaning given to it in paragraph 9B) in relation to the dividend if the company that paid the dividend is connected with that relevant company;
- (ii) a relevant dividend (within the meaning given to it in paragraph 9A) paid by any one of the consolidated companies to a recipient company will be treated as a relevant dividend paid by the single company to that recipient company;
- (iii) references in paragraph 8 to ‘body corporate’ shall include references to a single company within the meaning of this paragraph.”.”.

—An tAire Airgeadais.

**118.** In page 161, lines 37 and 38, to delete “, referred to in this paragraph as the ‘issuing company’”.

—An tAire Airgeadais.

**119.** In page 165, line 9, to delete “allowed” and substitute the following:

“allowed, and the foreign tax in respect of that relevant income shall be disregarded for the purposes of paragraph 9E and 9F of Schedule 24”.

—An tAire Airgeadais.

120. In page 170, lines 25 and 26, to delete “which includes a trade of leasing”.  
—An tAire Airgeadais.

121. In page 171, line 14, to delete “company” and substitute “companies referred to in subparagraph (i)”.  
—An tAire Airgeadais.

122. In page 171, line 19, to delete “company” and substitute “companies referred to in subparagraph (i)”.  
—An tAire Airgeadais.

123. In page 176, between lines 17 and 18, to insert the following:

“Amendment of  
Finance Act 2003.

66.—Section 67 of the Finance Act 2003 is amended in subsection (2) by inserting the following paragraph after paragraph (a):

“(aa) as respects a disposal which arises as a result of a compulsory acquisition,”.”.

—Richard Bruton.

124. In page 178, to delete lines 8 to 13 and substitute the following:

“at the expense of the person making the disposal throughout—

(a) a period of 5 years, or

(b) periods which together comprised at least 5 years,

before the first-mentioned individual attained the age of 18 years but only if such claim is not based on the uncorroborated testimony of one witness, and a disposal by a parent to a child of a parent shall be construed accordingly.”.

—An tAire Airgeadais.

125. In page 181, between lines 23 and 24, to insert the following:

“Importation of  
vehicles.

74.—Where a vehicle not already registered in the State is brought into the State for a continuous period of more than 42 days and relief is claimed under section 135 of the Finance Act 1992, the vehicle shall be presented to the Revenue Commissioners within 7 days of the expiration of that period, and at such further or other times as may be directed by them, together with proof of compliance with the provisions of the Road Traffic Acts regarding road tax, insurance and driver licensing, and relief shall be allowed only if and to the extent that the Commissioners are satisfied that the use or proposed use of the vehicle is or would be in compliance with those provisions.”.

—Joan Burton.

126. In page 187, between lines 18 and 19, to insert the following:

“Charities.

88.—The Minister may make regulations providing relief in respect of VAT for registered charities provided that such charities comply with such requirements including requirements as to accountability and financial transparency as may be prescribed.”.

—Joan Burton.

127. In page 187, between lines 20 and 21, to insert the following:

“VAT on non-resident artist fees.

89.—The Principal Act is amended in the Second Schedule, by inserting the following new paragraph after paragraph (vii):

“(viii) the supply of cultural services, and goods closely linked thereto, by any non-profit making cultural body, whether established by statute or otherwise, which is recognized as such a body by the Revenue Commissioner for the purposes of this paragraph, and the supply to such bodies of services comprising artistic or cultural performance.”.

—Richard Bruton.

128. In page 191, line 1, to delete “a minimum amount” and substitute “a relatively small amount”.

—An tAire Airgeadais.

129. In page 191, between lines 29 and 30, to insert the following:

“98.—The Minister shall introduce a VAT refund mechanism for at least that part of the unrecoverable VAT liability of Irish charities funded from public fundraising.”.

—Dan Boyle.

130. In page 191, between lines 29 and 30, to insert the following:

“98.—Section 848A of the Principal Act is amended—

(a) in subsection (1)(a) by substituting the following for the definition of “relevant donation”:

“ ‘relevant donation’ means a donation which satisfies the requirements of subsection (3) and takes the form of—

(a) the payment by a person (in this section referred to as the “donor”) of a sum or sums of money amounting to at least €100, or

(b) the donation of any non cash asset by a person (in this section referred to as the “donor”) with a market value at the date of the donation of at least €100,

to an approved body which is made—

- (i) where the donor is a company, in an accounting period, and
- (ii) where the donor is an individual, in a year of assessment.”,

(b) by inserting after the definition of “approved body” the following definition:

“ ‘market value’ has the meaning assigned to it by subsection (3A);”,

(c) by amending the definition of “appropriate certificate” as follows:

- (i) substituting in subparagraph (ii) “year of assessment” for “year of assessment, and”,
- (ii) substituting in subparagraph (iii) “of the donor, and” for “of the donor;”,
- (iii) inserting after subparagraph (iii) the following subparagraph:

“(iv) in the case of a non cash donation a statement specifying a description and the market value of the donated asset.”,

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

“(3A) (a) For the purpose of this section, the market value of any non cash asset (in this subsection referred to as ‘the property’) shall, subject to paragraph (d) be estimated to be the price which in the opinion of the Revenue Commissioners the property would fetch if sold in the open market on the valuation date in such manner and subject to such conditions as might reasonably be calculated to obtain for the vendor the best price for the property.

(b) The market value of the property shall be ascertained by the Revenue Commissioners in such manner and by such means as they think fit, and they may authorise a person to inspect the property and report to them the value of the property for the purpose of this section, and the person having custody or possession of the property shall permit the person so authorised to inspect the property at such reasonable times as the Revenue Commissioners consider necessary.

(c) Where the Revenue Commissioners require a valuation to be made by a person authorised by them, the cost of such valuation shall be defrayed by the Revenue Commissioners.

(d) Where the property is acquired at auction by the person making the gift, the market value of the property shall, for the purposes of this section, be deemed to include the auctioneer’s fees in connection with the auction together with—

- (i) any amount chargeable under the Value-Added Tax Act 1972, by the auctioneer to the purchaser of the property in respect of those fees and in respect of which the purchaser is not entitled to any deduction or refund under that Act or any other enactment relating to value-added tax, or

(ii) in the case of an auction in a country other than the State, the amount chargeable to the purchaser of the property in respect of a tax chargeable under the law of that country which corresponds to value-added tax in the state and in relation to which the purchaser is not entitled to any deduction or refund.”,

(e) in section 547 by the insertion of a new subsection (5) as follows:

“(5) This section shall not apply in respect of gifts of assets which are ‘relevant donations’ for the purposes of section 848A.”,

(f) by the insertion of a new section 547A as follows:

“547A.—Notwithstanding any other provision of the Capital Gains Tax Acts where a person disposes of an asset which is treated as a ‘relevant donation’ for the purposes of section 848A, the consideration for the disposal shall be deemed to be of such amount as would secure that on the disposal neither a gain nor a loss would accrue to the person making the disposal.”.

—Dan Boyle.

**131.** In page 191, between lines 31 and 32, to insert the following:

“Exemption of sporting organisations from stamp duty.

98.—Relief from stamp duty shall be afforded to community based sporting organisations on property transactions for the purposes of the organisation.”.

—Joan Burton.

**132.** In page 191, between lines 31 and 32, to insert the following:

“Social Loan Fund.

98.—The Minister for Finance shall require each bank previously subject to the bank levy to contribute to a Social Loan Fund in an amount equivalent to the amounts previously included in the bank levy.”.

—Joan Burton.

**133.** In page 192, to delete lines 28 to 30 and substitute the following:

“ ‘assurance business’ has the meaning assigned to it by section 3 of the Insurance Act 1936;

‘assurance company’ means—

(a) an assurance company within the meaning of section 3 of the Insurance Act 1936, or

(b) a person that holds an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994);”.

—An tAire Airgeadais.

**134.** In page 198, between lines 22 and 23, to insert the following:

“Amendment of Schedule 1 (increase in stamp duty threshold for first-time buyers).

108.—Schedule 1 of the Principal Act is amended by deleting “£250,000” and substituting “€450,000” in paragraph 4 under the heading “CONVEYANCE or TRANSFER on sale of any property other than stocks or marketable securities or a policy of insurance or a policy of life insurance”.”

—Richard Bruton.

**135.** In page 203, between lines 13 and 14, to insert the following:

“NPRF ethical investment policy

117.—The Minister shall make regulations to require the National Pension Reserve Fund to adopt an ethical investment policy and to comply with such requirements and subject to such conditions as may be prescribed.”

—Dan Boyle.

**136.** In page 204, between lines 11 and 12, to insert the following:

“ ‘contents of the building’ means furnishings historically associated with the building and in respect of which the Minister is satisfied that they are important to establishing the historic or aesthetic context of the building;”

—An tAire Airgeadais.

**137.** In page 205, to delete lines 1 to 11 and substitute the following:

“(2) (a) In this section ‘heritage property’ means a building or a garden which, on application to the Minister in writing in that behalf by a person who owns the building or the garden is, subject to the provisions of paragraph (b), determined by the Minister to be a building or a garden which is—

- (i) an outstanding example of the type of building or garden involved,
- (ii) pre-eminent in its class,
- (iii) intrinsically of significant scientific, historical, horticultural, national, architectural or aesthetic interest, and
- (iv) suitable for acquisition by the Trust,

and, for the purposes of this section, a reference to ‘building’ includes—

- (I) any associated outbuilding, yard or land where the land is occupied or enjoyed with the building as part of its garden or designed landscape and contributes to the appreciation of the building in its setting, and
- (II) the contents of the building.”

—An tAire Airgeadais.

**138.** In page 208, between lines 24 and 25, to insert the following:

“(3) Where a form or other document is prescribed pursuant to the Acts, it shall be prescribed by order which shall be subject to the Statutory Instruments Act 1947.”.

—Joan Burton.

**139.** In page 210, to delete lines 35 and 36 and substitute the following:

“ ‘assurance company’ means—

(a) an assurance company within the meaning of section 3 of the Insurance Act 1936, or

(b) a person that holds an authorisation within the meaning of the European Communities (Life Assurance) Framework Regulations 1994 (S.I. No. 360 of 1994);”.

—An tAire Airgeadais.

**140.** In page 215, to delete lines 23 to 30 and substitute the following:

“(5) Every regulation made shall be laid before Dáil Éireann as soon as may be after it is made and shall not come into effect until it has been approved by a resolution of Dáil Éireann.”.

—Richard Bruton.

**141.** In page 225, between lines 21 and 22, to insert the following:

“(8) Within 1 year of the commencement of this section, and each year thereafter, the Minister shall publish an account of the surcharges imposed, and the protective notifications made, under this section.”.”.

—Richard Bruton.