



# **DÁIL ÉIREANN**

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## **AN BILLE AIRGEADAIS 2007 FINANCE BILL 2007**

### **LEASUITHE COISTE COMMITTEE AMENDMENTS**

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# DÁIL ÉIREANN

## AN BILLE AIRGEADAIS 2007 —ROGHCHOISTE

### FINANCE BILL 2007 —SELECT COMMITTEE

#### *Leasuithe Amendments*

#### SECTION 1

1. In page 11, before section 1, before Part 1, to insert the following new section:

#### “PART 1

#### BIOFUELS

Amendment of the  
Finance Act 1999.

- 1.—The Act of 1999 is amended—

- (a) by the insertion of the following in section 94(1):

“ “blended mineral oil” means any blended mineral oil, a proportion of which is made up of biofuel;”,

and

- (b) by the insertion of the following after section 98A (as inserted by section 50 of the Act of 2004):

“Use of biofuel in motor vehicles. 98B.—(1) All mineral oils used in motor vehicles shall be blended with a proportion of biofuel.

(2) The proportion by volume which shall be blended with mineral oils referred to in subsection (1) shall be set and subject to review by the Minister.

(3) Where such blended mineral oil has been used as a fuel for a motor vehicle, a relief from mineral oil tax shall, subject to such condition or conditions as the Commissioners may impose, apply to such constituent component of the blended mineral oil as is made up of biofuel, and the Minister shall review the level of relief on an annual basis at least.”.

—Richard Bruton.

2. In page 11, before section 1, to insert the following new section:

“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.

[ SECTION 1 ]

3. In page 11, before section 1, to insert the following new section:

“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.

4. In page 11, before section 1, to insert the following new section:

“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.

5. In page 11, before section 1, to insert the following new section:

“Carbon proofing.

1.—The Minister for Finance shall as soon as may be after the passing of this Act prepare and lay before Dáil Éireann a report on the impact of schemes under the Finance Acts for carbon emissions.”.

—Joan Burton.

6. In page 11, before section 1, to insert the following new section:

“Individualisation gap.

1.—The Minister for Finance shall as soon as may be after the passing of this Act prepare and lay before Dáil Éireann a report on the increasing gap in tax treatment of individuals and couples created by individualisation of the tax system.”.

—Joan Burton.

7. In page 11, before section 1, but in Chapter 1, to insert the following new section:

“Interpretation (Part 1).

1.—In this Part—

“Principal Act” means the Taxes Consolidation Act 1997;

“special educational needs” has the meaning assigned to it by section 1 of the Education for Persons with Special Educational Needs Act 2004.”.

—Richard Bruton.

[ SECTION 1 ]

8. In page 11, before section 1, but in Chapter 1, to insert the following new section:

“Comprehensive and thorough review of the taxation system.

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 making the system more equitable and progressive, 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.

9. In page 11, before section 1, but in Chapter 1, to insert the following new section:

“Report on Kyoto obligations.

1.—The Minister shall, within six months of the passing of this Act, report to the Oireachtas on the fiscal measures that he intends to take in order that Ireland meet its obligations under the Kyoto Protocol.”

—Dan Boyle.

10. In page 11, before section 1, but in Chapter 1, to insert the following new section:

“Commission on Site Value Taxation.

1.—The Minister shall, as soon as may be after the passing of this Act, establish a commission to examine the benefits establishing a system of Site Value Taxation in place of commercial rates.”

—Dan Boyle.

11. In page 11, before section 1, but in Chapter 1, to insert the following:

“Report on the use of public private partnerships.

1.—The Minister shall, as soon as may be after the passing of this Act, establish a mechanism whereby a report on the use of public private partnerships be submitted and debated before Dáil Éireann on an annual basis.”

—Dan Boyle.

*Section opposed.*

—Richard Bruton.

SECTION 2

12. In page 11, before section 2, but in Chapter 2, to insert the following new section:

“Commission on refundable tax credits.

2.—The Minister shall, as soon as may be after the passing of this Act, establish a commission to examine the potential benefits and costs of a phased introduction of a system of refundable tax credits for those in the labour force whose remuneration does not allow them to use part, or all of their tax credits for the period of 2008 to 2013.”

—Dan Boyle.

13. In page 11, line 32, column (2), to delete “41 per cent” and substitute “42 per cent”.

—Caoimhghín Ó Caoláin.

14. In page 12, line 6, column (2), to delete “41 per cent” and substitute “42 per cent”.

—Caoimhghín Ó Caoláin.

[ SECTION 2 ]

15. In page 12, line 12, column (2), to delete “41 per cent” and substitute “42 per cent”.

—Caoimhghín Ó Caoláin.

SECTION 3

16. In page 13, subsection (1), between lines 11 and 12\*, to insert the following:

Section 466A	€770.00	€1,760.00
(home carer’s allowance)		

”.

—Richard Bruton.

[\* Note: A printing error has resulted in incorrect line references in page 13 of the Bill. The line references in this amendment relate to the actual number of lines of text contained in page 13 of the bill.]

SECTION 4

17. In page 13, before section 4, to insert the following new section:

“Removal of limitation.

4.—Where the Commissioners are entitled to retrospectively recover unpaid tax over a period, it shall be the right of an individual to claim overpaid tax over the same period.”.

—Richard Bruton, Paul McGrath.

SECTION 9

18. In page 15, lines 25 and 26, to delete all words from and including “the” where it firstly occurs in line 25 down to and including “€125,” in line 26 and substitute the following:

“or defrayed expenses on special education assistance in respect of a child with special educational needs,”.

—Richard Bruton.

19. In page 15, line 30, to delete “of the excess”.

—Richard Bruton.

20. In page 15, line 49, to delete “may” and substitute “shall”.

—Caoimhghín Ó Caoláin.

SECTION 12

21. In page 18, before section 12, to insert the following new section:

“Exemption in respect of certain expense payments.

12.—As respects the year of assessment 2007 and subsequent years of assessment, the Principal Act is amended by inserting the following after section 195:

“195A.—(1) In this section—

‘body’ means an unincorporated body of persons or a body corporate, being

(a) any board, council or committee, however expressed, or

(b) any body of persons exercising some or all of the functions of such a board, council or committee,

[ SECTION 12 ]

where the duties, other than incidental duties such as attendance at conventions or meetings as delegates on behalf of the body, of the office of members of the body are discharged in the course of meetings of the body concerned, or preparation for such meetings;

‘civil servant’ has the meaning assigned to it by section 1(1) of the Civil Service Regulation Act 1956;

‘member’, in relation to a body, means a person holding office as a member of that body—

- (a) who has no other duties directly or indirectly, whether as an employee of the body or of a person connected with that body, in relation to that body, and
- (b) whose annualised amount of the emoluments from the office for the year of assessment 2006 and for each subsequent year in which the person is a member of the body, other than payments to which this section applies, does not exceed—
  - (i) in the case of a member who is the chairperson of the body, not being a body referred to in paragraph (b) of the definition of ‘body’, €24,000, and
  - (ii) in any other case, €14,000;

‘non-commercial body’ means a body—

- (a) organised solely for purposes other than profit, where the declared purposes of the body can be ascertained from documents of record,
- (b) which, in fact, operates solely for purposes other than profit and, for this purpose, any activity generating income carried on by the body—
  - (i) which is carried on for the purposes of assisting the body to achieve its purposes, and
  - (ii) the income of which is used for those purposes,shall be regarded as operating for purposes other than profit, and
- (c) any benefit, or part of the income or accumulated income, of which, cannot be paid to, or cannot otherwise be made available to, any officer, employee or member of the body for the personal benefit of that person or a person connected with that person other than—
  - (i) any wages, salaries, fees or honorariums for services rendered to the body but only if the amounts paid are no more than reasonable amounts that would be paid in a transaction at arm’s length for similar services by a body organised solely for purposes other than profit, being a body operating in accordance with paragraph (b),
  - (ii) any payment to which this section applies,

[ SECTION 12 ]

- (iii) any payment made to officers, employees or members to assist in the covering of expenses to attend conventions or meetings as delegates on behalf of the body where such attendance is to further the purposes of the body, and
- (iv) where the officer, employee or member concerned, or a person connected with such officer, employee or member, is also an object of the purposes of the body, a benefit which is in furtherance of the purposes of the body.

(2) This section applies to payments made by a non-commercial body to or on behalf of a member of the body in respect of expenses of travel and subsistence incurred by the member in the attendance by him or her at meetings of the body.

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

—An tAire Airgeadais.

SECTION 14

**22.** In page 19, before section 14, to insert the following new section:

“Private nursing homes.

14.—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.

**23.** In page 19, before section 14, to insert the following new section:

“Childcare services relief – Social Insurance registration.

14.—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.

**24.** In page 19, before section 14, to insert the following new section:

“Restriction of benefit in kind.

14.—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.

**25.** In page 19, before section 14, to insert the following new section:

“Childminder relief.

14.—The Minister for Finance may by regulations provide that the tax relief for childminding shall be available to persons who have care of children in accordance with conditions prescribed by such regulations, irrespective of the number of such children.”.

—Joan Burton.



[ SECTION 14 ]

26. In page 19, before section 14, to insert the following new section:

“Failure by employer to reimburse travel costs.

14.—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.

27. In page 19, before section 14, to insert the following new section:

“Travel benefit in kind.

14.—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.

28. In page 19, before section 14, to insert the following new section:

“14.—The Principal Act is amended in section 485C(1), in the definition of “threshold amount”—

(a) in paragraph (a), by the substitution of “€150,000” for “€250,000”, and

(b) in paragraph (b), by the substitution of “€300,000” for “€500,000”.”

—Richard Bruton.

29. In page 19, before section 14, to insert the following new section:

“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.

30. In page 19, before section 14, to insert the following new section:

“Relief for pension contributions.

14.—The Principal Act is amended in section 779 by inserting the following new subsection:

“(3) A person, none of whose taxable income is chargeable at the higher rate, who makes a pension contribution within the limit set out in this section, shall be entitled to receive a tax credit contributed to the pension scheme equivalent to relief at the higher rate.”

—Richard Bruton.

31. In page 19, before section 14, to insert the following new section:

“Amendment of section 665 of Principal Act.

14.—The Principal Act is amended in section 665 by the insertion of—

(a) the following before “specified return date for the chargeable period”:

[ SECTION 14 ]

“ “qualifying expenditure” means the amount of capital expenditure incurred on the purchase of suckler cow quota on or before 1<sup>st</sup> January 2005;”,

(b) the following before “trading income”:

“ “suckler cow quota” means a quota entitlement issued by the Minister for Agriculture and Food to allow payment of an EU support to the owner of a cow with a calf born within the previous 12 months;”,

and

(c) the following at the end of the section:

“writing-down period” has the meaning assigned to it by section 669B (2).”,

(d) the following new subsections:

“(2) Where, a person incurs qualifying expenditure on the purchase of a suckler cow quota, there shall be made to that person, writing-down allowances during the writing-down period as specified in *subsection (3)*; but no writing-down allowance shall be made to a person in respect of any qualifying expenditure unless the allowance is to be made to the person in taxing the person’s trade of farming.

(3) The writing-down period referred to in *subsection (2)* shall be 7 years, commencing with the beginning of the chargeable period related to the qualifying expenditure.

(4) The writing-down allowances to be made during the writing-down period referred to in *subsection (3)* in respect of qualifying expenditure, shall be determined by the following formula:

$$\frac{A \times B}{C}$$

where:

A is the amount of the capital expenditure incurred on the purchase of the suckler cow quota,

B is the length of the part of the chargeable period falling within the writing-down period, and

C is the length of the writing-down period.”.”.

—Richard Bruton.

32. In page 19, before section 14, to insert the following new section:

“Amendment of section 657B of Principal Act.

14.—The Principal Act is amended by the insertion of the following new section 657B:

“657B.—(1) In this section—

[ SECTION 14 ]

“relevant individual” means an individual who is in receipt of—

- (a) a relevant payment or relevant payments, and
- (b) a payment under the EU Single Payment Scheme operated by the Department of Agriculture and Food under Council Regulation No. 1782/2003 of 29 September 2003, in respect of both of which the individual would be, apart from this section, chargeable to income tax on the profits or gains from farming for the year of assessment 2006, but does not include an individual who in the year of assessment 2006 is chargeable to income tax in respect of profits or gains from farming in accordance with *subsection (5)* of section 657;

“relevant payment” means a payment made at any time in the calendar year 2006 to an individual under the EU Single Payment Scheme operated by the Department of Agriculture and Food under Council Regulation No. 1782/2003 of 29 September 2003.

(2) A relevant individual may elect to have the aggregate of all relevant payments made to the individual treated in accordance with *subsections (3)* to *(6)*, and each such election shall be made in such form and contain such information as the Revenue Commissioners may require.

(3) Notwithstanding any other provision of the Income Tax Acts apart from *subsection (4)*, where an individual elects in accordance with *subsection (2)*, the relevant payment or relevant payments shall be disregarded as respects the year of assessment 2006, and shall instead be treated for the purposes of the Income Tax Acts as arising in equal instalments in the year of assessment 2006 and in the immediately succeeding years of assessment.

(4) Where a trade of farming is permanently discontinued, tax shall be charged under Case IV of Schedule D for the year of assessment in which such discontinuation takes place in respect of the amount of any relevant payment which would, but for such discontinuance, be treated by virtue of *subsection (3)* as arising in a year of assessment or years of assessment ending after such discontinuance.

(5) An election under *subsection (2)* by a person to whom this section applies, shall be made by notice in writing on or before 31 October 2007, and shall be included in the annual statement required to be delivered on or before that date under the Income Tax Acts of the profits or gains from farming for the year of assessment 2006.

(6) Subject to *subsection (4)*, an election made under *subsection (2)* cannot be altered or varied during the period to which it refers.”.”.

—Richard Bruton.

SECTION 16

33. In page 24, subsection (1)(c), to delete lines 1 to 3.

—Caoimhghín Ó Caoláin.

[ SECTION 16 ]

34. In page 24, between lines 3 and 4, to insert the following subsection:

“(2) (a) Section 787O, subsection (1) of the Principal Act is amended by the substitution of the following for the definition of “standard fund threshold”:

“ ‘Standard fund threshold’, in relation to an individual for a year of assessment, means €1,000,000.”,

(b) Section 790AA, subsection (1)(a) of the Principal Act is amended by the substitution of the following for the definition of “lump sum limit”:

“ ‘lump sum limit’ for a year of assessment, means €100,000.”.

—Caoimhghín Ó Caoláin.

SECTION 17

35. In page 24, before section 17, to insert the following new section:

“Abolition of  
Capital Allowances  
for Private  
Hospitals.

17.—Part 9 of the Principal Act is hereby amended by the repeal of section 64 of the Finance Act 2001.”.

—Caoimhghín Ó Caoláin.

36. In page 25, subsection (1)(a)(i), between lines 11 and 12, to insert the following:

“(VI) by substituting the following for the definition of “threshold amount”:

“ ‘threshold amount’, in relation to a tax year and an individual, means €100,000;”.

—Caoimhghín Ó Caoláin.

37. In page 38, to delete lines 41 to 48, and in page 39, to delete lines 1 to 3, and substitute the following:

“SR is the aggregate of the amounts of the deductions the individual was entitled to deduct under sections 372AP and 372AU, for the tax year 2006 and each of the 3 preceding tax years, and”.

—An tAire Airgeadais.

38. In page 39, to delete lines 4 to 10 and substitute the following:

“TR is the aggregate of the amounts of the deductions the individual was entitled to deduct under section 92(2), including deductions authorised under that section by virtue of sections 372AP and 372AU, for the tax year 2006 and each of the 3 preceding tax years.”.

—An tAire Airgeadais.

[ SECTION 18 ]

SECTION 18

**39.** In page 40, before section 18, but in Chapter 2, to insert the following new section:

“CHAPTER 3

*User Fees and Service Charges*

Review of user fees and service charges for essential public services.

18.—The Minister shall, upon the passing of this Act, undertake a comprehensive and thorough review of user fees and service charges for essential public services. This review shall examine the impact of user fees and service charges on low income families. The review shall be completed within one year from the passing of this Act and shall contain proposals for reducing the proportion of funding of public services which comes from charges to members of the public who utilise such services.”.

—Caoimhghín Ó Caoláin.

**40.** In page 40, before section 18, but in Chapter 2, to insert the following new section:

“Commission on tax residency rules.

18.—The Minister shall, as soon as may be after the passing of this Act, establish a commission to examine the extant rules regarding tax residency and their effects. The commission’s recommendations shall be published and put before the Minister for Finance in September 2007.”.

—Dan Boyle.

**41.** In page 40, before section 18, but in Chapter 2, to insert the following new section:

“Report on the Business Expansion Scheme.

18.—The Minister will report to the house six months after the Act with a report outlining the effect of the changes introduced under—

- (a) the number of new businesses established,
- (b) the increase in employment due to the scheme,
- (c) the number of businesses engaged in environmentally sustainable enterprise, and
- (d) the amount of tax forgone under the implementation of the Act.”.

—Dan Boyle.

**42.** In page 40, before section 18, but in Chapter 2, to insert the following new section:

“Tax relief on monthly and yearly travel passes.

18.—The Minister shall, as soon as may be after the passing of this Act, investigate a mechanism whereby employees whose employers do not provide monthly and yearly travel passes as a benefit in kind, or who are not in regular employment, are entitled to tax relief on travel passes for travel to and from work.”.

—Dan Boyle.

[ SECTION 18 ]

43. In page 40, before section 18, but in Chapter 3, to insert the following new section:

“Amendment of section 6 (construction of references to child in Tax Acts and Capital Gains Tax Acts) of Principal Act.

18.—The Principal Act is amended in section 6 by the insertion of the following after paragraph (b):

“and

(c) where a person who constitutes a child under this section is deceased, a child, stepchild or adopted child of that deceased person,”.

—Richard Bruton.

44. In page 40, before section 18, but in Chapter 3, to insert the following new section:

“Report on tax exemptions for private sector hospitals and hospitals for the mentally ill.

18.—The Minister shall, within six months of the passing of this Act, conduct an assessment and report the findings of same to the Oireachtas regarding the medical and financial benefits derived from tax exemptions provided to both private sector hospitals and hospitals for the mentally ill.”.

—Dan Boyle.

45. In page 40, before section 18, but in Chapter 3, to insert the following new section:

“Report on private pensions provisions.

18.—The Minister shall, within six months of the passing of this Act, report to the Oireachtas the past and potential future costs of tax relief on private pensions, and which income deciles and sectors of society have benefited and are benefiting from said relief.”.

—Dan Boyle.

46. In page 42, subsection 1(b)(ii), line 44, after “agency.” to insert the following:

“Recycling cannot be taken to mean the end disposal of waste, in particular through incineration.”.

—Dan Boyle.

47. In page 44, subsection (2)(b), line 8, after “Finance.” to insert the following:

“*Subsection (1)* shall not come into operation until such time as the Minister has laid before both Houses of Oireachtas a cost benefit analysis of the proposed changes in respect of income tax relief for investment in corporate trades — business expansion scheme and seed capital scheme, and until this report has been considered by the Joint Committee on Enterprise and Small Business.”.

—Caoimhghín Ó Caoláin.

SECTION 22

48. In page 46, before section 22, to insert the following new section:

“Amendment of section 665 of the Principal Act.

22.—The Principal Act is amended in section 665 by the insertion of the following:

“669B.—(1) In this section—

[ SECTION 22 ]

“suckler cow quota” means a quota entitlement issued by the Minister for Agriculture & Food to allow payment of an EU support to the owner of a cow with a calf born within the previous 12 months;

“qualifying expenditure” means the amount of capital expenditure incurred on the purchase of suckler cow quota on or before 1st January 2005;

“writing-down period” has the meaning assigned to it by section 669B(2).

(2) Where, a person incurs qualifying expenditure on the purchase of a suckler cow quota, there shall, be made to that person writing-down allowances during the writing-down period as specified in subsection (3); but no writing-down allowance shall be made to a person in respect of any qualifying expenditure unless the allowance is to be made to the person in taxing the person’s trade of farming.

(3) The writing-down period referred to in subsection (2) shall be 7 years commencing with the beginning of the chargeable period related to the qualifying expenditure.

(4) The writing-down allowances to be made during the writing-down period referred to in subsection (3) in respect of qualifying expenditure shall be determined by the formula:

$$\frac{A \times B}{C}$$

C

Where—

A is the amount of the capital expenditure incurred on the purchase of the suckler cow quota,

B is the length of the part of the chargeable period falling within the writingdown period, and

C is the length of the writing-down period.””.

—Richard Bruton, Denis Naughten.

49. In page 48, to delete lines 24 to 29 and substitute the following:

“(e) Bachelor of Science (Honours) in Land Management, Agriculture;

(f) Bachelor of Science (Honours) in Land Management, Horticulture;

(g) Bachelor of Science (Honours) in Land Management, Forestry;”.

—An tAire Airgeadais.

SECTION 24

50. In page 53, line 20, after “of” to insert “the initial value of”.

—An tAire Airgeadais.

*Section opposed.*

—Caoimhghín Ó Caoláin.

*Section opposed.*

—Dan Boyle.

[ SECTION 25 ]

SECTION 25

51. In page 55, before section 25, to insert the following new section:

“25.—Section 848A of the Principal Act is amended as follows:

(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—

- (i) 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
- (ii) 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,



[ SECTION 25 ]

- (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.

SECTION 26

52. In page 55, before section 26, to insert the following new section:

“Capital allowances for qualifying residential units associated with registered nursing homes.

26.—(1) Part 9 of the Principal Act is amended—

(a) in section 268—

(i) in subsection (3A)—

[ SECTION 26 ]

(I) by substituting “Subject to subsections (3B) to (3E), in this section” for “In this section”, and

(II) by substituting the following for subparagraph (i) of paragraph (d):

“(i) is leased to a person and, as the case may be, the spouse of that person—

(I) who is or, as the case may be, are not connected (within the meaning of section 10) with the lessor,

(II) who has or have been selected as the occupant or occupants of the house by the registered nursing home, and

(III) either the person or the spouse of that person has been certified by a person, who is registered in the General Register of Medical Practitioners, as requiring such accommodation by reason of old age or infirmity,

or”,

(ii) by substituting the following for subsection (3B):

“(3B) (a) For the purposes of this section ‘house’, in relation to a qualifying residential unit, has the same meaning as in section 372AK.

(b) For the purposes only of the making of allowances and charges under this Part but subject to subsection (3C) and sections 270 and 316 (as amended by the *Finance Act 2007*), as respects capital expenditure incurred in the period commencing on 25 March 2002 and ending on 30 April 2010, a house in use as a qualifying residential unit shall be deemed to be a building in use for the purposes of a trade referred to in subsection (1)(g).”

and

(iii) by inserting the following after subsection (3C):

“(3D) Where the relevant interest in relation to capital expenditure incurred on the construction or refurbishment of all qualifying residential units in a development is held by a company (within the meaning of section 4(1)) then subsection (3A) shall apply as if subparagraphs (iv) and (v) of paragraph (c) of that subsection were deleted.

(3E) A house shall not be a qualifying residential unit for the purposes of this section unless—

[ SECTION 26 ]

- (a) the following information has been provided to the Health Service Executive, by the person who is entitled to the relevant interest in relation to the capital expenditure incurred on the construction or refurbishment of the house, for onward transmission to the Minister for Health and Children and the Minister for Finance:
- (i) the amount of the capital expenditure actually incurred on the construction or refurbishment of the house;
  - (ii) the number and nature of the investors that are investing in the house;
  - (iii) the amount to be invested by each investor; and
  - (iv) the nature of the structures which are being put in place to facilitate the investment in the house,
- together with such other information as may be specified by the Minister for Finance, in consultation with the Minister for Health and Children, as being of assistance in evaluating the costs, including but not limited to exchequer costs, and the benefits arising from the operation of tax relief under this Part for qualifying residential units,
- (b) the Health Service Executive, in consultation with the Minister for Health and Children, gives a certificate in writing after the house is first leased or, where capital expenditure is incurred on the refurbishment of a house, first leased subsequent to the incurring of that expenditure stating that it is satisfied that—
- (i) the house and the development in which it is comprised complies with all the conditions mentioned in paragraphs (a), (b), (c) and (d) of subsection (3A), and
  - (ii) the information required in accordance with paragraph (a) of this subsection has been provided,
- and
- (c) an annual report in writing is provided, by the person who is entitled to the relevant interest in relation to the capital expenditure incurred on the construction or refurbishment of the house, to the Health Service Executive, for onward transmission to the Minister for Health and Children and the Minister for Finance, by the end of each year in the 20 year period referred to in section 272(4)(fa) (inserted by the *Finance Act 2007*), which—
- (i) confirms whether the house and the development in which it is comprised continue to comply with all the conditions mentioned in paragraphs (a), (b), (c) and (d) of subsection (3A), and

[ SECTION 26 ]

- (ii) provides details of the level of occupation of the house for the previous year including the age of and, as the case may be, the nature of the infirmity of the occupants.”,

(b) in section 270 by inserting the following subsection after subsection (7):

“(8) Where capital expenditure is incurred on or after 1 May 2007 under a contract or agreement which is entered into on or after that date for the construction, refurbishment or development of a qualifying residential unit as is referred to in subsection (4)(i), then—

(a) subsection (4) shall apply as if the reference to ‘31 July 2008’ were a reference to ‘30 April 2010’,

(b) subsection (5) shall apply as if—

(i) the reference to ‘subject to subsections (6) and (7)’ were a reference to ‘subject to subsections (6) to (8)’, and

(ii) the following paragraphs were substituted for paragraphs (a) and (b):

‘(a) in the case of expenditure incurred by a company (within the meaning of section 4(1)) in the period from 1 May 2007 to 30 April 2010, to 75 per cent, and

(b) in the case of expenditure incurred by a person other than a company (within the meaning of section 4(1)) in the period from 1 May 2007 to 30 April 2010, to 50 per cent.’,”

(c) in section 272(4)—

(i) in paragraph (f), by inserting “subject to paragraph (fa),” before “in relation to”, and

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

“(fa) where subsection (8) of section 270 applies in relation to a qualifying residential unit as is referred to in subsection (4) (i) of that section—

(i) 20 years beginning with the time when the unit was first used, or

(ii) where capital expenditure on the refurbishment of the unit is incurred, 20 years beginning with the time when the unit was first used subsequent to the incurring of that expenditure.”,

(d) in section 274(1)(b)—

(i) in subparagraph (iia), by inserting “subject to subparagraph (iib),” before “in relation to”, and

[ SECTION 26 ]

(ii) by inserting the following subparagraph after subparagraph (iia):

“(iib) where subsection (8) of section 270 applies in relation to a qualifying residential unit as is referred to in subsection (4) (i) of that section—

(i) 20 years after the unit was first used, or

(ii) where capital expenditure on the refurbishment of the unit is incurred, 20 years after the unit was first used subsequent to the incurring of that expenditure,”

and

(e) in section 316(2B)—

(i) by deleting “or” at the end of paragraph (b) and by substituting “31 July 2008, or” for “31 July 2008,” in paragraph (c), and

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

“(d) where subsection (8) of section 270 applies in relation to a qualifying residential unit as is referred to in subsection (4) (i) of that section, the period from 1 May 2007 to 30 April 2010.”

(2) *Subsection (1)* of this section applies as respects capital expenditure incurred on or after 1 May 2007 under a contract or agreement for the construction, refurbishment or development of a qualifying residential unit (within the meaning of section 268(3A) of the Principal Act) which is entered into on or after that date.”

—An tAire Airgeadais.

**53.** In page 55, before section 26, to insert the following new section:

“Claim for relief regarding construction of premises.

26.—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.

**54.** In page 55, before section 26, to insert the following new section:

“Psychiatric Hospitals, Mental Health Centres.

26.—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 the provisions of the Finance Act 2006 on reliefs for psychiatric hospitals and mental health centres,

(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 provisions,

(c) an analysis of the implications of subjecting such allowances to periodic review,

[ SECTION 26 ]

- (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.

55. In page 55, before section 26, to insert the following new section:

“Capital Tax Allowance on Failte Ireland Registered Parks.

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

—Joan Burton.

56. In page 55, before section 26, to insert the following new section:

“Amendment to section 20 of the Finance Act 2006.

26.—The Finance Act 2006 is amended in section 20(1) by the substitution of “€100” for “€250”.”.

—Richard Bruton.

57. In page 55, subsection (1), line 30, to delete “Part 10 of the Principal Act” and substitute “The Principal Act”.

—An tAire Airgeadais.

58. In page 55, subsection (1)(a), line 31, to delete “by inserting” and substitute “in Part 10, by inserting”.

—An tAire Airgeadais.

59. In page 58, line 10, to delete “guidelines” and substitute the following:

“guidelines which shall be approved by a resolution of Dáil Éireann, and”.

—Richard Bruton.

60. In page 75, subsection (2), line 2, after “provisions.” to insert the following:

“This section shall not come into operation until such time as the Minister has laid before both Houses of the Oireachtas a cost benefit analysis of the proposed Mid-Shannon Corridor Tourism Infrastructure Investment Scheme and until this report, which must also include due consideration of the option of direct public expenditure as an alternative to the use of tax incentivisation, has been considered and examined by the Joint Committee on Finance and the Public Service.”.

—Caoimhghín Ó Caoláin.

SECTION 28

61. In page 76, subsection (1)(b)(i)(II), line 14, after “charter” to insert the following:

“and funded wholly or mainly out of moneys provided by the Oireachtas”.

—An tAire Airgeadais.

62. In page 76, subsection (1)(b), between lines 15 and 16, to insert the following:

“(ii) in subsection (2), by inserting “or develops land” after “buildings”.”.

—An tAire Airgeadais.

[ SECTION 28 ]

**63.** In page 76, subsection (2)(b), line 35, to delete “and (b)(i)” and substitute “, (b)(i) and (b)(ii)”.

—An tAire Airgeadais.

**64.** In page 76, between lines 37 and 38, to insert the following subsection:

“(3) The Minister shall, upon the passing of this Act, undertake a comprehensive review to determine whether the system of subcontracting is being misused by employers to evade tax. The review shall include proposals to amend the definition of “worker” for PAYE/PRSI and employment law purposes to include “own account workers” whether under contract, or for services where the individual is a *de facto* employee.”.

—Caoimhghín Ó Caoláin.

SECTION 31

**65.** In page 80, line 6, to delete “section 267(3)” and substitute “section 267(2)”.

—An tAire Airgeadais.

**66.** In page 80, lines 37 and 38, after “section 256” to insert the following:

“and which is not included in relevant interest for the purposes of paragraph (c)(i) (II) of section 261”.

—An tAire Airgeadais.

**67.** In page 81, line 28, to delete “does” and substitute “will”.

—An tAire Airgeadais.

**68.** In page 83, lines 13 to 17, to delete all words from and including “section” in line 13 down to and including “section 267(3),” in line 17 and substitute the following:

“section 189A(2) and would, in accordance with section 267(2),”.

—An tAire Airgeadais.

**69.** In page 84, line 22, after “to” to insert the following:

“, or the person (being one or more than one trustee) referred to in section 189A(2) entitled to,”.

—An tAire Airgeadais.

**70.** In page 84, to delete lines 28 to 30 and substitute the following:

“(ii) the person’s PPS Number (within the meaning of section 891B) or, where the person is not an individual, the person’s tax reference number (within the meaning of paragraphs (b) and (c) of the definition of ‘tax reference number’ in section 885), and”.

—An tAire Airgeadais.

SECTION 32

**71.** In page 85, before section 32, to insert the following new section:

“Relief from double taxation.

32.—(1) The Principal Act is amended—

(a) in section 826 by substituting the following for subsection (1):

[ SECTION 32 ]

“(1) Where—

(a) the Government by order declare that arrangements specified in the order have been made with the government of any territory outside the State in relation to—

(i) affording relief from double taxation in respect of—

(I) income tax,

(II) corporation tax in respect of income and chargeable gains (or, in the case of arrangements made before the enactment of the Corporation Tax Act 1976, corporation profits tax),

(III) capital gains tax,

(IV) any taxes of a similar character,

imposed by the laws of the State or by the laws of that territory, and

(ii) in the case of taxes of any kind or description imposed by the laws of the State or the laws of that territory—

(I) exchanging information for the purposes of the prevention and detection of tax evasion, or

(II) granting relief from taxation under the laws of that territory to persons who are resident in the State for the purposes of tax,

and that it is expedient that those arrangements should have the force of law, and

(b) the order so made is referred to in Part 1 of Schedule 24A,

then, subject to this section and to the extent provided for in this section, the arrangements shall, notwithstanding any enactment, have the force of law as if each such order were an Act of the Oireachtas on and from the date of—

(A) the insertion of Schedule 24A into the Principal Act by paragraph (b), or

(B) the insertion of a reference to the order into Part 1 of Schedule 24A,

whichever is the later.

(1A) Where—



[ SECTION 32 ]

- (a) the Government by order declare that arrangements specified in the order have been made with the government of any territory outside the State in relation to affording relief from double taxation of air transport undertakings and their employees in respect of all taxes which are or may become chargeable on profits, income and capital gains imposed by the laws of the State or the laws of that territory, and that it is expedient that those arrangements should have the force of law, and
- (b) the order so made is referred to in Part 2 of Schedule 24A,

then, subject to this section and to the extent provided for in this section, the arrangements shall, notwithstanding any enactment, have the force of law as if each such order were an Act of the Oireachtas on and from the date of—

- (i) the insertion of Schedule 24A into the Principal Act by paragraph (b), or
- (ii) the insertion of a reference to the order into Part 2 of Schedule 24A,

whichever is the later.

(1B) Where—

- (a) the Government by order declare that arrangements specified in the order have been made with the government of any territory outside the State in relation to—
  - (i) exchanging information for the purposes of the prevention and detection of tax evasion in the case of taxes of any kind or description imposed by the law of the State or the laws of that territory,
  - (ii) such other matters relating to affording relief from double taxation as the Government considers appropriate,

and that it is expedient that those arrangements should have the force of law, and

- (b) the order so made is specified in Part 3 of Schedule 24A

then, subject to this section, the arrangements shall, notwithstanding any enactment, have the force of law as if each such order were an Act of the Oireachtas on and from the date of the insertion of a reference to the order into Part 3 of Schedule 24A.”,

and

- (b) by inserting the following after Schedule 24:

“SCHEDULE 24A

ARRANGEMENTS MADE BY THE GOVERNMENT WITH THE GOVERNMENT OF ANY TERRITORY OUTSIDE THE STATE IN RELATION TO AFFORDING RELIEF FROM DOUBLE TAXATION AND EXCHANGING INFORMATION IN RELATION TO TAX.

PART 1

ARRANGEMENTS IN RELATION TO AFFORDING RELIEF FROM DOUBLE TAXATION IN RESPECT OF THE TAXES REFERRED TO IN SECTION 826(1), MADE BY THE GOVERNMENT AND SPECIFIED IN ORDERS MADE BY THE GOVERNMENT

1. The Double Taxation Relief (Taxes on Income and Capital) (Australia) Order 1983 (S.I. No. 406 of 1983).
2. The Double Taxation Relief (Taxes on Income) (Republic of Austria) Order 1967 (S.I. No. 250 of 1967) and the Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Austria) Order 1988 (S.I. No. 29 of 1988).
3. The Double Taxation Relief (Taxes on Income) (Kingdom of Belgium) Order 1973 (S.I. No. 66 of 1973).
4. The Double Taxation Relief (Taxes on Income and Capital Gains) (The Republic of Bulgaria) Order 2000 (S.I. No. 372 of 2000).
5. The Double Taxation Relief (Taxes on Income and Capital Gains) (Government of Canada) Order 2004 (S.I. No. 773 of 2004).
6. The Double Taxation Relief (Taxes on Income) (People’s Republic of China) Order 2000 (S.I. No. 373 of 2000).
7. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Croatia) Order 2002 (S.I. No. 574 of 2002).
8. The Double Taxation Relief (Taxes on Income) (Cyprus) Order 1970 (S.I. No. 79 of 1970).
9. The Double Taxation Relief (Taxes on Income and Capital) (Czech Republic) Order 1995 (S.I. No. 321 of 1995).
10. The Double Taxation Relief (Taxes on Income) (Kingdom of Denmark) Order 1993 (S.I. No. 286 of 1993).
11. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Estonia) Order 1998 (S.I. No. 496 of 1998).
12. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Finland) Order 1993 (S.I. No. 289 of 1993).
13. The Double Taxation Relief (Taxes on Income) (Republic of France) Order 1970 (S.I. No. 162 of 1970).
14. The Double Taxation Relief (Taxes on Income and Capital and Gewerbesteuer (Trade Tax)) (Federal Republic of Germany) Order 1962 (S.I. No. 212 of 1962).

[ SECTION 32 ]

15. The Double Taxation Relief (Taxes on Income and Capital Gains) (Government of the Hellenic Republic) Order 2004 (S.I. No. 774 of 2004).
16. The Double Taxation Relief (Taxes on Income) (Republic of Hungary) Order 1995 (S.I. No. 301 of 1995).
17. The Double Taxation Relief (Taxes on Income and on Capital) (Republic of Iceland) Order 2004 (S.I. No. 775 of 2004).
18. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of India) Order 2001 (S.I. No. 521 of 2001).
19. The Double Taxation Relief (Taxes on Income) (Italy) Order 1973 (S.I. No. 64 of 1973).
20. The Double Taxation Relief (Taxes on Income) (State of Israel) Order 1995 (S.I. No. 323 of 1995).
21. The Double Taxation Relief (Taxes on Income) (Japan) Order 1974 (S.I. No. 259 of 1974).
22. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Korea) Order 1991 (S.I. No. 290 of 1991).
23. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Latvia) Order 1997 (S.I. No. 504 of 1997).
24. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Lithuania) Order 1997 (S.I. No. 503 of 1997).
25. The Double Taxation Relief (Taxes on Income and on Capital) (Grand Duchy of Luxembourg) Order 1973 (S.I. No. 65 of 1973).
26. The Double Taxation Relief (Taxes on Income) (Malaysia) Order 1998 (S.I. No. 495 of 1998).
27. The Double Taxation Relief (Taxes on Income and Capital Gains) (The United Mexican States) Order 1998 (S.I. No. 497 of 1998).
28. The Double Taxation Relief (Taxes on Income and Capital) (Kingdom of the Netherlands) Order 1970 (S.I. No. 22 of 1970).
29. The Double Taxation Relief (Taxes on Income and Capital Gains) (New Zealand) Order 1988 (S.I. No. 30 of 1988).
30. The Double Taxation Relief (Taxes on Income and on Capital) (Kingdom of Norway) Order 2001 (S.I. No. 520 of 2001).
31. The Double Taxation Relief (Taxes on Income) (Pakistan) Order 1974 (S.I. No. 260 of 1974).
32. The Double Taxation Relief (Taxes on Income) (Republic of Poland) Order 1995 (S.I. No. 322 of 1995).
33. The Double Taxation Relief (Taxes on Income) (Portuguese Republic) Order 1994 (S.I. No. 102 of 1994) and the Double Taxation Relief (Taxes on Income) (Portuguese Republic) Order 2005 (S.I. No. 816 of 2005).

[ SECTION 32 ]

34. The Double Taxation Relief (Taxes on Income and Capital Gains) (Romania) Order 1999 (S.I. No. 427 of 1999).

35. The Double Taxation Relief (Taxes on Income) (Russian Federation) Order 1994 (S.I. No. 428 of 1994).

36. The Double Taxation Relief (Taxes on Income and Capital Gains) (The Slovak Republic) Order 1999 (S.I. No. 426 of 1999).

37. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of Slovenia) Order 2002 (S.I. No. 573 of 2002).

38. The Double Taxation Relief (Taxes on Income and Capital Gains) (Republic of South Africa) Order 1997 (S.I. No. 478 of 1997).

39. The Double Taxation Relief (Taxes on Income and Capital Gains) (Kingdom of Spain) Order 1994 (S.I. No. 308 of 1994).

40. The Double Taxation Relief (Taxes on Income and Capital Gains) (Sweden) Order 1987 (S.I. No. 348 of 1987) and the Double Taxation Relief (Taxes on Income and Capital Gains) (Sweden) Order 1993 (S.I. No. 398 of 1993).

41. The Double Taxation Relief (Taxes on Income and Capital) (Swiss Confederation) Order 1967 (S.I. No. 240 of 1967) and the Double Taxation Relief (Taxes on Income and Capital) (Swiss Confederation) Order 1984 (S.I. No. 76 of 1984).

42. The Double Taxation Relief (Taxes on Income and Capital Gains) (United Kingdom) Order 1976 (S.I. No. 319 of 1976), the Double Taxation Relief (Taxes on Income and Capital Gains) (United Kingdom) Order 1995 (S.I. No. 209 of 1995) and the Double Taxation Relief (Taxes on Income and Capital Gains) (United Kingdom of Great Britain and Northern Ireland) Order 1998 (S.I. No. 494 of 1998).

43. The Double Taxation Relief (Taxes on Income and Capital Gains) (United States of America) Order 1997 (S.I. No. 477 of 1997) and the Double Taxation Relief (Taxes on Income and Capital Gains) (United States of America) Order 1999 (S.I. No. 425 of 1999).

44. The Double Taxation Relief (Taxes on Income) (Republic of Zambia) Order 1973 (S.I. No. 130 of 1973).

45. The Double Taxation Relief (Taxes on Income) (Adjustment of Profits of Associated Enterprises) (European Community) Order 1994 (S.I. No. 88 of 1994) as amended by the Double Taxation Relief (Taxes on Income) (Adjustment of Profits of Associated Enterprises) (European Communities) Order 2004 (S.I. No. 40 of 2004), the Double Taxation Relief (Taxes on Income) (Adjustment of Profits of Associated Enterprises) (Republic of Austria, Republic of Finland and Kingdom of Sweden) Order 2004 (S.I. No. 41 of 2004) and the Double Taxation Relief (Taxes on Income) (Adjustment of Profits of Associated Enterprises) (Accession States) Order 2006 (S.I. No. 112 of 2006).

PART 2

ARRANGEMENTS, PURSUANT TO SECTION 826(1A) IN RELATION TO AFFORDING RELIEF FROM DOUBLE TAXATION OF AIR TRANSPORT UNDERTAKINGS AND THEIR EMPLOYEES, MADE BY THE GOVERNMENT AND SPECIFIED IN ORDERS MADE BY THE GOVERNMENT

Double Taxation Relief (Air Transport Undertakings and their Employees) (Union of Soviet Socialist Republics) Order 1987 (S.I. No. 349 of 1987).

PART 3

ARRANGEMENTS, PURSUANT TO SECTION 826(1B) IN RELATION TO EXCHANGE OF INFORMATION RELATING TO TAX AND IN RELATION TO OTHER MATTERS RELATING TO TAX.”.

(2) *Schedule 2* applies for the purposes of supplementing *subsection (1)*.

(3) This section has effect as on and from the passing of this Act.”.

—An tAire Airgeadais.

72. In page 89, line 17, to delete “(3) to (5)” and substitute “(3) and (4)”.

—An tAire Airgeadais.

SECTION 33

73. In page 90, line 31, after “form” to insert “part of”.

—An tAire Airgeadais.

SECTION 35

74. In page 92, to delete lines 13 to 16 and substitute the following:

“ (2A) This Chapter does not apply to an offshore fund other than an offshore fund which—”.

—An tAire Airgeadais.

75. In page 92, line 32, to delete “or”.

—An tAire Airgeadais.

76. In page 92, line 33, to delete “is a fund which”.

—An tAire Airgeadais.

77. In page 92, line 45, to delete “Directive.”,” and substitute “Directive.”.

—An tAire Airgeadais.

78. In page 92, between lines 45 and 46, to insert the following:

“(c) (i) is a company formed under the law of an offshore state,

(ii) is similar in all material respects to an authorised investment company (within the meaning of Part XIII of the Companies Act 1990),

(iii) holds an authorisation issued by the authorities of that state under laws providing for the proper and orderly regulation of such companies and that authorisation has not ceased to have effect, and

[ SECTION 35 ]

- (iv) is an investment company—
  - (I) which raises capital by promoting the sale of its shares to the public, or
  - (II) each of the shareholders of which is an investor which, if the company were an authorised investment company within the meaning of Part XIII of the Companies Act 1990 would be a collective investor within the meaning of section 739B,

or

- (d) (i) is a unit trust scheme, the trustees of which are not resident in the State,
- (ii) is similar in all material respects to an authorised unit trust scheme (within the meaning of the Unit Trusts Act 1990),
- (iii) holds an authorisation issued by the authorities of that offshore state under laws providing for the proper and orderly regulation of such schemes and that authorisation has not ceased to have effect, and
- (iv) provides facilities for the participation by the public, as beneficiaries under the trust, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property whatsoever.”.”.

—An tAire Airgeadais.

- 79.** In page 92, subsection (1)(b), line 47, to delete “section 747F” and substitute “section 747A”.

—An tAire Airgeadais.

- 80.** In page 93, to delete lines 1 to 8 and substitute the following:

“ “Treatment of certain offshore funds.

747AA.—Without prejudice to ‘offshore fund’ having the meaning assigned to it by section 743 for the purposes of Chapter 4, where that Chapter does not apply to an offshore fund by virtue of subsection (2A) of section 747B, then Chapter 2 and section 747A shall not apply in respect of that offshore fund.”.”.

—An tAire Airgeadais.

- 81.** In page 93, lines 9 and 10, to delete subsection (2) and substitute the following:

“(2) (a) Subject to *paragraph (b)*, *subsection (1)* applies as respects income arising or gains accruing on or after 20 February 2007.

(b) Where on 20 February 2007 a person had a material interest in an offshore fund, which was an offshore fund to which Chapter 4 of Part 27 of the Principal Act applied before the passing of this Act, and that fund—

- (i) is not an offshore fund to which Chapter 4 of Part 27 of the Principal Act applies after the passing of this Act, and

[ SECTION 35 ]

- (ii) would not be a personal portfolio investment undertaking (within the meaning of section 739BA of the Principal Act) if it were deemed to be a fund to which that Chapter applied after the passing of this Act,

then *subsection (1)* does not apply to income arising and gains accruing in respect of the material interest which the person had on 20 February 2007.”.

—An tAire Airgeadais.

SECTION 36

- 82.** In page 93, subsection (1)(a), to delete lines 12 to 22 and substitute the following:

“(a) by inserting the following after section 739B:

“Personal  
portfolio  
investment  
undertaking.

739BA.—(1) In this section—

‘investor’ means—

- (a) in relation to an investment undertaking, a unit holder in the investment undertaking who is an individual, and
- (b) in relation to an offshore fund to which Chapter 4 applies, an individual who has a material interest in the offshore fund;

‘land’ has the same meaning as in section 730BA;

‘material interest’ shall be construed in accordance with section 743;

‘offshore fund’ has the meaning assigned to it by section 743;

‘public’ has the same meaning as in section 730BA.”.

—An tAire Airgeadais.

- 83.** In page 94, line 54, to delete “property.” and substitute “property.”.

—An tAire Airgeadais.

- 84.** In page 94, after line 54, to insert the following:

“(4) An investment undertaking or an offshore fund, as the case may be, is not a personal portfolio investment undertaking if—

- (a) the only property which may be or has been selected satisfies the condition specified in subsection (5), and
- (b) the terms under which such undertaking or offshore fund is offered meet the requirements of subsection (6).

(5) The condition specified in this subsection is that at the time when the property is or was available to be selected the opportunity to select—

- (a) in the case of land, that property, and

[ SECTION 36 ]

- (b) in any other case, property of the same description as the first-mentioned property,

is or was available to the public on terms which provide or provided that the opportunity to select the property is or was available to any person falling within the terms of the opportunity and that opportunity is or was clearly identified to the public, in marketing or other promotional literature published at that time by the investment undertaking or offshore fund concerned, as available generally to any person falling within the terms of the opportunity.

(6) The requirements of this subsection are that—

- (a) the investment undertaking or offshore fund concerned does not subject any person to any treatment in connection with the opportunity which is different or more burdensome than any treatment to which any other person is or may be subject, and
- (b) where the terms of the opportunity referred to in subsection (5) include terms—
- (i) which set out the capital requirement of the opportunity and this requirement is identified to the public in the marketing or other promotional material published by the investment undertaking or offshore fund at the time the property is available to be selected, and
- (ii) indicating that 50 per cent or more by value of the property referred to in that subsection is or is to be land,

then the amount any one person may invest in the investment undertaking or offshore fund shall not represent more than 1 per cent of the capital requirement (exclusive of any borrowings) of the opportunity as so identified.””.

—An tAire Airgeadais.

85. In page 97, subsection (2), line 32, to delete “1 February” and substitute “20 February”.

—An tAire Airgeadais.

SECTION 37

86. In page 97, lines 35 to 40, to delete paragraphs (a) and (b) and substitute the following:

“(a) in paragraph (j) by deleting “or”,

(b) in paragraph (k) by deleting “or 110(2)”, and

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

“(l) is the National Pensions Reserve Fund Commission and has made a declaration to that effect to the investment undertaking, or

(m) is a company that—

- (i) is or will be within the charge to corporation tax in accordance with section 110(2), in respect of payments made to it by the investment undertaking, and



[ SECTION 37 ]

- (ii) has made a declaration to that effect and has provided the investment undertaking with the company's tax reference number (within the meaning of section 885),".

—An tAire Airgeadais.

SECTION 40

87. In page 106, line 4, to delete "and".

—An tAire Airgeadais.

88. In page 106, subsection (1)(c), line 6, to delete "Subsections (8) and (9)". and substitute "Subsections (8) and (9)", and".

—An tAire Airgeadais.

89. In page 106, subsection (1), between lines 6 and 7, to insert the following:

"(d) in section 808, in subsections (2) and (3)(b), by substituting "sections 806, 807, 807A, 807B, 807C and 809" for "sections 806, 807, 807A and 809" in each place where it occurs."

—An tAire Airgeadais.

SECTION 41

90. In page 106, before section 41, but in Chapter 4, to insert the following new section:

"Irish citizens resident abroad.

41.—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.

91. In page 106, before section 41, but in Chapter 4, to insert the following new section:

"List of approved schemes.

41.—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.

92. In page 106, before section 41, but in Chapter 4, to insert the following new section:

"Report on research and development tax credits.

41.—The Minister will report to Dáil Éireann twelve months after the passing of the Act with a report outlining the effect of the changes introduced under—

- (a) the number of companies awarded these credits,  
(b) the number of employees employed in companies to which these credits are associated,  
(c) the number of new products that have been produced by companies awarded these credits, and  
(d) the amount of tax forgone under the implementation of the Act."

—Dan Boyle.

[ SECTION 42 ]

SECTION 42

**93.** In page 108, line 42, after “period” to insert the following:

“if 100 per cent of the tax payable by the claimant company for the relevant period, disregarding this subparagraph, is paid on or before the specified return date for the relevant period”.

—An tAire Airgeadais.

**94.** In page 108, line 44, to delete “section” and substitute “subsection”.

—An tAire Airgeadais.

**95.** In page 109, to delete lines 11 to 15 and substitute the following:

“(f) (i) This subsection shall not affect the liability to pay corporation tax of any company to which the subsection relates.

(ii) Where this subsection applies, the amount on which, but for this subsection, the claimant company is liable to pay interest in accordance with section 1080 shall be reduced by any relevant balance deemed to have been paid by that company in accordance with paragraph (d)(i).”.

—An tAire Airgeadais.

SECTION 43

**96.** In page 112, to delete line 6 and substitute the following:

“that the condition in subsection (2)(c) is satisfied in relation to the loss at that time,”.

—An tAire Airgeadais.

**97.** In page 112, to delete lines 7 to 16.

—An tAire Airgeadais.

**98.** In page 112, line 17, to delete “then”.

—An tAire Airgeadais.

**99.** In page 112, subsection (2)(b), line 41, to delete “Where” and substitute “For the purposes of this subsection, where”.

—An tAire Airgeadais.

SECTION 46

**100.** In page 114, subsection (2), line 4, after “operation” to insert “ no later than 30th May 2007,”.

—Dan Boyle.

SECTION 47

**101.** In page 114, before section 47, but in Chapter 5, to insert the following new section:

“Report on equity and costs of taxing capital gains at 20 per cent.

47.—The Minister shall, within six months of the passing of this Act, report to the Oireachtas on the equity and the costs and benefits of taxing capital gains at 20 per cent while taxing income at 41 per cent.”.

—Dan Boyle.

[ SECTION 47 ]

**102.** In page 114, to delete lines 16 to 36, and substitute the following:

“(v) land which has been let by the individual at any time in the period of 15 years ending with the disposal where—

(I) immediately before the time the land was first let in that period of 15 years, the land was owned by the individual and used for the purposes of farming carried on by the individual for a period of not less than 10 years ending at that time, and

(II) the disposal is to a child (within the meaning of section 599) of the individual;”,”.

—An tAire Airgeadais.

SECTION 50

**103.** In page 116, lines 19 to 21, to delete subsection (1) and substitute the following:

“50.—(1) Section 746 of the Principal Act is amended—

(a) in subsection (5) by substituting “resident or ordinarily resident” for “ordinarily resident”, and

(b) in subsections (5) and (6) by substituting “sections 806, 807, 807A, 807B and 807C” for “sections 806, 807 and 807A” in each place where it occurs.”.

—An tAire Airgeadais.

SECTION 52

**104.** In page 117, before section 52, but in Part 2, to insert the following new section:

“Charities.

52.—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.

**105.** In page 117, before section 52, but in Part 2, to insert the following new section:

“Importation of vehicles.

52.—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.

[ SECTION 52 ]

**106.** In page 117, before section 52, but in Part 2, to insert the following new section:

“Use of biofuel in motor vehicles.

52.—The Act of 1999 is amended—

(a) by the insertion of the following in section 94(1):

“ “blended mineral oil” means any blended mineral oil, a proportion of which is made up of bio fuel;”,

and

(b) by the insertion of the following after section 98A (as inserted by section 50 of the Act of 2004):

“Use of biofuel in motor vehicles. 98B.—(1) All mineral oils used in motor vehicles shall be blended with a proportion of bio fuel.

(2) The proportion by volume which shall be blended with mineral oils referred to in subsection (1) shall be set and subject to review by the Minister.

(3) Where such blended mineral oil has been used as a fuel for a motor vehicle, a relief from mineral oil tax shall, subject to such condition or conditions as the Commissioners may impose, apply to such constituent component of the blended mineral oil as is made up of bio fuel, and the Minister shall review the the level of relief on an annual basis at least.”.”

—Richard Bruton.

**107.** In page 117, before section 52, but in Part 2, to insert the following new section:

“Commission on linking VRT rates with emissions for category B and C commercial vehicles.

52.—The Minister shall, as soon as may be after the passing of this Act, establish a commission to examine the possibility of linking VRT rates with CO<sub>2</sub> emissions levels for Category B and C commercial vehicles which are registered for VAT.”.

—Dan Boyle.

SECTION 53

**108.** In page 117, line 20, to delete “The Liqueur Act 1848” and substitute the following:

“With effect from 1 July 2007 or such earlier date as the Minister for Finance may by order appoint, the Liqueur Act 1848”.

—An tAire Airgeadais.

SECTION 56

**109.** In page 119, before section 56, to insert the following new section:

“Mineral oil tax offences.

56.—(1) Chapter 1 of Part 2 of the Finance Act 1999 is amended—

(a) in section 102—

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

[ SECTION 56 ]

“(b) to use as a propellant or to keep in a fuel tank—

- (i) any mineral oil on which mineral oil tax at the appropriate standard rate has not been paid,
- (ii) any mineral oil containing one or more of the markers prescribed by regulations made under section 104, or
- (iii) any substance where the importation of mineral oil containing such substance is prohibited by regulations made under section 104,”

(ii) in subsection (1) by inserting the following after paragraph (d):

“(da) to contravene or fail to comply with a temporary prohibition of trade order under section 102A, or”

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

“(1A) It shall be an offence under this subsection—

- (a) to invite an offer to treat for, offer for sale, keep for sale, or to sell, or
- (b) to deliver, keep for delivery, or to be in the process of delivering, or to keep,

for use as a propellant—

- (i) any mineral oil on which mineral oil tax at the appropriate standard rate has not been paid,
- (ii) any mineral oil containing one or more of the markers prescribed by regulations made under section 104, or
- (iii) any substance where the importation of a mineral oil containing such substance is prohibited by regulations made under section 104.”

(iv) in subsection (4) by substituting “subsection (1A) or (3)” for “subsection (3)”,

(v) in subsection (5) by substituting “subsection (1), (1A) or (3)” for “subsection (1) or (3)”,

(b) by inserting the following after section 102:

“Consequential provisions relating to offences. 102A.—(1) Where a person licensed under section 101 is convicted of an offence under subsection (1A) or (3)(b) of section 102 of this Act, or an offence in relation to mineral oils under section 119 of the Finance Act 2001, then the Court shall, in addition to any other penalty imposed, make an order, referred to in this section as a temporary prohibition of trade order, prohibiting the sale or supply of any mineral oil from any premises licensed in respect of such person under section 101 and concerned in the offence, for a period of—

- (a) not less than one day and not more than 7 days for a first offence by such person,

[ SECTION 56 ]

(b) not less than 7 days and not more than 30 days for a second or subsequent offence by such person,

and the Court may also by such order prohibit the sale or supply of any mineral oil from any other premises so licensed in respect of such person.

(2) In determining the duration of a temporary prohibition of trade order the Court may seek, from an officer involved in the investigation of the offence, a report on the circumstances in which it was committed and any other information which the Court may consider to be relevant.

(3) Where a person is convicted of more than one offence to which subsection (1) applies, and all the offences were committed on the same occasion, then only one temporary prohibition of trade order may be made in respect of such offences.

(4) The prohibition period specified in a temporary prohibition of trade order shall commence—

(a) where no appeal is made against the conviction or the prohibition period, on the 30th day after the order is made, or

(b) where such an appeal is made, and the conviction or prohibition period is affirmed, on the 30th day after such affirmation,

and it shall end on the expiry of the period specified in the order, unless such period has been varied on appeal, in which case it shall end on the expiry of the period so varied.

(5) (a) If, on appeal, a conviction resulting in a temporary prohibition of trade order is reversed, such order shall thereupon cease to have effect.

(b) On any appeal—

(i) against a conviction resulting in a temporary prohibition of trade order, or

(ii) relating to the period specified in such order,

the Court may vary the period specified in such order.

(6) A temporary prohibition of trade order in respect of any premises shall, for the purposes of this Chapter and any regulations made under section 104, have effect as if that premises were not licensed under section 101 for the period specified in such order.

[ SECTION 56 ]

(7) During the period specified in a temporary prohibition of trade order, the person in respect of whom the premises is licensed under section 101 shall ensure that a prominent notice, stating that the closure is in compliance with the order and specifying the period of prohibition of trade, is affixed to the exterior of the premises in a conspicuous place.

(8) Where a person is convicted of—

(a) an offence under section 102(1)(da), or

(b) a third or subsequent offence to which subsection (1) applies,

the Court shall revoke any licence granted to such person under section 101, and no such licence may at any future time be granted to such person.”,

and

(c) in section 103 by substituting the following for subsection (4):

“(4) Where, in any proceedings for an offence under subsection (1)(b) (i) or (1A)(i) of section 102, it is proved that the mineral oil that is the subject of the offence is heavy oil other than fuel oil or kerosene, with a sulphur content exceeding 50 milligrammes per kilogramme, then it shall be presumed, until the contrary is proved, that mineral oil tax at the appropriate standard rate has not been paid on such mineral oil.”.

(2) This section only applies to offences committed on a date subsequent to the passing of the *Finance Act 2007*.”.

—An tAire Airgeadais.

SECTION 60

**110.** In page 121, line 16, to delete “or” and substitute “and”.

—An tAire Airgeadais.

**111.** In page 121, line 20, to delete “or” and substitute “and”.

—An tAire Airgeadais.

SECTION 72

**112.** In page 127, paragraph (b), to delete lines 4 and 5 and substitute the following:

“(ii) by deleting paragraph (c), and”.

—An tAire Airgeadais.

SECTION 80

**113.** In page 130, before section 80, to insert the following new section:

“Amendment of section 14 (determination of tax due by reference to cash receipts) of Principal Act.

80.—Section 14 of the Principal Act is amended with effect from 1 March 2007 in subsection (1) by substituting the following paragraph for paragraph (b):

[ SECTION 80 ]

“(b) the total consideration which such person is entitled to receive in respect of such person’s taxable supplies has not exceeded and is not likely to exceed €1,000,000 in any continuous period of 12 months,”.”

—An tAire Airgeadais.

SECTION 89

**114.** In page 132, line 23, to delete “is revoked” and substitute “are revoked”.

—An tAire Airgeadais, Joan Burton.

SECTION 90

**115.** In page 132, before section 90, but in Part 3, to insert the following new section:

“Review of VAT to ascertain the scope for introducing new progressive and pro-energy efficiency measures.

90.—The Minister shall, upon the passing of this Act, undertake a comprehensive and thorough review of the items to which VAT is applicable to ascertain the scope for introducing new progressive and pro-energy efficiency measures. The review shall be completed within one year from the passing of this Act.”.

—Caoimhghín Ó Caoláin.

**116.** In page 132, before section 90, but in Part 3, to insert the following new section:

“VAT refunds for charities.

90.—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.

**117.** In page 132, before section 90, but in Part 3, to insert the following new section:

“VAT refunds for educational institutions.

90.—The Minister shall introduce a VAT refund mechanism for at least that part of the unrecoverable VAT liability of educational institutions, recognised by the Department of Education and Science, for spending funded from public fundraising.”.

—Dan Boyle.

**118.** In page 132, before section 90, but in Part 4, to insert the following new section:

“Social Loan Fund.

90.—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.

SECTION 94

**119.** In page 146, to delete lines 21 to 26 and substitute the following:

“(e) Bachelor of Science (Honours) in Land Management, Agriculture;

(f) Bachelor of Science (Honours) in Land Management, Horticulture;



[ SECTION 94 ]

(g) Bachelor of Science (Honours) in Land Management, Forestry;”.

—An tAire Airgeadais.

SECTION 95

120. In page 147, before section 95, to insert the following new section:

“Further farm consolidation relief. 81B: 95.—(1) The Principal Act is amended by inserting the following after section 81B:

“81C.—(1) (a) In this section—

‘conditions of consolidation’ means the conditions of consolidation as set out in guidelines;

‘consolidation certificate’ means a certificate, issued for the purposes of this section by Teagasc to a farmer in relation to a sale and purchase of qualifying land both of which occur in the relevant period and within 18 months of each other, which identifies the lands concerned, the owners of such lands and certifies that Teagasc is satisfied, on the basis of information available to Teagasc at the time of so certifying, that the sale and purchase of qualifying land complies, or will comply, with the conditions of consolidation set down in guidelines;

‘farmer’ means a person who spends not less than 50 per cent of the person’s normal working time farming;

‘farming’ includes the occupation of woodlands on a commercial basis;

‘guidelines’ means guidelines made and published pursuant to paragraph (b)(i);

‘interest in qualifying land’ means an interest in qualifying land which is not subject to any power (whether or not contained in the instrument) on the exercise of which the qualifying land, or any part of or any interest in the qualifying land, may be revested in the person from whom it was purchased or in any person on behalf of such person;

‘PPS Number’, in relation to a person, means the person’s Personal Public Service Number within the meaning of section 262 of the Social Welfare Consolidation Act 2005;

‘purchase of qualifying land’ means a conveyance or transfer (whether on sale or operating as a voluntary disposition *inter vivos*) of an interest in qualifying land to a farmer and includes a conveyance or transfer where the qualifying land is conveyed or transferred to joint owners where not all the joint owners are farmers; and the date of the purchase of qualifying land shall be the date on which the conveyance or transfer is executed;

‘qualifying land’ means relevant land in respect of which a consolidation certificate has been issued by Teagasc;

[ SECTION 95 ]

‘relevant land’ means agricultural land, including lands suitable for occupation as woodlands on a commercial basis, in the State and such farm buildings together with the lands occupied with such farm buildings as are of a character appropriate to the relevant land but not including farm houses or mansion houses or the lands occupied with such farm houses and mansion houses unless such farm houses or mansion houses are derelict and unfit for human habitation;

‘relevant period’ means the period commencing on 1 July 2007 and ending on 30 June 2009;

‘sale of qualifying land’ means a conveyance or transfer (whether on sale or operating as a voluntary disposition *inter vivos*) of an interest in qualifying land by a farmer and includes a conveyance or transfer where the qualifying land is conveyed or transferred by joint owners where not all the joint owners are farmers; and the date of the sale of qualifying land shall be the date on which the conveyance or transfer is executed;

‘valid consolidation certificate’ means a consolidation certificate which, on any day, has not been withdrawn as at that day.

(b) For the purposes of this section—

- (i) the Minister for Agriculture and Food with the consent of the Minister for Finance may make and publish guidelines, from time to time setting out—
  - (I) how an application for a consolidation certificate is to be made,
  - (II) the documentation required to accompany such an application,
  - (III) the conditions of consolidation, and
  - (IV) such other information as may be required in relation to such application,
- (ii) where an application is made in that regard, Teagasc shall issue a consolidation certificate in respect of a sale and purchase of relevant land, where they are satisfied, on the basis of information available to Teagasc at that time, that the sale and purchase of such lands complies, or will comply, with the conditions of consolidation, and
- (iii) Teagasc may, by notice in writing, withdraw any consolidation certificate already issued.

(2) This section applies to a purchase of qualifying land by a farmer on any day (in this section referred to as the ‘calculation day’) falling within the relevant period.

[ SECTION 95 ]

(3) Subject to subsections (4) and (5), stamp duty shall be chargeable on the instrument 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 18 months ending on the calculation day,

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 18 months ending on the calculation day.

(4) Where an amount of duty has been paid in accordance with subsection (3) and is not repayable (in this subsection referred to as the 'relevant amount') on a purchase of qualifying land by a farmer on a calculation day (in this subsection referred to as the 'first calculation day'), the duty chargeable on a purchase of qualifying land by the farmer on a later calculation day, which falls within the period of 18 months commencing on the first calculation day, shall be reduced by the relevant amount.

(5) Where at any time in the period of 18 months commencing on a calculation day, qualifying land is sold by a farmer, that sale shall be treated as if it were a sale made on the calculation day and the duty chargeable, in accordance with subsection (3), on the instrument giving effect to the purchase of qualifying land made on the calculation day shall be recomputed in accordance with subsection (3) and an amount equal to the difference between—

- (a) the duty charged on the instrument prior to the recomputation, and
- (b) the duty that is chargeable on the instrument after the recomputation,

shall, subject to compliance with the conditions set out in subsection (6), be repaid by the Commissioners where a claim for repayment is made to them in that regard.

(6) A claim for relief under subsection (3) or a claim for relief by way of repayment under subsection (5), made to the Commissioners under this section, shall be allowed on the production to them of—

- (a) the instrument giving effect to the purchase of the qualifying land,
- (b) a certified copy of the instrument giving effect to the sale of the qualifying land,

[ SECTION 95 ]

- (c) a valid consolidation certificate in relation to the purchase and sale of the qualifying land in respect of which the claim for relief is being made,
- (d) a declaration of a kind referred to in subsection (7), made by each farmer who has purchased the qualifying land referred to in paragraph (a),
- (e) a declaration made in writing by each person, who has purchased the qualifying land referred to in paragraph (a), in such form as the Commissioners may specify, declaring that it is the intention of such person—
  - (i) to retain ownership of his or her interest in the qualifying land, and
  - (ii) that the qualifying land will be used for farming,  
for a period of not less than 5 years from the date on which the first claim for relief in respect of the qualifying land is made, and
- (f) the PPS Number of each person who has purchased the qualifying land referred to in paragraph (a).

(7) The declaration referred to in subsection (6)(d) is a declaration made in writing by a farmer, in such form as the Commissioners may specify, which—

- (a) is signed by the farmer, and
- (b) declares that the farmer—
  - (i) will remain a farmer, and
  - (ii) will farm the qualifying land referred to in subsection (6)(a),  
for a period of not less than 5 years from the date on which the first claim for relief in respect of the qualifying land is made.

(8) This section shall not apply to an instrument unless it has, in accordance with section 20, been stamped with a particular stamp denoting that it is duly stamped or, as the case may be, that it is not chargeable with any duty.

- (9) (a) Subject to paragraph (b), where any person who purchased qualifying land by any instrument in respect of which relief was allowed by the Commissioners, disposes of such qualifying land, or part of such qualifying land, within a period of 5 years from the date on which the first claim for relief in respect of the qualifying land is allowed, then such person or, where there is more than one such person, each such person, jointly and severally, shall become liable to pay to the Commissioners a penalty of an amount equal to the amount of the difference between—

[ SECTION 95 ]

- (i) the duty that would have been charged on the value of such qualifying land, if such qualifying land had been purchased by that person or, where there is more than one such person, each such person, by an instrument to which this section had not applied, and
- (ii) the duty, if any, that was charged and is not repayable on the instrument concerned,

together with interest charged on that amount, calculated in accordance with section 159D, from the date of disposal of the qualifying land or, as the case may be, a part thereof, to the date the penalty is remitted.

(b) Paragraph (a) shall not apply to any disposal of qualifying land which is being compulsorily acquired but subsection (5) shall not apply to give relief, after that disposal, in respect of the duty already charged on the purchase of qualifying land.

(c) Where any claim for relief from duty under this section has been allowed and it is subsequently found that a declaration referred to in paragraph (d) or (e) of subsection (6)—

- (i) was untrue in any material particular which would have resulted in the relief not being allowed, and
- (ii) was made knowing same to be untrue or in reckless disregard as to whether it was true or not,

then the person or persons who made such a declaration, jointly and severally, shall become liable to pay to the Commissioners a penalty of an amount equal to the amount of the difference between—

- (I) 125 per cent of the duty that would have been charged on the instrument had this section not applied due to all the facts not having been truthfully declared, and
- (II) the duty, if any, that was charged and is not repayable on the instrument concerned,

together with interest charged on that amount, calculated in accordance with section 159D, from the date when the claim for relief was made to the Commissioners to the date the penalty is remitted.

(d) Where a consolidation certificate, purporting to be valid at the date when a claim for relief under this section is made to the Commissioners, is furnished to the Commissioners and it subsequently transpires that the consolidation certificate was not a valid consolidation certificate on that date, the parties to the instrument who have purchased the qualifying land, jointly and severally, shall become liable to pay to the Commissioners a penalty of an amount equal to the amount of the difference between—

- (i) 125 per cent of the duty that would have been charged on the instrument had this section not applied to it, and

[ SECTION 95 ]

- (ii) the duty, if any, that was charged and is not repayable on the instrument concerned,

together with interest charged on that amount, calculated in accordance with section 159D, from the date the claim for relief is made to the Commissioners to the date the penalty is remitted.

(10) Notwithstanding subsection (9)—

- (a) where relief under this section was allowed in respect of any instrument, a disposal by a farmer or other joint owner of part of the qualifying land to a spouse for the purpose of creating a joint tenancy in the qualifying land, or where the instrument gave effect to the purchase of the qualifying land by joint owners, a disposal by one joint owner, to another joint owner (being a farmer) of any part of the qualifying land, shall not be regarded as a disposal to which subsection (9) applies, but on such disposal, such part of the qualifying land shall be treated for the purposes of subsection (9) as if it had been purchased immediately by the spouse or other joint owner by the instrument in respect of which relief was allowed,
- (b) a person shall not be liable, in respect of the same matter, to more than one penalty under paragraph (a), (c) or (d) of subsection (9),
- (c) a person shall not be liable, in respect of the same matter, to a penalty under paragraph (a) of subsection (9), if and to the extent that such person has paid a penalty under paragraph (c) or (d) of subsection (9),
- (d) a person shall not be liable, in respect of the same matter, to a penalty under paragraph (c) of subsection (9), if and to the extent that such person has paid a penalty under paragraph (a) or (d) of subsection (9), and
- (e) a person shall not be liable, in respect of the same matter, to a penalty under paragraph (d) of subsection (9), if and to the extent that such person has paid a penalty under paragraph (a) or (c) of subsection (9).

(11) This section shall not apply to any instrument effecting a purchase of qualifying land where the party or, as the case may be, any of the parties to such instrument, is a company.

(12) This section applies as respects instruments executed on or after 1 July 2007 and on or before 30 June 2009.”.

(2) *Subsection (1)* comes into operation on the making of an order to that effect by the Minister for Finance.”.

—An tAire Airgeadais.

[*Acceptance of this amendment involves the deletion of section 95 of the Bill.*]

SECTION 96

121. In page 149, subsection (2), line 41, to delete “the date of the passing of this Act” and substitute “7 December 2006”.

—An tAire Airgeadais.

[ SECTION 99 ]

SECTION 99

122. In page 150, line 29, to delete “paragraph” and substitute “subsection”.

—An tAire Airgeadais.

123. In page 150, line 33, to delete “paragraph” and substitute “subsection”.

—An tAire Airgeadais.

124. In page 151, to delete line 26 and substitute the following:

“clause (II).

- (aa) (i) Where, by reason only of the fact that the first conveyance or transfer (referred to in paragraph (a)(i)) of a dwellinghouse was executed on or before the date of the decree, and as a consequence the claimant cannot satisfy the conditions set out in subparagraphs (I) and (III) of paragraph (a)(ii), the claimant shall be deemed to be a first time purchaser for the purposes of the definition in subsection (1), where the first conveyance or transfer is executed in the period of 6 months ending on the date of the decree and the conditions set out in subparagraph (ii) are satisfied.
- (ii) The conditions required by this subparagraph are that—
- (I) the first conveyance or transfer was made in anticipation of the decree, and
- (II) immediately before the date of the decree, the claimant was not beneficially entitled to an interest in any dwellinghouse other than the dwellinghouse referred to in subparagraph (i) and the dwellinghouse referred to in clause (II) of paragraph (a)(ii).
- (iii) Where by virtue of subparagraph (i) a claimant is deemed to be a first time purchaser in respect of a first conveyance or transfer, the Commissioners, on a claim being made to them on that behalf and on the conditions set out in subparagraph (iv) being satisfied, shall cancel and repay such duty or part of such duty as would not have been chargeable had paragraph (a) applied to the conveyance or transfer when it was first presented for stamping.
- (iv) The conditions required by this subparagraph are that the claimant, when making a claim for repayment, shall produce to the Commissioners—
- (I) the stamped instrument,
- (II) a copy of the decree,
- (III) a declaration made in writing by the claimant, in such form as the Commissioners may specify, confirming to the satisfaction of the Commissioners that—
- (A) the conveyance or transfer was made in connection with the decree,
- (B) immediately before the date of the decree, the claimant was not beneficially entitled to an interest in any dwellinghouse other than the dwellinghouse referred to in subparagraph (i) and the dwellinghouse referred to in clause (II) of paragraph (a)(ii),

[ SECTION 99 ]

- (C) the dwellinghouse referred to in clause (II) of paragraph (a)(ii) did not cease to be occupied, at the date of the decree, by the spouse of the claimant as his or her only or main residence and the spouse was beneficially entitled to an interest in the dwellinghouse on that date or acquired such an interest after that date by virtue or in consequence of the decree,
- (D) at the time of making the claim for repayment, the claimant was not beneficially entitled to an interest in the dwellinghouse referred to in clause (II) of paragraph (a)(ii),
- (E) since the date of execution of the conveyance or transfer, the conditions referred to in subsection (3)(b)(ii) or, as the case may be, section 92(1)(b)(ii) have been complied with and will be complied with for the remainder of the 5 year period referred to in the subsection or, as the case may be, the section,
- (F) the conveyance or transfer is one to which subsection (3A) does not apply, and
- (G) where the dwellinghouse was conveyed or transferred to the claimant and another person, that the other person was a first time purchaser within the meaning of subsection (1), immediately prior to the date of execution of the conveyance or transfer concerned,

and

(IV) the PPS Number of the claimant and any other person to whom the dwellinghouse was conveyed or transferred, and

(V) such other evidence that the Commissioners may require for the purposes of this subparagraph.

(v) Subsection (4) shall apply to a conveyance or transfer to which subparagraph (ii) applies as it applies to an instrument to which subsection (2) applies, with any necessary modifications.”.”.

—An tAire Airgeadais.

**125.** In page 151, line 38, to delete “apartment.”.” and substitute “apartment;”.”

—An tAire Airgeadais.

**126.** In page 151, between lines 38 and 39, to insert the following:

“ ‘PPS Number’, in relation to a person, means the person’s Personal Public Service Number within the meaning of section 262 of the Social Welfare Consolidation Act 2005.”.”.

—An tAire Airgeadais.

SECTION 100

**127.** In page 152, lines 44 and 45, to delete “referenced to securities” and substitute “referenced directly or indirectly to securities”.

—An tAire Airgeadais.

**128.** In page 152, line 48, to delete “, of an exchange or market,”.

—An tAire Airgeadais.



[ SECTION 100 ]

129. In page 153, line 13, to delete “title to”.

—An tAire Airgeadais.

130. In page 153, line 24, to delete “on a transfer of title to securities” and substitute the following:

“on an instrument of transfer whereby any securities are on the sale of such securities transferred”.

—An tAire Airgeadais.

131. In page 153, line 35, to delete “the transfer” and substitute “the transfer of securities”.

—An tAire Airgeadais.

132. In page 154, line 1, to delete “the transfer” and substitute “the transfer of securities”.

—An tAire Airgeadais.

133. In page 154, line 9, after “market.” to insert the following:

“One of the conditions for such recognition is that the member firm consents in writing to make available for inspection, when so requested, such books and records of the business of the member firm as are relevant for the purposes of the Commissioners ensuring compliance by the member firm with this section.”.

—An tAire Airgeadais.

134. In page 154, to delete lines 28 to 55, to delete pages 155 and 156, and in page 157 to delete lines 1 to 20, and substitute the following:

“Relief for clearing houses.

75A.—(1) In this section—

‘clearing house’ means a body or association which provides services related to the clearing and settlement of transactions and payments and the management of risks associated with the resulting contracts and which is regulated or supervised in the provision of those services (in this section referred to as ‘clearing services’) by a regulatory body, or an agency of government, of a Member State of the European Communities;

‘clearing participant’ means a member of a recognised clearing house who is permitted by the clearing house to provide clearing services in connection with a transfer of securities;

‘client’ means a person who gives instructions for securities to be sold;

‘nominee’ means a person whose business is or includes holding securities as a nominee for a recognised clearing house acting in its capacity as a provider of clearing services or, as the case may be, a nominee for a clearing participant or a non-clearing participant;

‘non-clearing participant’ means a member of an exchange or market;

‘recognised clearing house’ means—

- (a) Eurex Clearing AG,
- (b) LCH.Clearnet Limited,
- (c) SIS SegaInterSettle AG, or

[ SECTION 100 ]

(d) any other clearing house designated as a recognised clearing house for the purposes of this section by regulations made by the Commissioners.

(2) Stamp duty shall not be chargeable on an instrument of transfer whereby any securities are on the sale of such securities transferred in the circumstances referred to in subsection (3) where the conditions referred to in subsection (4) are satisfied.

(3) The circumstances referred to in this subsection are that the transfer of securities is—

- (a) from a clearing participant or a nominee of a clearing participant, to another clearing participant or a nominee of that other clearing participant,
- (b) from a non-clearing participant or a client, to a clearing participant or a nominee of a clearing participant,
- (c) from a clearing participant or a nominee of a clearing participant, to a recognised clearing house or a nominee of a recognised clearing house,
- (d) from a person other than a clearing participant, to a recognised clearing house or a nominee of a recognised clearing house, as a result of a failure by a clearing participant to fulfil that clearing participant's obligations in respect of the transfer of securities to the recognised clearing house or a nominee of the recognised clearing house,
- (e) from a recognised clearing house or a nominee of a recognised clearing house, to a clearing participant or a nominee of a clearing participant, or
- (f) from a clearing participant, or a nominee of a clearing participant to a non-clearing participant or a nominee of a non-clearing participant.

(4) The conditions referred to in this subsection are that the person to whom the securities are transferred under a transfer of securities referred to in paragraphs (a) to (f) of subsection (3) (in this section referred to as the 'relevant transfer') is required on receipt of those securities to transfer securities under a matching transfer to another person, or in the case of a relevant transfer falling within paragraph (d), would have been so required if the failure referred to in that paragraph had not occurred.

(5) For the purposes of subsection (4), a 'matching transfer' means a transfer of securities under which—

- (a) the securities transferred are of the same kind as the securities transferred under the relevant transfer, and
  - (b) the number of and consideration paid for, the securities transferred are identical to the number of and consideration paid for, the securities transferred under the relevant transfer.
- (6) (a) The Commissioners may, from time to time, make regulations to designate a clearing house as a recognised clearing house for the purposes of this section.

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- (b) 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.”.”

—An tAire Airgeadais.

SECTION 101

135. In page 157, before section 101, to insert the following new section:

“Land: special provisions.

101.—(1) The Principal Act is amended—

- (a) by inserting the following after section 31:

“Resting in contract.

31A.—(1) Where—

- (a) the holder of an estate or interest in land in the State enters into a contract or agreement with another person for the sale of the estate or interest to that other person or to a nominee of that other person, and
- (b) a payment which amounts to, or as the case may be payments which together amount to, 25 per cent or more of the consideration for the sale has been paid to, or at the direction of, the holder of the estate or interest at any time pursuant to the contract or agreement, and
- (c) within 30 days of the first such time a conveyance or transfer, made in conformity with the contract or agreement, and executed by the parties to the contract or agreement is not presented to the Commissioners for stamping with ad valorem duty chargeable on it,

then the contract or agreement shall be chargeable with the same ad valorem duty, to be paid by the other person, as if it were a conveyance or transfer of the estate or interest in the land.

(2) Where duty has been paid, in respect of a contract or agreement, in accordance with subsection (1), a conveyance or transfer made in conformity with the contract or agreement shall not be chargeable with any duty, and the Commissioners, on application, either shall denote the payment of the ad valorem duty on the conveyance or transfer, or shall transfer the ad valorem duty to the conveyance or transfer on production to them of the contract or agreement, duly stamped.

Licence agreements.

31B.—(1) In this section ‘development’, in relation to any land, means—

- (a) the construction, demolition, extension, alteration or reconstruction of any building on the land, or

[ SECTION 101 ]

(b) any engineering or other operation in, on, over or under the land to adapt it for materially altered use.

(2) Where—

(a) the holder of an estate or interest in land in the State enters into an agreement with another person under which that other person, or a nominee of that other person, is entitled to enter onto the land to carry out development on that land, and

(b) by virtue of the agreement, otherwise than as consideration for the sale of all or part of the estate or interest in the land, the holder of the estate or interest in the land receives at any time a payment which amounts to, or as the case may be payments which together amount to, 25 per cent or more of the market value of the land concerned,

then within 30 days of the first such time, the agreement shall be chargeable with the same ad valorem duty, to be paid by that other person, as if it were a conveyance or transfer of the estate or interest in the land.”,

(b) by deleting section 36,

(c) by inserting the following after section 50:

“Agreements for more than 35 years charged as leases. 50A.—An agreement for a lease or with respect to the letting of any lands, tenements, or heritable subjects for any term exceeding 35 years, shall be charged with the same duty as if it were an actual lease made for the term and consideration mentioned in the agreement where 25 per cent or more of that consideration has been paid.”,

and

(d) by substituting “section 50 or 50A” for “section 50” in paragraph (4) of the Heading “LEASE” in Schedule 1.

(2) This section comes into operation on such day or days as the Minister for Finance may by order appoint and different days may be appointed for different purposes or different provisions.”.

—An tAire Airgeadais.

SECTION 106

**136.** In page 159, to delete lines 20 to 30 and substitute the following:

““(3A) For the purposes of subsection (3)(a), in the case of a gift—

(a) any period during which a donee occupied a dwelling-house that was, during that period, the disponer’s only or main residence, shall be treated as not being a period during which the donee occupied the dwelling-house unless the disponer is compelled, by reason of old age or infirmity, to depend on the services of the donee for that period,

[ SECTION 106 ]

- (b) where paragraph (a)(i) of subsection (3) applies, the dwelling-house referred to in that paragraph is required to be owned by the disponent during the 3 year period referred to in that paragraph, and
- (c) where paragraph (a)(ii) of subsection (3) applies, either the dwelling-house or the other property referred to in that paragraph is required to be owned by the disponent during the 3 year period referred to in that paragraph.”.

(2) This section applies to gifts taken on or after 20 February 2007.”.

—An tAire Airgeadais.

SECTION 109

**137.** In page 160, before section 109, but in Part 6, to insert the following new section:

“PART 7

ANTI-SPECULATIVE PROPERTY TAX

Restoration of Anti-Speculative Property Tax.

109.—Section 230 of the Finance Act 2001 is hereby repealed.”.

—Caoimhghín Ó Caoláin.

SECTION 110

**138.** In page 160, before section 110, to insert the following new section:

“National Pension Reserve Fund ethical investment policy.

110.—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.

SECTION 113

**139.** In page 163, paragraph (b), line 35, to delete “sections 891 and 898” and substitute “sections 891, 892 and 898”.

—An tAire Airgeadais.

SCHEDULE 2

**140.** In page 174, before Schedule 2, to insert the following new Schedule:

“Section 32.

SCHEDULE 2

MISCELLANEOUS TECHNICAL AMENDMENTS IN RELATION TO ARRANGEMENTS FOR RELIEF FROM DOUBLE TAXATION

1. The Taxes Consolidation Act 1997 is amended in accordance with the following provisions:

(a) in section 23A(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;

[ SCHEDULE 2 ]

- (b) in section 29A(4) by substituting “section 826(1)” for “section 826(1)(a)”;
- (c) in section 44(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant territory”;
- (d) in section 130(3)(d) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant Member State”;
- (e) in section 153(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant territory”;
- (f) in section 172A(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant territory”;
- (g) in section 198(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;
- (h) in section 222(1)(b) by substituting “section 826(1)” for “section 826(1)(a)” in both places where it occurs;
- (i) in section 246(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant territory”;
- (j) in section 267G(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;
- (k) in section 410(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant Member State”;
- (l) in section 411(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant Member State”;
- (m) in section 430—
  - (i) in subsection (1)(da) by substituting “section 826(1)” for “section 826(1)(a)”, and
  - (ii) in subsection (2A) by substituting “section 826(1)” for “section 826(1)(a)”;
- (n) in section 452(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;
- (o) in section 481(2C)(b) by substituting “section 826(1)” for “section 826(1)(a)”;
- (p) in section 530(4) by substituting “section 826(1)” for “section 826(1)(a)”;
- (q) in section 579B(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;
- (r) in section 613(6) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;
- (s) in section 616(7) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant Member State”;
- (t) in section 626B(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant territory”;

[ SCHEDULE 2 ]

(u) in section 627(2)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant territory”;

(v) in section 630 by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “bilateral agreement”;

(w) in section 690(2) by substituting “section 826(1)” for “section 826(1)(a)” in both places where it occurs;

(x) in section 730H(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “offshore state”;

(y) in section 747B(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “offshore state”;

(z) in section 787M(1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “resident”;

(aa) in section 817C(3) by substituting “section 826(1),” for “section 826(1)(a),”;

(ab) in section 825A—

(i) in subsection (1) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “qualifying employment”, and

(ii) in subsection (3)(b) by substituting “section 826(1)” for “section 826(1)(a)”;

(ac) in section 829(2) by substituting “section 826(1)” for “section 826(1)(a)”;

(ad) in section 830(2) by substituting “section 826(1)” for “section 826(1)(a)”;

(ae) in section 831(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”;

(af) in section 865(1)(a) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “correlative adjustment”;

(ag) in section 917B by substituting “section 826(1)” for “section 826(1)(a)” in subsection (1);

(ah) in Schedule 24—

(i) in paragraph 1(1)—

(I) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “arrangements”, and

(II) by substituting “section 826(1)” for “section 826(1)(a)” in the definition of “relevant Member State”,

and

(ii) in paragraph 5(2) by substituting “section 826(1)” for “section 826(1)(a)”.

2. *Paragraph 1* has effect as on and from the passing of this Act.”.

—An tAire Airgeadais.