



# **DÁIL ÉIREANN**

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## **AN BILLE AIRGEADAIS 2008 FINANCE BILL 2008**

### **LEASUITHE COISTE COMMITTEE AMENDMENTS**

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# DÁIL ÉIREANN

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## AN BILLE AIRGEADAIS 2008 —ROGHCHOISTE

### FINANCE BILL 2008 —SELECT COMMITTEE

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#### *Leasuithe Amendments*

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#### SECTION 1

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

#### “PART 1

##### TAXPAYERS’ ADVOCATE OFFICE

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, as well as ensuring the availability of a ready mechanism for informing taxpayers (particularly pensioners) who are entitled to a refund of DIRT tax, shall be known as the taxpayers’ advocate office.”

—Joan Burton.

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

#### “PART 1

##### COMMISSION ON TAXATION

Commission on  
Taxation.

1.—The Minister shall in establishing the commission on taxation include in its terms of reference the following matters:

- (a) to examine anomalies arising from the tax treatment of married persons where one spouse remains out of paid employment in order to attend to child care duties;
- (b) to examine the treatment of unmarried persons living together including gay couples in long term relationships;
- (c) to examine the operation and possible reform of stamp duty particularly the capacity of property developers to avoid stamp duty on certain transactions and the exclusion of certain financial transactions (e.g. contracts for difference) from the lower rate of stamp duty applied to financial transactions;

[ SECTION 1 ]

(d) to examine the need to ensure that carbon tax proposals have due regard to the ability of less well off individuals including pensioners to meet the cost arising from increased taxation on carbon based fuels such as coal and gas;

(e) 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.

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

“PART 1

INCREASE OF EXEMPTIONS ETC. IN LINE WITH INFLATION

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.

SECTION 3

4. In page 13, line 10, to delete “€900” and substitute “€1,540”.

—Richard Bruton.

SECTION 6

5. In page 15, line 24, to delete “€2,000” and substitute “€3,000”.

—Richard Bruton.

6. In page 15, line 26, to delete “€4,000” and substitute “€6,000”.

—Richard Bruton.

SECTION 8

7. In page 15, line 37, to delete “5.5 per cent” and substitute “5.0 per cent”.

—Richard Bruton.

SECTION 11

8. In page 16, before section 11, to insert the following new section:

“Exempt Childcare Receipts.

11.—Section 216C of the Principal Act is amended in subsection (5) by substituting “€17,500” for “€15,000”.”.

—Richard Bruton.

9. In page 16, before section 11, to insert the following new section:

[ SECTION 11 ]

“Bin charge Tax Relief.

11.—Section 477 (1)(a) of the Principal Act shall be amended by deleting €400 and substituting “whatever charge has been levied by the relevant authority in the year of assessment”.”.

—Richard Bruton.

SECTION 14

10. In page 17, before section 14, to insert the following new section:

“Look-back Period for Tax Refund.

14.—It shall be the right of an individual to claim overpaid tax over a six-year period.”.

—Richard Bruton.

11. In page 17, before section 14, to insert the following new section:

“Higher Pension Relief for Low Earners.

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.

12. In page 17, before section 14, to insert the following new section:

“Tax relief at source.

14.—Tax relief at source shall be available for environmental service charges.”.

—Joan Burton.

13. In page 17, before section 14, to insert the following new section:

“Private health facilities.

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

—Joan Burton.

14. In page 17, 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 shall nonetheless be fully registered for PRSI.”.

—Joan Burton.

15. In page 17, 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.

16. In page 17, before section 14, to insert the following new section:

[ SECTION 14 ]

“Benefit in kind - training.

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

—Joan Burton.

SECTION 16

17. In page 19, line 32, to delete “under section 112” and substitute the following:

“under Schedule E and computed in accordance with section 112”.

—An Tánaiste agus Aire Airgeadais.

18. In page 22, between lines 25 and 26, to insert the following:

“(c) If, because of paragraph (b) of subsection (5), paragraph (a) of that subsection did not apply in relation to employment-related securities, the chargeable amount is to be reduced by the amount determined by the formula—

H - I

where—

H is the amount by which the market value of the employment-related securities for the purposes specified in paragraph (a) of subsection (5), exceeded what it would have been had that paragraph applied, and

I is the aggregate of any amount by which the chargeable amount on any previous chargeable event relating to the employment-related securities has been reduced under this subsection.”

—An Tánaiste agus Aire Airgeadais.

SECTION 25

19. In page 33, before section 25, to insert the following new section:

“Mid-Shannon corridor tourism infrastructure investment scheme.

25.—Section 372AZ(1) of the Principal Act is amended by substituting the following for paragraph (c):

“(c) unless the potential capital allowances in relation to the building or structure concerned and the project in which it is comprised comply with—

(i) the requirements of the Guidelines on National Regional Aid for 2007-2013 prepared by the Commission of the European Communities and issued on 4 March 2006<sup>1</sup>, and

(ii) the National Regional Aid Map for Ireland for the period 1 January 2007 to 31 December 2013 which was approved by the said Commission on 24 October 2006<sup>2</sup>,

or

<sup>1</sup>OJ No. C 54 of 4 March 2006, p.13

<sup>2</sup>OJ No. C292 of 1 December 2006, p.11

[ SECTION 25 ]

- (d) where the person who is entitled to the relevant interest, within the meaning of section 269, in relation to that expenditure is subject to an outstanding recovery order following a previous decision of the Commission of the European Communities declaring aid in favour of that person to be illegal and incompatible with the common market.”.”

—An Tánaiste agus Aire Airgeadais.

SECTION 26

20. In page 34, before section 26, to insert the following new section:

“Travel benefit in kind.

26.—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 pending the development of integrated ticketing.”.

—Joan Burton.

21. In page 34, before section 26, to insert the following new section:

“Failure by Employer to reimburse travel costs.

26.—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.

SECTION 28

22. In page 37, lines 25 and 26, to delete “whose carbon dioxide emissions” and substitute the following:

“whose CO<sub>2</sub> emissions, confirmed by reference to the relevant EC type approval certificate or EC certificate of conformity,”.

—An Tánaiste agus Aire Airgeadais.

23. In page 37, between lines 43 and 44, to insert the following:

“(3) Where the Revenue Commissioners are not satisfied of the level of CO<sub>2</sub> emissions relating to a vehicle by reference to any document other than either of the certificates referred to in subsection (2), or where no document has been provided, the vehicle shall, for the purposes of this Part, be treated as if it were a vehicle in Category G.”.

—An Tánaiste agus Aire Airgeadais.

24. In page 37, to delete lines 44 to 47 and substitute the following:

“(4) In this Part—

‘CO<sub>2</sub> emissions’ means the level of carbon dioxide (CO<sub>2</sub>) emissions for a vehicle measured in accordance with the provisions of Council Directive 80/1268/EEC of 16 December 1980<sup>1</sup> (as amended) and listed in Annex VIII of Council Directive 70/156/EEC of 6 February 1970<sup>2</sup> (as amended) and contained in the relevant EC type approval certificate or EC certificate of conformity or any other appropriate documentation which confirms compliance with any measures taken to give effect in the State to any act of the European Communities relating to the approximation of the laws of Member States in respect of type approval for the type of vehicle concerned;

<sup>1</sup>OJ No. L 375 of 31 December 1980, p.36

<sup>2</sup>OJ No. L 42 of 23 February 1970, p.1

[ SECTION 28 ]

‘specified amount’, in relation to expenditure incurred on the provision or hiring of a vehicle to which this Part applies, means €24,000, where the expenditure was incurred—”.

—An Tánaiste agus Aire Airgeadais.

- 25.** In page 38, line 4, to delete “(4) This Part shall be construed as one with” and substitute the following:

“(5) This Part shall be construed as one with”.

—An Tánaiste agus Aire Airgeadais.

- 26.** In page 43, between lines 32 and 33, to insert the following subsection:

“(3) Any additional revenue raised as a result of this Section will be separately reported by the Revenue Commissioners in their annual statement.”.

—Richard Bruton.

- 27.** In page 43, between lines 32 and 33, to insert the following subsection:

“(4) Any additional revenue raised as a result of this section will be used solely for the purpose of reducing taxes on wages or other input costs or for approved emission reduction expenditures from the Exchequer.”.

—Richard Bruton.

SECTION 29

- 28.** In page 43, between lines 45 and 46, to insert the following subsection:

“(3) Before the introduction of the 2009 Finance Bill, the Minister shall lay a statement in the Oireachtas Library setting out his assessment of the success of this revised version of Section 481.”.

—Richard Bruton.

SECTION 36

- 29.** In page 50, line 41, after “elects” to insert “, in writing to the Revenue Commissioners”.

—An Tánaiste agus Aire Airgeadais.

- 30.** In page 51, line 11, after “applies” to insert the following:

“and has supplied the unit holder with the necessary information to enable the claim to be made to the Revenue Commissioners”.

—An Tánaiste agus Aire Airgeadais.

- 31.** In page 51, to delete lines 42 to 53 and in page 52, to delete lines 1 to 28 and substitute the following:

“(ii) the investment undertaking has made an election, in writing, to the Revenue Commissioners that it will make in respect of each year of assessment a statement (including where it is the case, a statement with a nil amount) to the Revenue Commissioners in electronic format approved by them, on or before 31 March in the year following the year of assessment, which specifies in respect of each person who is a unit holder—

(I) the name and address of the person,



[ SECTION 36 ]

(II) the value at the end of the year of assessment of the units to which the person is entitled at that time, and

(III) such other information as the Revenue Commissioners may require.”.

—An Tánaiste agus Aire Airgeadais.

**32.** In page 52, to delete lines 29 to 41 and substitute the following:

“(b) Where paragraph (a) applies—

(i) the investment undertaking shall advise the unit holder concerned, in writing, that paragraph (a) applies,

(ii) the statement specified in paragraph (a)(ii) shall be made by the investment undertaking in accordance with that paragraph, and

(iii) the unit holder shall be deemed for that chargeable period to be a chargeable person for the purposes of sections 951 and 1084, and the return of income to be delivered by the person for that chargeable period shall include the following particulars:

(I) the name and address of the investment undertaking, and

(II) the gains arising on the chargeable event.”.”.

—An Tánaiste agus Aire Airgeadais.

**33.** In page 52, to delete lines 48 to 51 and substitute the following:

“section, then such gain—

(a) shall be treated for the purposes of the Tax Acts as arising to the unit holder, constituting profits or gains chargeable to tax under Case IV of Schedule D at the rate specified in section 739E(1)(b), and

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

and section 188, and the reductions specified in Part 2 of the Table to section 458, shall not apply as regards the tax so charged.”.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 39

**34.** In page 55, before section 39, but in Chapter 3, to insert the following new section:

“Certain transfers of assets between companies.

39.—(1) The Principal Act is amended—

(a) in section 615(2)(a)—

(i) in subparagraph (ii) by substituting “before that time,” for “before that time, and”, and in subparagraph (iii) by substituting “of the business), and” for “of the business)”, and

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

[ SECTION 39 ]

“(iv) the company acquiring the assets is not an authorised investment company (within the meaning of Part XIII of the Companies Act 1990) that is an investment undertaking (within the meaning of section 739B),”

and

(b) in section 617(1) by substituting the following for paragraph (c):

“(c) the other company—

(i) is resident in the State at the time of the disposal or the asset is a chargeable asset in relation to that company immediately after that time, and

(ii) is not an authorised investment company (within the meaning of Part XIII of the Companies Act 1990) that is an investment undertaking (within the meaning of section 739B).”

(2) This section applies as respects a transfer, or as the case may be a disposal, on or after 18 February 2008.”

—An Tánaiste agus Aire Airgeadais.

**35.** In page 55, before section 39, but in Chapter 4, to insert the following new section:

“Claim for relief regarding construction of premises.

39.—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.

**36.** In page 55, before section 39, but in Chapter 4, to insert the following new section:

“Irish citizens resident abroad.

39.—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.

**37.** In page 55, before section 39, but in Chapter 4, to insert the following new section:

“List of approved schemes.

39.—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.

**38.** In page 56, line 16, to delete “profits, or dividends” and substitute “amounts attributable to profits, or to dividends”.

—An Tánaiste agus Aire Airgeadais.

[ SECTION 39 ]

39. In page 56, line 18, to delete “of an excepted trade” and substitute “, of an excepted trade”.
- An Tánaiste agus Aire Airgeadais.
40. In page 56, line 43, to delete “as trading profits of” and substitute “as exempt from tax for”.
- Richard Bruton.
41. In page 57, line 37, to delete “the aggregate of”.
- An Tánaiste agus Aire Airgeadais.
42. In page 58, line 5, to delete “of the period” and substitute the following:
- “of the accounting period in which the dividend is received by the receiving company”.
- An Tánaiste agus Aire Airgeadais.
43. In page 58, lines 27 and 28, to delete “in that period”.
- An Tánaiste agus Aire Airgeadais.
44. In page 62 to delete lines 9 and 10 and substitute the following:
- “(2) This section shall be deemed to have applied as respects a dividend received on or after 1 January 2007.”.
- An Tánaiste agus Aire Airgeadais.

SECTION 40

45. In page 62, line 17, after “dividend” to insert “, or makes a distribution,”.
- An Tánaiste agus Aire Airgeadais.
46. In page 62, line 22, after “dividend” to insert “, or as the case may be the distribution,”.
- An Tánaiste agus Aire Airgeadais.
47. In page 62, line 26, after “dividend” to insert “, or as the case may be the distribution,”.
- An Tánaiste agus Aire Airgeadais.
48. In page 62, subsection (2), line 42, to delete “distribution made” and substitute “dividend paid, or distribution made,”.
- An Tánaiste agus Aire Airgeadais.

SECTION 41

49. In page 64, to delete lines 11 to 14 and substitute the following:
- “ ‘specified licence’ means—
- (a) an exploration licence, or a reserved area licence, that is granted on or after 1 January 2007, or
- (b) a licensing option;”.
- An Tánaiste agus Aire Airgeadais.

[ SECTION 41 ]

50. In page 66, to delete lines 41 to 42 and substitute the following:

$$\left\{ A - (B \times 1.5) \right\} \times \frac{100}{100 - R}$$

—An Tánaiste agus Aire Airgeadais.

51. In page 70, subsection (2), lines 20 and 21, to delete all words from and including “an” in line 20 down to and including “awarded” in line 21 and substitute the following:

“a licensing option or from an exploration licence, or a reserved area licence, awarded.”

—An Tánaiste agus Aire Airgeadais.

SECTION 42

52. In page 70, to delete lines 31 and 32 and substitute the following:

“ ‘relevant period’ means the period commencing on the date on which the first order is made under subsection (4) and ending 3 years after that date;”

—An Tánaiste agus Aire Airgeadais.

53. In page 70, line 42, after “company” to insert “or a business which is taxed under Schedule D”.

—Richard Bruton.

54. In page 70, line 44, after “company” to insert “or business”.

—Richard Bruton.

55. In page 71, to delete lines 34 to 43 and in page 72, to delete lines 1 to 4 and substitute the following:

“(7) Subsection (2) shall not apply in respect of expenditure incurred on the provision of equipment where that expenditure is not incurred in the relevant period.”

—An Tánaiste agus Aire Airgeadais.

56. In page 72, after line 53, to insert the following subsection:

“(3) Before the introduction of the 2009 Finance Bill, the Minister shall lay a statement in the Oireachtas Library setting out his assessment of the success of this section.”

—Richard Bruton.

SECTION 45

57. In page 75, lines 12 and 13, to delete “in that territory” and substitute “outside the State”.

—An Tánaiste agus Aire Airgeadais.

58. In page 76, to delete lines 1 and 2 and substitute the following:

“(2) (a) (i) Subject to *subparagraph (ii)*, *subsection (1)* applies as on and from 31 January 2008.

[ SECTION 45 ]

- (ii) *Subsection (1)* shall be deemed to have applied as respects any company as on and from 1 January 2006, if an election in writing is made by the company to the Revenue Commissioners to that effect.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 46

**59.** In page 76, between lines 11 and 12, to insert the following subsection:

“(3) Before the introduction of the 2009 Finance Bill, the Minister shall lay a statement in the Oireachtas Library setting out his assessment of the success of this revised version of Section 766.”.

—Richard Bruton.

SECTION 48

**60.** In page 76, before section 48, but in Chapter 4, to insert the following new section:

“Amendment of section 448 (relief from corporation tax) of Principal Act.

48.—(1) Section 448 of the Principal Act is amended—

(a) by substituting the following for paragraph (b) of subsection (3):

“(b) then deducting from the relevant sum any amounts allowed under sections 243A, 396A or 420A against the company’s income for the relevant accounting period from the sale of those goods.”,

and

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

“(5A) Where any part of the profits of an accounting period of a company is charged to corporation tax in accordance with section 21A, then for the purposes of this section, the relevant corporation tax shall be reduced by an amount determined by the formula—

$$\frac{R}{100} \times S$$

where—

R is the rate per cent specified in section 21A(3) in relation to the accounting period, and

S is an amount equal to so much of the profits of the company for the accounting period as are charged to tax in accordance with section 21A.

(5B) Notwithstanding section 4(4)(b), the income of a company, referred to in the expression ‘total income brought into charge to corporation tax’, for the accounting period for the purposes of subsection (2) shall be the sum determined by section 4(4)(b) for that period reduced

—  
(a) by any amounts allowed under sections 243A, 396A or 420A,  
and

[ SECTION 48 ]

(b) by an amount equal to so much of the profits of the company for the accounting period as are charged to tax in accordance with section 21A.”.

(2) (a) *Subsection (1)(a)* has effect for accounting periods ending on or after 18 February 2008.

(b) *Subsection (1)(b)* shall be deemed to have had effect for accounting periods ending on or after 31 January 2007.”.

—An Tánaiste agus Aire Airgeadais.

**61.** In page 76, before section 48, but in Chapter 5, to insert the following new section:

“Indexation of  
Capital Gains Tax.

48.—The Principal Act is amended in Section 556 subsection (6)(a) by inserting after the words “2003” the following “and including 2008 and each subsequent year of assessment”.”.

—Richard Bruton.

SECTION 51

**62.** In page 78, before section 51, but in Part 2, to insert the following new section:

“Charities.

51.—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.

**63.** In page 78, before section 51, but in Part 2, to insert the following new section:

“Importation of  
vehicles - VRT.

51.—A new vehicle registered in the State and subject to the emissions based VRT regime shall not in that respect be treated less favourably than a second hand vehicle not already registered in the State which is brought into the State.”.

—Joan Burton.

**64.** In page 78, before section 51, but in Part 2, to insert the following new section:

“VRT –  
information.

51.—The Minister shall take such steps as are appropriate to draw to public attention the implications of changes to the VRT regime.”.

—Joan Burton.

[ SECTION 51 ]

- 65.** In page 78, before section 51, but in Part 2, to insert the following new section:

“Importation of vehicles.

51.—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 77

- 66.** In page 98, line 43, after “activity” to insert the following:

“, whatever the purpose or results of that activity,”.

—An Tánaiste agus Aire Airgeadais.

SECTION 79

- 67.** In page 100, paragraph (a), line 10, to delete “paragraph (e)” and substitute “subsection (1)(e)”.

—An Tánaiste agus Aire Airgeadais.

SECTION 80

- 68.** In page 101, line 8, after “1 July 2008.” to insert the following:

“Subsection (9) shall apply only as respects a reversionary interest created prior to 1 July 2008.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 82

- 69.** In page 104, lines 46 and 47, to delete “until those goods are supplied, and” and substitute the following:

“, until such time as those goods have been disposed of by that taxable person on or after that date, and”.

—An Tánaiste agus Aire Airgeadais.

- 70.** In page 105, line 1, to delete “completed”.

—An Tánaiste agus Aire Airgeadais.

- 71.** In page 105, line 3, after “applies” to insert the following:

“, being completed immovable goods within the meaning of section 4B,”.

—An Tánaiste agus Aire Airgeadais.

- 72.** In page 105, line 26, after “person” to insert “referred to in subsection (1)”.

—An Tánaiste agus Aire Airgeadais.

[ SECTION 82 ]

73. In page 105, lines 45 to 49, to delete all words from and including “, which” in line 45 down to and including “Act.” in line 49 and substitute the following:

“is deemed to be a supply of immovable goods for the purposes of this Act for a period of 20 years from the creation of the interest or the most recent assignment or surrender of that interest before 1 July 2008, whichever is the later.”

—An Tánaiste agus Aire Airgeadais.

74. In page 106, line 26, to delete “and an option” and substitute “but a joint option”.

—An Tánaiste agus Aire Airgeadais.

75. In page 106, lines 27 and 28, to delete “may not be exercised.” and substitute “may be exercised.”

—An Tánaiste agus Aire Airgeadais.

76. In page 106, line 31, to delete “an assignment” and substitute “a taxable assignment”.

—An Tánaiste agus Aire Airgeadais.

77. In page 106, line 32, to delete “(a)”.

—An Tánaiste agus Aire Airgeadais.

78. In page 106, line 39, to delete “the assignment” and substitute “a taxable assignment”.

—An Tánaiste agus Aire Airgeadais.

79. In page 106, line 40, to delete “(a)”.

—An Tánaiste agus Aire Airgeadais.

80. In page 107, line 9, to delete “(a)”.

—An Tánaiste agus Aire Airgeadais.

81. In page 107, line 10, after “period” to insert the following:

“and tax is payable in respect of that assignment or surrender”.

—An Tánaiste agus Aire Airgeadais.

82. In page 108, line 9, to delete “(a)”.

—An Tánaiste agus Aire Airgeadais.

83. In page 109, lines 11 and 12, to delete “the capital goods owner” and substitute “the person treated as the capital goods owner”.

—An Tánaiste agus Aire Airgeadais.

84. In page 109, to delete lines 36 to 41 and substitute the following:

“(j) the amount which shall be treated as the total reviewed deductible amount shall be the amount of the total tax incurred as provided for in paragraph (d) less—

- (i) any amount of the total tax incurred which was charged to the person treated as the capital goods owner but which that owner was not entitled to deduct in accordance with section 12,



[ SECTION 82 ]

- (ii) any amount accounted for in accordance with section 12D(4) by the person treated as the capital goods owner in respect of a transfer of the goods to that owner prior to 1 July 2008, and
- (iii) any tax payable in accordance with subsection (3) or section 4(3)(ab) by the person treated as the capital goods owner.”

—An Tánaiste agus Aire Airgeadais.

**85.** In page 109, line 45, to delete “amount.”” and substitute the following:

“amount,

and for the purposes of applying paragraphs (f), (h) and (i) ‘year’ means each 12 month period in the adjustment period, the first of which begins on the first day of the initial interval referred to in paragraph (g).

- (12) Where a taxable person acquires immovable goods on or after 1 July 2007, then, notwithstanding subsection (10), section 12E(4) shall apply and, notwithstanding subsection (11)(j), the total reviewed deductible amount shall have the meaning assigned to it by section 12E. However this subsection does not apply where a taxable person has made an adjustment in accordance with section 12(4)(f) in respect of those goods.””.

—An Tánaiste agus Aire Airgeadais.

SECTION 84

**86.** In page 110, lines 25 to 26, to delete all words from and including “that” in line 25 down to and including “2008.”” in line 26 and substitute the following:

“where those goods are acquired or developed on or after 1 July 2008.

- (c) For the purpose of applying paragraph (b), a waiver of exemption, which is in place on 18 February 2008 in respect of the letting of immovable goods which are undergoing development on that day by or on behalf of the person who has that waiver, may extend to a letting of those immovable goods.””.

—An Tánaiste agus Aire Airgeadais.

SECTION 85

**87.** In page 111, line 31, after “rent,” to insert “or”.

—An Tánaiste agus Aire Airgeadais.

**88.** In page 112, line 35, to delete “subparagraph (ii)” and substitute “paragraph (b)”.

—An Tánaiste agus Aire Airgeadais.

**89.** In page 116, line 3, to delete “in account” and substitute “into account”.

—An Tánaiste agus Aire Airgeadais.

**90.** In page 116, line 7, to delete “Where” and substitute “Subject to paragraph (c), where”.

—An Tánaiste agus Aire Airgeadais.

**91.** In page 116, line 13, to delete “for” and substitute “for,”.

—An Tánaiste agus Aire Airgeadais.

[ SECTION 85 ]

**92.** In page 116, line 14, to delete “period” and substitute “period.”.  
—An Tánaiste agus Aire Airgeadais.

**93.** In page 116, between lines 26 and 27, to insert the following:

“(c) This subsection applies to a letting referred to in paragraph (a)—

(i) where a landlord has a waiver in place on 18 February 2008 and—

(I) on 1 July 2008 that letting had been in place since 18 February 2008, or

(II) the immovable goods subject to the letting are owned by that landlord on 18 February 2008 and are in the course of development by or on behalf of that landlord on that day,

or

(ii) where a landlord holds an interest, other than a freehold interest or a freehold equivalent interest in the immovable goods subject to the letting, acquired between 18 February 2008 and 30 June 2008 from a person with whom the landlord is not connected, within the meaning of section 7A, in a transaction which is treated as a supply of goods in accordance with section 4.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 87

**94.** In page 118, lines 16 and 17, to delete all words from and including “With” in line 16 down to and including “(4C):” in line 17 and substitute “Section 10 of the Principal Act is amended—”.

—An Tánaiste agus Aire Airgeadais.

**95.** In page 118, between lines 17 and 18, to insert the following:

“(a) by inserting with effect from 1 July 2008 the following after subsection (4C):”.

—An Tánaiste agus Aire Airgeadais.

**96.** In page 118, line 41, to delete “amounts.”. and substitute the following:

“amounts.”,

(b) in subsection (8) by inserting with effect from 1 September 2008 the following after subparagraph (c):

“(d) This subsection does not apply in respect of a supply of services to which section 8(1B) applies.”,

and

(c) in subsection (9)—

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

“(ba) Subsections (a) and (b) apply in respect of transactions which take place prior to 1 July 2008.”,

and

[ SECTION 87 ]

- (ii) with effect from 1 July 2008 in paragraph (c), by substituting “value” for “price” in both places where it occurs.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 88

- 97.** In page 118, lines 43 and 44, to delete paragraph (a) and substitute the following:

“(a) in subsection (1)(a)—

- (i) in paragraph (iiic) with effect from 1 July 2008 by substituting “section 4B(6)(a) or 4(8)” for “section 4(8)”, and

- (ii) with effect from 1 September 2008 by inserting the following after subparagraph (vb):”.

—An Tánaiste agus Aire Airgeadais.

SECTION 89

- 98.** In page 119, subsection (1), line 16, after “(3)” to insert “with effect from 1 July 2008”.

—An Tánaiste agus Aire Airgeadais.

- 99.** In page 119, line 18, to delete “a taxable person” and substitute “an accountable person”.

—An Tánaiste agus Aire Airgeadais.

- 100.** In page 119, lines 34 to 36, to delete subsection (2).

—An Tánaiste agus Aire Airgeadais.

SECTION 90

- 101.** In page 119, line 37, after “amended” to insert “with effect from 1 July 2008”.

—An Tánaiste agus Aire Airgeadais.

SECTION 91

- 102.** In page 119, before section 91, to insert the following new section:

“Amendment of section 12D (adjustment of tax deductible in certain circumstances) of Principal Act.

91.—Section 12D of the Principal Act is amended by inserting the following after subsection (4):

“(5) This section does not apply to a transfer of an interest in immovable goods which occurs on or after 1 July 2008.”.

—An Tánaiste agus Aire Airgeadais.

- 103.** In page 122, line 16, to delete “acquisition,” and substitute “acquisition or”.

—An Tánaiste agus Aire Airgeadais.

- 104.** In page 122, to delete lines 18 to 25 and substitute the following:

“(c) Where a capital goods owner acquires a capital good—

[ SECTION 91 ]

(i) by way of a transfer, being a transfer to which section 3(5)(b)(iii) applies other than a transfer to which subsection (10) applies, on which tax would have been chargeable but for the application of section 3(5)(b)(iii), or

(ii) on the supply or development of which tax was chargeable in accordance with section 13A,

then, for the purposes of this section, that capital goods owner is deemed to have claimed a deduction in accordance with section 12 of the tax that would have been chargeable—

(I) on the transfer of that capital good but for the application of section 3(5)(b)(iii), less any amount accounted for by that owner in respect of that transfer in accordance with subsection (7)(d), and

(II) on the supply or development of that capital good but for the application of section 13A.”.

—An Tánaiste agus Aire Airgeadais.

**105.** In page 123, line 10, to delete “at any time”.

—An Tánaiste agus Aire Airgeadais.

**106.** In page 123, line 15, to delete “(6)(c)” and substitute “(6)(b)”.

—An Tánaiste agus Aire Airgeadais.

**107.** In page 123, line 27, after “good,” to insert “and”.

—An Tánaiste agus Aire Airgeadais.

**108.** In page 124, line 41, after “then” to insert the following:

“, for the purposes of the remaining intervals in the adjustment period.”.

—An Tánaiste agus Aire Airgeadais.

**109.** In page 124, line 47, to delete “and” and substitute “and,”.

—An Tánaiste agus Aire Airgeadais.

**110.** In page 124, line 48, to delete “subparagraph (i)” and substitute “subparagraph (i),”.

—An Tánaiste agus Aire Airgeadais.

**111.** In page 124, lines 50 to 51, to delete all words from and including “for” in line 50 down to and including “period” in line 51.

—An Tánaiste agus Aire Airgeadais.

**112.** In page 126, line 20, to delete “was deductible” and substitute “was not deductible”.

—An Tánaiste agus Aire Airgeadais.

**113.** In page 127, lines 19 and 21, to delete all words from and including “in” in line 19 down to and including “owner” in line 21.

—An Tánaiste agus Aire Airgeadais.

**114.** In page 127, line 22, to delete “shall” and substitute the following:

“in relation to the remainder of that capital good for that owner shall”.

—An Tánaiste agus Aire Airgeadais.

[ SECTION 91 ]

**115.** In page 130, line 37, to delete “good” and substitute “goods”.

—An Tánaiste agus Aire Airgeadais.

SECTION 93

**116.** In page 131, before section 93, to insert the following new section:

“Amendment of section 16 (duty to keep records) of Principal Act.

93.—Section 16 of the Principal Act is amended—

(a) in subsection (1) by inserting “and entitlement to deductibility” after “tax”, and

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

“(5) The requirement to keep records in accordance with this section shall apply to records relating to—

(a) exercising and terminating a landlord’s option to tax,

(b) a capital good record referred to in section 12E, and

(c) a joint option for taxation.”.”.

—An Tánaiste agus Aire Airgeadais.

**117.** In page 131, subsection (1)(b), line 35, after “deleting” to insert “with effect from 1 July 2008”.

—An Tánaiste agus Aire Airgeadais.

**118.** In page 131, subsection (1)(c), line 36, after “substituting” to insert “with effect from 1 July 2008”.

—An Tánaiste agus Aire Airgeadais.

SECTION 95

**119.** In page 132, before section 95, to insert the following new section:

“Amendment of section 26 (penalties generally) of Principal Act.

95.—With effect from 1 July 2008 section 26 of the Principal Act is amended in subsection (3AA) by substituting “open market value” for “open market price”.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 98

**120.** In page 134, line 1, to delete “elephant grass” and substitute “miscanthus”.

—An Tánaiste agus Aire Airgeadais.

SECTION 101

**121.** In page 134, before section 101, but in Part 4, to insert the following new section:

“Social Loan Fund.

101.—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 124 ]

SECTION 124

122. In page 158, before section 124, to insert the following new section:

“Amendment of section 891B (returns of certain payments made by certain persons) of Principal Act.

124.—Section 891B of the Principal Act is amended by inserting the following after subsection (9):

“(10) Section 4 of the Post Office Savings Bank Act 1861 shall not apply to the disclosure of information required to be included in a return made under regulations made under this section and, accordingly, this section shall apply to information to which, but for this subsection, the said section 4 would apply.”.

—An Tánaiste agus Aire Airgeadais.

SECTION 126

123. In page 159, before section 126, to insert the following new section:

“Amendment of section 888 (returns etc. by lessors, lessees and agents) of Principal Act.

126.—Section 888 of the Principal Act is amended—

(a) by substituting the following for subsection (1):

“(1) In this section—

‘lease’, ‘lessee’ and ‘rent’ have the same meanings respectively as in Chapter 8 of Part 4;

‘premises’ means any lands, tenements or hereditaments.”,

and

(b) by inserting the following after “Chapter 8 of Part 4” in subsection (2):

“including, in the case of persons referred to in paragraph (d), of income which would be chargeable to tax under Case V of Schedule D if it had arisen in the State.”.

—An Tánaiste agus Aire Airgeadais.

[Acceptance of this amendment involves the deletion of section 126 of the Bill.]