



DÁIL ÉIREANN

**AN BILLE AIRGEADAIS (UIMH. 2) 2008
FINANCE (NO. 2) BILL 2008**

**LEASUITHE TUARASCÁLA
REPORT AMENDMENTS**

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AN BILLE AIRGEADAIS (UIMH. 2) 2008 —AN TUARASCÁIL

FINANCE (NO. 2) BILL 2008 —REPORT

Leasuithe Amendments

1. In page 9, between lines 11 and 12, to insert the following:

“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 9, between lines 11 and 12, to insert the following:

“PART 1

COMMISSION ON TAXATION.

Commission on
Taxation.

1.—The Minister shall ask the Commission on Taxation to report specifically on the following matters in view of the economic difficulties facing the country:

- (a) property based tax-breaks,
- (b) the impact on competitiveness of the VAT differential between Ireland and the UK and other EU countries,
- (c) any other matter arising from the economic difficulties obtaining at the present time.”

—Joan Burton.

3. In page 9, between lines 11 and 12, to insert the following:

“PART 1

COMMISSION ON TAXATION.

Commission on
Taxation.

1.—The Minister shall ask the Commission on Taxation to report specifically on the impact of tax individualisation.”

—Joan Burton.

4. In page 9, between lines 11 and 12, to insert the following:

“PART 1

COMMISSION ON TAXATION.

Commission on
Taxation.

1.—The Minister shall ask the Commission on Taxation to produce a report within 6 months of the commencement of the Act to address the following matters:

- (a) private hospital and nursing home tax exemptions,
- (b) property based tax breaks,
- (c) the impact of the value added tax differential between the north of Ireland and the south of Ireland,
- (d) persons claiming to be non-resident for tax purposes,
- (e) the impact of the 1 per cent levy on consumer spending.”.

—Arthur Morgan.

5. In page 9, between lines 19 and 20, to insert the following:

“Marginal relief on
income levy.

2.—Marginal relief shall apply in respect of the income levy over €18,304 threshold and up to €25,000 in a manner to be prescribed by regulations made by the Minister for Finance under this section.”.

—Joan Burton.

6. In page 9, between lines 19 and 20, to insert the following:

“Anti-avoidance.

2.—The Revenue Commissioners shall report to both Houses of the Oireachtas on any anti-avoidance measures that may be required arising from arrangements in relation to income splitting for the purposes of avoiding the higher 2 per cent and 3 per cent income levy rates.”.

—Joan Burton.

7. In page 9, between lines 19 and 20, to insert the following:

“Remittance.

2.—For the avoidance of doubt, nothing in respect of relief from taxation in respect of remittance arrangements is intended to constitute relief in respect of the income levy.”.

—Joan Burton.

8. In page 11, line 19, after “emoluments.” to insert the following:

“Notwithstanding the foregoing, capital allowances on investments undertaken in order to comply with government requirements would be allowed as a deduction according to the standard rules which apply for such an investment.”.

—Richard Bruton.

9. In page 12, line 40, to delete “€18,304” and substitute “€37,000”.

—Arthur Morgan.

10. In page 13, between lines 10 and 11, to insert the following:

“(d) in the case of persons whose income only exceeds the threshold set out in paragraphs (a) and (c) by €10,000, only half of the levy calculated under Part 18A will be payable.”.

—Richard Bruton.

11. In page 13, line 21*, to delete “€150,020” and substitute “€100,000” .

—Arthur Morgan.

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

12. In page 21, between lines 9 and 10, to insert the following:

“(1) The Minister shall, upon the passing of this Act undertake a comprehensive review of how the parking levy is implemented and its effectiveness in increasing uptake of public transport.”.

—Arthur Morgan.

13. In page 22, line 39, after “employment” to insert the following:

“save in the case of a vehicle provided for transportation of a government minister”.

—Arthur Morgan.

14. In page 33, between lines 2 and 3, to insert the following:

“Increase of exemptions etc. in line with inflation.

4.—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.

15. In page 38, between lines 10 and 11, to insert the following:

“Medical expenses.

8.—Where medical expenses claimed as a tax credit consist of or include IVF treatment, the expenses shall to that extent be allowable at the higher rate.”.

—Joan Burton.

16. In page 38, line 18, after “year” to insert the following:

“except in the case of persons aged 70 years or over, when it means the highest rate at which they paid tax”.

—Richard Bruton.

17. In page 46, after line 51, to insert the following:

“Commission on Taxation.

13.—The Minister shall ask the Commission on Taxation to produce a report within 6 months of the commencement of this Act to assess the reintroduction of tax remittance.”.

—Arthur Morgan.

18. In page 47, between lines 20 and 21, to insert the following:

“(c) are derived from innovative activities meaning the development of a new technological, telecommunication, scientific or business process.”.

—Richard Bruton.

19. In page 50, between lines 12 and 13, to insert the following:

“Pensions.

16.—Retirees partaking in a private pension scheme may postpone the purchase of an annuity for up to two years.”.

—Joan Burton.

20. In page 50, between lines 12 and 13, to insert the following:

“16.—Part 30 of the Principal Act shall be amended by inserting a new section:

“(785) A person who reaches retirement under a Defined Contribution Pension Scheme shall from 1 March 2009 not be required to purchase an annuity unless they do not have an income equivalent to the Non-Contributory Old Age Pension prevailing at the time of retirement.”.

—Richard Bruton.

21. In page 51, between lines 16 and 17, to insert the following:

“(3) Upon the passing of this Act all tax exemptions and incentives for private hospitals and private nursing homes shall cease to have effect.”.

—Arthur Morgan.

22. In page 52, to delete lines 1 to 21 and substitute the following:

“20.—Section 26 of the Finance Act 2008 is repealed.”.

—Arthur Morgan.

23. In page 53, line 35, after “area” to insert the following:

“and where the relocation programme has been certified by the Revenue Commissioners to involve a level of tax relief that does not confer unreasonable gains in comparison to the social benefits conferred by releasing the lands”.

—Richard Bruton.

24. In page 53, lines 45 and 46, to delete all words from and including “and” in line 45, down to including “as” in line 46 and in page 54 to delete lines to delete lines 1 to 9.

—Richard Bruton.

25. In page 63, line 10, to delete “23 per cent” and substitute “22 per cent”.

—Richard Bruton.

26. In page 73, to delete line 39 and substitute the following:

“33.—(1) The Minister shall, upon the passing of this Act, undertake a comprehensive review and cost-benefit analysis of the implications of this tax credit and have the findings considered by the Joint Committee on Enterprise, Trade and Employment.

(2) The Principal Act is amended—”.

—Arthur Morgan.

27. In page 76, to delete lines 6 to 20 and substitute the following:

“ ‘Threshold amount’ means a baseline of zero spending on research and development as and from the start of the tax year 2009;”.

—Richard Bruton.

28. In page 98, after line 47, to insert the following:

“Non-resident tax exiles.

42.—The Minister shall prepare an annual report under this section on non-resident tax exiles stating the numbers of such persons and amount of tax foregone as a result of their availing of tax exile status.”.

—Joan Burton.

29. In page 98, after line 47, to insert the following:

“Private Hospitals.

42.—All tax incentives for new private hospitals shall cease to have effect as and from the passing of this Act without prejudice to any tax benefit already accrued to any person.”.

—Joan Burton.

30. In page 100, line 14, after “2008” to insert the following:

“except in the case of disposals arising from compulsory purchase orders, it shall apply to disposals, on which the order was confirmed on or after 15th October”.

—Richard Bruton.

31. In page 108, to delete lines 10 to 13 in column 2 of the table and substitute the following:

“€250.00 per thousand”.

—Arthur Morgan.

32. In page 108, to delete line 33 and substitute the following:

“55.—(1) 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 air travel tax.

(2) In this section—”.

—Arthur Morgan.

33. In page 111, line 41, to delete “shall cease to have effect” and substitute “is repealed”.

—Joan Burton.

34. In page 116, line 30, to delete “33” and substitute “20”.

—Richard Bruton.

35. In page 120, line 35, to delete “1 January 2010” and substitute “1 January 2011”.

—Richard Bruton.

36. In page 122, to delete lines 20 to 22.

—Joan Burton, Richard Bruton.

37. In page 122, line 21, to delete “21.5 per cent” and substitute “19 per cent”.

—Arthur Morgan.

38. In page 124, between lines 16 and 17, to insert the following:

“Impact of VAT increase.

74.—The Minister shall publish an annual report on the economic impact and the impact on competition of the current VAT rates, particularly vis-a-vis Ireland and the UK.”.

—Joan Burton.

39. In page 126, between lines 17 and 18, to insert the following:

“Social Loan Fund.

78.—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.

40. In page 126, between lines 17 and 18, to insert the following:

“Anti-avoidance.

78.—The Minister for Finance shall prepare an annual report on the use of devices which enable the avoidance of stamp duty in respect of certain property transactions by builders and property developers, including the annual cost to the exchequer of such avoidance in terms of tax revenue foregone.”.

—Joan Burton.

41. In page 126, between lines 17 and 18, to insert the following:

“Financial instruments.

78.—The Minister for Finance shall prepare an annual report on the imposition of stamp duty at a low level as applies on shares, derivatives, contracts for difference and other recently innovated exchange traded or other financial products.”.

—Joan Burton.

42. In page 136, between lines 24 and 25, to insert the following:

“Exchequer accounting.

92.—The annual charge for the bank guarantee shall be brought within the scope of published exchequer accounts and budget forecasts and shall be earmarked as a contingency fund for 2010.”.

—Joan Burton.

43. In page 136, between lines 24 and 25, to insert the following:

“Power to obtain information from Private Residential Tenancies Board.

92.—Chapter 4 of Part 38 of the Principal Act is amended by inserting the following after section 910—

“Power to obtain information from Private Residential Tenancies Board.

910A.—(1) In this section—

‘Act of 2004’ means the Residential Tenancies Act 2004;

‘Board’ means the Private Residential Tenancies Board established under the Act of 2004.

(2) For the purposes of the assessment, charge, collection and recovery of any tax or duty placed under their care and management, the Revenue Commissioners may, by notice in writing, request the Board to provide them with such information contained in the register maintained by the Board under section 127 of the Act of 2004 as the Revenue Commissioners may specify in the notice and the Board shall provide such information as may be so specified.

(3) The Revenue Commissioners may nominate any of their officers to perform any acts and discharge any functions authorised by this section to be performed or discharged by the Revenue Commissioners.

(4) The provisions of this section are in addition to and not in substitution for the provisions of section 148 ('Provision of details of tenancy to Revenue Commissioners') of the Act of 2004."".

—Joan Burton.

44. In page 136, between lines 24 and 25, to insert the following:

“Amendment of Taxes Consolidation Act 1997. 92.—Section 847A of the Taxes Consolidation Act 1997 (as inserted by Finance Act 2002 s.41) is amended—

(i) in subsection (1) by amending the definition of “relevant donation” by inserting—

“(in respect of capital projects) or subsection (5A) (in respect of non-capital projects in categories which have been set in regulations by the Minister for Finance)” after the reference to “subsection (5)”;

(ii) by inserting a new subsection after subsection (5):

“(5A) A donation shall satisfy the requirements of this subsection if

- (a) it is made to the approved sports body for the sole purpose of funding non-capital expenditure which is directed at the advancement of sport,
- (b) it is or will be applied by the approved sports body for that purpose,
- (c) apart from this section, it is neither deductible in computing for the purposes of tax the profits or gains of a trade or profession nor an expense of management deductible in computing the total profits of a company,
- (d) it is not a relevant donation to which section 848A applies,
- (e) it is not subject to a condition as to repayment,
- (f) neither the donor nor any person connected with the donor receives, either directly or indirectly, a benefit in consequence of making the donation, including, in particular, a right to membership of the approved sports body or a right to use the facilities of that body,
- (g) it is not conditional on or associated with, or part of an arrangement involving, the acquisition of property by the approved sports body, otherwise than by way of gift, from the donor or a person connected with the donor, and
- (h) in the case of a donation made by an individual, the individual—
 - (i) is resident in the State for the relevant year of assessment,

(ii) has (except in the case of an individual referred to in subsection (9)) given an appropriate certificate in relation to the donation to the approved sports body, and

(iii) has (except in the case of an individual referred to in subsection (9)) paid the tax referred to in such appropriate certificate and is not entitled to claim a repayment of that tax or any part of that tax.”.”.

—Richard Bruton, Terence Flanagan.

45. In page 141, line 11, after “stated,” to insert “such amendment or repeal”.

—Joan Burton.

46. In page 156, line 4, after “then” to insert the following:

“unless otherwise agreed in writing by the Collector General”.

—Joan Burton.