



SEANAD ÉIREANN

AN BILLE AIRGEADAIS 2010 FINANCE BILL 2010

MOLTAÍ COISTE COMMITTEE RECOMMENDATIONS

[This Bill is listed on the Seanad Schedule for all Stages today. Accordingly, this list of recommendations is circulated in advance of the conclusion of the Second Stage. 24-03-2010]

SEANAD ÉIREANN

AN BILLE AIRGEADAIS 2010 —AN COISTE

FINANCE BILL 2010 —COMMITTEE STAGE

Moltaí Coiste *Committee Recommendations*

** Government amendments are distinguished by an asterisk.*

SECTION 1

* 1. In page 11, line 14, to delete “one month” and substitute “three months”.

SECTION 2

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

“PART 2

TOBIN TAX

Tobin tax.

2.—The Minister shall within one month from the passing of this Act prepare and lay before Dáil Éireann a report on the potential for introducing a Financial Transaction Tax, a so-called “Tobin Tax”, at EU or global level in cooperation and consultation with the trading partners of the State including the likely effects on activity, employment and tax revenues in the International Financial Services Sector.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

SECTION 3

3. In page 11, before section 3, but in Chapter 2, to insert the following new section:

“Financial stimulus.

3.—The Minister shall commit to examine the introduction of a financial stimulus for a Jobs Creation Strategy, and a Household Stimulus Package for consumers, within the course of 2010.”.

—*Senator Pearse Doherty.*

SECTION 4

4. In page 13, before section 4, but in Chapter 3, to insert the following new section:

“Amendment of section 531A(1) of Principal Act.

4.—Section 531A(1) of the Taxes Consolidation Act 1997 is amended by the substituting of the following for the definition of “aggregate income”:

[SECTION 4]

“ ‘aggregate income for the year of assessment’, in relation to an individual and a year of assessment, means the aggregate of the individual’s relevant emoluments in the year of assessment, including relevant emoluments that are paid in whole or in part for a year of assessment other than the year of assessment during which the payment is made, and relevant income for the year of assessment, but excluding any amounts paid by an employer under Section 787E(1) and Section 787E(2).”.

—*Senator Liam Twomey.*

5. In page 13, before section 4, but in Chapter 3, to insert the following new section:

“4.—The Principal Act is amended—

- (a) in section 238(2) by the insertion after “yearly interest of money” of “and apart from any period payments made to a plaintiff by means of compensation or damages for any wrong or injury referred suffered by an individual in his or her person or in his or her profession”, and
- (b) in section 613(1)(c) after “profession” insert “, whether by once-off lump sum or by way of periodical payment”.”.

—*Senator Joe O’Toole.*

6. In page 13, before section 4, but in Chapter 3, to insert the following new section:

“Examine new tax rate.

4.—The Minister shall commit to examine the introduction of a new higher rate of tax on income in excess of three times the average industrial wage before the end of 2010.”.

—*Senator Pearse Doherty.*

SECTION 7

7. In page 15, after line 51, to insert the following:

“(ia) for the year of assessment 2010 and subsequent years of assessment up to and including the year of assessment 2013 in respect of qualifying interest paid in respect of a qualifying loan taken out on or after 1 January 2003 and before 1 January 2004.”.

—*Senator Liam Twomey.*

SECTION 12

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

“Standardising and abolishing tax reliefs.

12.—The Minister shall commit to examine the standardisation of all tax reliefs within the year 2010 with an aim of abolishing all remaining property-based tax reliefs and all those which do not serve a value to the exchequer or society, as proposed by the Commission on Taxation.”.

—*Senator Pearse Doherty.*

Section opposed.

—*Senator Pearse Doherty.*

[SECTION 21]

SECTION 21

9. In page 25, before section 21, to insert the following new section:

“Reliefs for Primary Care Centres.

21.—The Minister may, by regulations, and after consultation with the Minister for Health, introduce specific reliefs to help equip Primary Care Centres with appropriate diagnostic and treatment facilities where he is satisfied that they bring commensurate social benefits in the more effective provision of health services.”.

—*Senator Liam Twomey.*

SECTION 24

10. In page 27, before section 24, but in Chapter 3, to insert the following new section:

“Tax Refund for Retraining.

24.—The Minister shall report to the Dáil within 30 days of the enactment of this Act on proposals to introduce tax relief for costs incurred by unemployed persons in successfully completing certified training courses against income tax payments made by that person in the previous six years.”.

—*Senator Liam Twomey.*

11. In page 27, before section 24, but in Chapter 4, to insert the following new section:

“Tax incentives for Limerick regeneration.

24.—That the Minister will consider making available designated tax incentives for the Limerick regeneration project as already recommended in the Limerick regeneration masterplan and Mid-West task force report.”.

—*Senator Liam Twomey.*

12. In page 30, line 7, to delete “The Revenue Commissioners may” and substitute the following:

“Where the Revenue Commissioners are not satisfied with the information provided, or if they consider it is necessary to do so, they may”.

—*Senator Liam Twomey.*

13. In page 30, lines 14 to 24, to delete all words from and including “shall” in line 14 down to and including “trustees.” in line 24 and substitute the following:

“shall be recoverable by the Revenue Commissioners as a simple contract debt in any court of competent jurisdiction from the charity concerned.”.

—*Senator Liam Twomey.*

SECTION 26

14. In page 32, before section 26, to insert the following new section:

[SECTION 26]

“Application to
zoned lands.

26.—Section 644AB and 649B of the Taxes Consolidation Act 1997 shall not apply where a change in the zoning of lands was contained in a draft development plan or a draft local area plan published prior to 30 October 2009 and adopted after 30 October 2009. The zoning of lands in the draft development plan or a draft local area plan published prior to 30 October 2009 and adopted after 30 October 2009 shall be deemed to be the actual zoning of the land on 30 October 2009 for the purposes of section 644AB and 649B of the Taxes Consolidation Act 1997.”

—*Senators Liam Twomey, David Norris.*

SECTION 45

15. In page 76, subsection (1), between lines 22 and 23, to insert the following:

“(e) by inserting the following after subsection (12):

“(13) The provisions of this section shall apply to a sole trader in the same manner as they apply to a company.”.”

—*Senator Liam Twomey.*

SECTION 54

16. In page 90, subsection (1), between lines 22 and 23, to insert the following:

“(b) in subsection (1)(a) in the definition of “group expenditure on research and development” by inserting the following after subparagraphs (i) and (ii):

“(iii) expenditure (in this section referred to as ‘relevant expenditure’) on research and development incurred by a company which is a member of a group in developing intellectual property within the meaning of section 291A that is transferred to a company incorporated in the State that complies with section 495 shall not be included in group expenditure on Research and Development in relation to that group. The relevant expenditure will be treated as a separate Research and Development activity distinct from all other R&D activities carried on by the group for the purposes of this section.”.”

—*Senators Liam Twomey, Paschal Donohoe.*

17. In page 92, subsection (1), between lines 17 and 18, to insert the following:

“(k) by inserting after subsection (5):

“(6) Except in the case of claims made by a company in respect of ‘relevant expenditure’ within the meaning of subsection (1)(a). No claim will be permissible where the company or any other person has made a claim in respect of the ‘relevant expenditure’.”.”

—*Senator Liam Twomey.*

SECTION 56

18. In page 95, before section 56, but in Chapter 5, to insert the following new section:

[SECTION 56]

“56.—Section 613 of the Principal Act is amended by inserting after subsection (1) a new subsection (1)(a):

“(1)(a) A gain accruing to a company (in this section referred to as the ‘transferor company’) on a disposal of intellectual property to another company (in this section referred to as the ‘transferee company’) is not a chargeable gain if:

- (i) the intellectual property is a specified intangible asset within the meaning of section 291A(1),
- (ii) the transferor company is a ‘qualified company’ in accordance with section 766(1)(a), and
- (iii) the transferee company is a company incorporated in the State that complies with section 495.”.

—*Senator Liam Twomey.*

SECTION 65

19. In page 102, subsection (1)(a)(i), to delete line 19.

—*Senator Liam Twomey.*

SECTION 71

20. In page 104, subsection (1)(a), line 29, after “electricity” to insert the following:

“including the generation of electricity from high efficiency combined heat and power as defined in the Energy (Miscellaneous Provisions) Act 2006”.

—*Senator Liam Twomey.*

21. In page 104, subsection (1)(b), line 31, after “processes” to insert “or mineralogical processes”.

—*Senator Liam Twomey.*

SECTION 82

22. In page 107, subsection (1)(b), line 27, after “processes” to insert “or mineralogical processes”.

—*Senator Liam Twomey.*

SECTION 88

23. In page 108, before section 88, but in Chapter 4, to insert the following new section:

“Head shop
licences.

88.—(1) A structure which is used as a head shop shall require a licence for lawful operation.

(2) The Minister shall by regulations set a fee for the acquisition of a licence under *subsection (1)* which fee shall not be less than €100,000.

(3) In this section:

[SECTION 88]

- (a) a head shop is a structure used for a business which consists to a significant degree of selling, hiring, exchanging, lending, displaying or demonstrating, or otherwise making accessible or available to the public, goods or services concerned with or for use in connection with the consumption of psychoactive drugs or the use of paraphernalia related to consumption of psychoactive drugs, or both,
- (b) a psychoactive drug, whether psychopharmaceutical or psychotropic, is a chemical substance that acts primarily upon the central nervous system to alter brain function, resulting in changes in perception, mood, consciousness or behaviour, and consumed primarily for recreational purposes, so as to alter consciousness.

(4) The definitions of head shop in *subsection (3)*:

- (a) do not apply to a structure used as a hospital or in connection with the provision of services by or on behalf of the Health Services Executive or by a person who is—
 - (i) a medical practitioner, pharmaceutical chemist, nurse or midwife and who is registered under the enactments governing his or her profession, or
 - (ii) a member of a designated profession within the meaning of the Health and Social Care Professionals Act 2005; and
- (b) do not apply to a structure by reason only of the fact that—
 - (i) the structure is a licensed premises (within the meaning of section 2 of the Intoxicating Liquor Act 2003), or
 - (ii) the structure is used as a business in which goods are available for retail sale and upon which a duty of excise is charged in accordance with law.”.

—*Senator Liam Twomey.*

SECTION 106

24. In page 152, before section 106, to insert the following new section:

“Vehicle
Registration
Provisions.

106.—The provisions of section 134(15) of the Finance Act 1992 shall be suspended pending a review to be carried out by the Minister on the impact section 134(15) will have on the car rental industry.”.

—*Senator Liam Twomey.*

SECTION 107

25. In page 152, to delete lines 10 to 16 and substitute the following:

“ ‘new vehicle’ means the following category A vehicle:

- (a) a vehicle that has not been registered or recorded under—
 - (i) section 131 of this Act or section 6 of the Roads Act 1920, or
 - (ii) a system for maintaining a record of vehicles and their ownership established by or on behalf of the government of another state,

[SECTION 107]

or

- (b) a 2010 registered vehicle that has been let on short-term car hire for a maximum period of up to six months;”.

—*Senator Liam Twomey.*

SECTION 112

26. In page 157, before section 112, but in Part 4, to insert the following new section:

“Increase in local government fund.

112.—The Minister commits to ensuring all revenue raised through the applicable following sections pertaining to VAT on local authorities as a result of Council Directive 2006/112/EC, shall be ringfenced for the Local Government Fund. This will allow local authorities to offset the VAT introduction with lower services charges.”.

—*Senator Pearse Doherty.*

SECTION 117

27. In page 160, line 21, after “scale” to insert the following:

“and is in direct competition with private sector providers”.

—*Senator Liam Twomey.*

28. In page 160, between lines 25 and 26, to insert the following:

“and in such cases as described in paragraph (a) and (b), the Minister shall issue regulations to clarify the exact coverage of VAT in respect of the services listed in Schedule 7.”.

—*Senator Liam Twomey.*

29. In page 160, between lines 33 and 34, to insert the following subsection:

“(2) The Minister shall within one month from the passing of this Act prepare and lay before Dáil Éireann a report on the estimate of the VAT likely to be charged by local and public authorities annually under this section and an estimate of the amount such authorities will be likely to recover in respect of their inputs.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

SECTION 118

30. In page 161, before section 118, to insert the following new section:

“Use of funds obtained from application of VAT to public authorities.

118.—The Minister shall by regulations, based on the anticipated level of additional VAT income resulting from the application of VAT to public authorities, provide for a corresponding reduction in VAT on meals in restaurants and similar establishments and on hotel and similar accommodation with effect from 1 July 2010.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

[SECTION 123]

SECTION 123

31. In page 166, lines 42 and 43, to delete “1 January 2010” and substitute “1 January 2011”.

—*Senator Liam Twomey.*

SECTION 135

32. In page 196, before section 135, to insert the following new section:

“Residential
Property Price
Records.

135.—The Minister shall, on a quarterly basis, publish a report on residential property prices recorded by the Revenue Commissioners in the collection of stamp duty.”.

—*Senator Liam Twomey.*

SECTION 145

33. In page 201, before section 145, to insert the following new section:

“Cross party and
community
economic strategy
group.

145.—The Minister will establish within the course of 2010 a new cross party and community economic group which will produce a Jobs Strategy and Economic Recovery plan.”.

—*Senator Pearse Doherty.*

Section opposed.

—*Senator Pearse Doherty.*

SECTION 149

34. In page 210, before section 149, to insert the following new section:

“Uncommenced
Finance legislation.

149.—The Minister shall within one month from the passing of this Act prepare and lay before Dáil Éireann a report on the provisions of the Taxes Acts which have not been brought into operation due to the failure by the Minister to make a commencement order, and particulars of whether and if so when such an order is intended to be made.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

35. In page 210, before section 149, to insert the following new section:

“Review of NAMA
Act by Oversight
Committee.

149.—The following section is inserted in the National Asset Management Agency Act 2009 after section 1:

“1A.—(1) For the purposes of this Act, ‘the Oversight Committee’ shall mean a committee of the Houses of the Oireachtas, or a sub-committee thereof so enjoined and appointed by a Resolution of the Houses, consisting of specified persons not being members of the Houses of the Oireachtas to report to the Houses of the Oireachtas every 30 days on the operation of this Act and the activities of NAMA.

(2) The Minister, NAMA, and any other body or person having functions under this Act shall be required to co-operate with the Oversight Committee in the performance of its functions.”.

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast,*

Ivana Bacik, Dominic Hannigan.

36. In page 210, before section 149, to insert the following new section:

“Reports by NAMA. 149.—The following section is inserted in the National Asset Management Agency Act 2009 after section 2:

“2A.—Every 6 months NAMA shall report to the Houses of the Oireachtas setting out details of its operation including the identities of the owners of, and particulars (including value) of, any assets acquired by it during the period in question valued at over €100,000 and including a Corporate Operational Plan and Budget.”.”

—*Senators Alex White, Michael McCarthy, Brendan Ryan, Phil Prendergast, Ivana Bacik, Dominic Hannigan.*

SECTION 153

37. In page 233, lines 41 and 42, to delete “or may fail to comply”.

—*Senator Liam Twomey.*

SECTION 154

38. In page 235, before section 154, to insert the following new section:

“Operations of NAMA. 154.—The following section is inserted in the National Asset Management Agency Act 2009 after section 2:

“2A.—In the first year of its establishment, NAMA shall report to the Houses of the Oireachtas quarterly and set out a detailed report of its activities. All purchases acquired by NAMA will be put before a sub-committee of the Houses of the Oireachtas, established on a cross party basis, which will examine and make recommendations for NAMA’s portfolio based on economic and societal needs.”.”

—*Senator Pearse Doherty.*

SECTION 155

39. In page 236, before section 155, to insert the following new section:

“Financial remuneration of NAMA board members. 155.—The Minister will be required to place all decisions relating to the remuneration of NAMA board members before the Houses of the Oireachtas for approval.”.

—*Senator Pearse Doherty.*