



# **SEANAD ÉIREANN**

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## **AN BILLE AIRGEADAIS, 2012 FINANCE BILL 2012**

### **MOLTAÍ COISTE COMMITTEE RECOMMENDATIONS**

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# SEANAD ÉIREANN

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## AN BILLE AIRGEADAIS, 2012 —AN COISTE

### FINANCE BILL 2012 —COMMITTEE STAGE

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#### *Moltaí Coiste* *Committee Recommendations*

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#### SECTION 2

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

“2.—The Minister shall within six months from the passing of this Act prepare and lay before Dáil Éireann a report detailing the financial impact of all measures contained in this Act on the general population by income group broken down by decile including all categories of earners including PAYE, self-employed and social welfare recipients and by household income type broken down by decile based on gross household income.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

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

“2.—The Minister shall within one month from the passing of this Act prepare and lay before Dáil Éireann a report detailing the arguments for and against the introduction of a comprehensive asset tax otherwise known as a wealth tax, the report shall include consideration of methods for the the collation of data necessary for the assessment of such a tax; definitions of categories of wealth to be included in such a tax; issues involved in the assessment and collection of the proposed tax; and question regarding the potential revenue raised at various rates of taxation.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

3. In page 11, before section 2, but in Chapter 1, to insert the following new section:

“2.—The Minister shall, within one month of the passing of this Act, prepare and lay before Dáil Éireann a report detailing the financial impact arising from the possible future introduction of a third band of income tax of 48 per cent on individuals’ income over €100,000.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

4. In page 11, before section 2, but in Chapter 1, to insert the following new section:

“2.—The Minister shall, within one month of the passing of this Act, prepare and lay before Dáil Éireann a report detailing the arguments for and against the idea of a system of refundable tax credits for low income earners.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

[ SECTION 2 ]

5. In page 11, before section 2, but in Chapter 1, to insert the following new section:

“Cost benefit analysis of tax expenditures.

2.—The Minister shall within 3 months from the passing of this Act prepare and lay before Dáil Éireann a report on a cost-benefit analysis of tax expenditures provided for by this Act, setting out the costs of tax foregone, and the benefits in terms of job creation or otherwise.”.

—*Senator Thomas Byrne.*

6. In page 11, before section 2, but in Chapter 1, to insert the following new section:

“Examination of certain pay levels.

2.—The Minister for Finance shall within 3 months of the passing of this Act, prepare and lay before Dáil Éireann a report on the remuneration and severance arrangements at institutions covered by the eligible liabilities guarantee.”.

—*Senator Thomas Byrne.*

7. In page 11, before section 2, but in Chapter 1, to insert the following new section:

“2.—The Minister shall commit to examining the introduction of a range of measures to stimulate activity within the market for repair, maintenance and improvement of private dwellings, within the course of 2012.”.

—*Senator Thomas Byrne.*

8. In page 11, before section 2, but in Chapter 1, to insert the following new section:

“2.—(1) On or before the end of each tax year the Minister for Finance shall set out the total amount of each of the following categories of public expenditure as a percentage of the total voted and non-voted current and capital expenditure for that tax year—

- (a) voted capital expenditure,
- (b) non-voted capital expenditure,
- (c) total voted and non-voted current expenditure on pay and pensions,
- (d) voted and non-voted current expenditure (non-pay) for Department of Social Protection,
- (e) voted and non-voted current expenditure (non-pay) for Department of Health,
- (f) voted and non-voted current expenditure (non-pay) for Department of Education,
- (g) voted and non-voted current expenditure (non-pay) for Department of Justice, Equality and Law Reform,
- (h) voted and non-voted current expenditure (non-pay) for Department of Agriculture,

[ SECTION 2 ]

- (i) voted and non-voted current expenditure (non-pay) for Department of Jobs, Enterprise and Innovation,
- (j) voted and non-voted current expenditure (non-pay) for Department of Children and Youth Affairs,
- (k) interest,
- (l) all other voted and non-voted expenditure not included in the above categories.

(2) The Revenue Commissioners shall issue a communication, as soon as possible thereafter, to each taxpayer in the State setting out the following:

- (a) the amount of income tax and universal social charge paid for the latest full tax year by the taxpayer;
- (b) a percentage breakdown of the income tax and universal social charge paid by the taxpayer in pie-chart form, according to the categories set out in *subsection (1)*.

—*Senator Thomas Byrne.*

9. In page 12, subsection (2), line 29, to delete “ “€10,036” ” and substitute “ “€17,000” ”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

10. In page 12, between lines 29 and 30, to insert the following subsection:

“(3) The Minister shall, as soon as may be after the passing of this Act, prepare and lay before Dáil Éireann a report detailing the implications of changes to the USC including its abolition and discussing options for raising an equivalent amount of revenue from other measures not yet enacted in legislation.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 7

*Section opposed.*

—*Senators Thomas Byrne.*

SECTION 8

*Section opposed.*

—*Senators Sean D. Barrett, Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 9

11. In page 24, between lines 9 and 10, to insert the following:

“(f) The Minister shall within one month from the passing of the Act prepare and lay before Dáil Éireann a report detailing the issues involved in any possible restructuring of Mortgage Interest Relief to target its use on those households experiencing mortgage distress including non-first time buyers and those who purchased their homes outside the qualifying period and to explore options to recoup revenue lost to the State from the lending institutions.”.

[ SECTION 9 ]

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 12

12. In page 26, between lines 30 and 31, to insert the following:

“(4) The Minister shall, within one year of the passing of this Act, prepare and lay before Dáil Éireann a report detailing the volume of relief sought and secured under this section and the increased volume of trade in the relevant states secured during the period of time for which the relief was claimed.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

13. In page 26, line 43, to delete “income, profits or gains.” and substitute the following:

“income, profits or gains.

(6) As part of the assessment for eligibility for the relief outlined in this section the authorised officer shall request evidence that the period of time for which the relief is claimed resulted in a clear and demonstrable increase in the volume of trade in the relevant state. The Minister shall set out by ministerial order the basis on which the authorised officer shall request and assess this evidence before making a determination on the claim for relief.”.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

*Section opposed.*

—*Senator Sean D. Barrett.*

SECTION 14

*Section opposed.*

—*Senators Sean D. Barrett, Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 16

*Section opposed.*

—*Senator Sean D. Barrett.*

SECTION 17

14. In page 36, line 12, to delete “ending in 2015;” and substitute “ending in 2013;”.

—*Senator Sean D. Barrett.*

15. In page 36, line 20, to delete “ending in 2015;” and substitute “ending in 2013;”.

—*Senator Sean D. Barrett.*

16. In page 36, to delete line 26 and substitute the following:

“(b) the tax year 2013;”.

—*Senator Sean D. Barrett.*

SECTION 18

*Section opposed.*

[ SECTION 18 ]

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 24

**17.** In page 87, before section 24, to insert the following new section:

“24.—The Principle Act is amended such that section 481 is deleted.”.

—*Senator Sean D. Barrett.*

[*Acceptance of this recommendation involves the deletion of section 24 of the Bill.*]

SECTION 25

*Section opposed.*

—*Senator Sean D. Barrett.*

SECTION 27

**18.** In page 90, before section 27, to insert the following new section:

“27.—Part 29 of the Principal Act is amended in Chapter 2 by the deletion of sections 766 and 766A with application to the accounting period on or after 1 January 2012.”.

—*Senator Sean D. Barrett.*

[*Acceptance of this recommendation involves the deletion of section 27 of the Bill.*]

SECTION 46

*Section opposed.*

—*Senator Sean D. Barrett.*

SECTION 68

*Section opposed.*

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 69

*Section opposed.*

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 81

*Section opposed.*

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 83

**19.** In page 171, lines 21 and 22, to delete all words from and including “, and” in line 21, down to and including “€500” in line 22.

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

**20.** In page 171, subsection (2), line 48, after “order” to insert “but no later than 1 April 2012”.

[ SECTION 83 ]

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh.*

SECTION 87

*Section opposed.*

—*Senators Kathryn Reilly, David Cullinane, Trevor Ó Clochartaigh, Thomas Byrne.*

SECTION 105

**21.** In page 186, to delete lines 20 and 21 and substitute the following:

“(b) €285 in respect of an insured person aged 18 to 60 years, and

(c) €95 in respect of an insured person aged 60 years or over.”.

—*Senator Sean D. Barrett.*

**22.** In page 186, to delete lines 28 and 29 and substitute the following:

“(b) aged 18 to 60 years on 1 January in the accounting period, and

(c) aged 60 years or over on 1 January in the accounting period,”.

—*Senator Sean D. Barrett.*

SECTION 134

**23.** In page 221, between lines 21 and 22, to insert the following subsection:

“(3) Section 1031O of the Taxes Consolidation Act 1997, as inserted by the Finance (No.3) Act 2011, is amended by substituting the following for subsection (1):

“(1) Notwithstanding any other provision of the Capital Gains Tax Acts, where by virtue or in consequence of an order made under Part 12 of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010, on or following:

(a) the granting of a decree of dissolution, or

(b) a dissolution deemed under section 5(4) of that Act to be a dissolution under section 110 of that Act, or

(c) An agreement, arrangement, or any other act giving rise to a legally enforceable obligation and made or done in consideration or in consequence of the dissolution or annulment of a civil partnership,

either of the civil partners concerned disposes of an asset to his or her civil partner, then, subject to subsection (3), both civil partners shall be treated for the purpose of the Capital Gains Tax Acts as if the asset was acquired from the civil partner making the disposal for a consideration of such amount as would secure that on the disposal neither a gain nor a loss would accrue to the civil partner making the disposal.”.

—*Senators Katherine Zappone, Fiach Mac Conghail, Jillian van Turnhout.*