



# **DÁIL ÉIREANN**

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**AN BILLE AIRGEADAIS, 2013  
FINANCE BILL 2013**

**LEASUITHE COISTE  
COMMITTEE AMENDMENTS**

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# DÁIL ÉIREANN

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## AN BILLE AIRGEADAIS, 2013 —ROGHFHOCHOISTE

## FINANCE BILL 2013 —SELECT SUB-COMMITTEE

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### *Leasuithe Amendments*

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[*The page and line references in this list of amendments refer to the line numbers as printed in the Bill as initiated.*]

#### SECTION 1

1. In page 9, between lines 20 and 21, to insert the following subsection:

“(2) The Minister shall, within one month of the passing of this Act, prepare and lay before Dáil Éireann a report on options available for the introduction of a rate of universal social charge of 10 per cent on individuals’ income over €100,000.”

—Michael McGrath.

#### SECTION 3

2. In page 10, lines 20 to 23, to delete all words from and including “, or” in line 20 down to and including “€60,000” in line 23 and substitute “and has an aggregate income that exceeds €65,000”.

—Richard Boyd Barrett.

3. In page 10, lines 30 and 31, to delete “does not exceed €60,000” and substitute “exceeds €65,000”.

—Richard Boyd Barrett.

4. In page 10, between lines 39 and 40, to insert the following:

“(c) notwithstanding subsection (1) and the table to this section, where an individual has a relevant income that exceeds €150,000, the individual shall, instead of being charged the universal social charge on the amount of the excess provided for in column 2 of that table, be charged on the amount of the excess at the rate of 12 per cent,

(d) notwithstanding subsection (1) and the table to this section, where an individual has a relevant income that exceeds €180,000, the individual shall, instead of being charged the universal social charge on the amount of the excess provided for in column 2 of that table, be charged on the amount of the excess at the rate of 14 per cent,

(e) notwithstanding subsection (1) and the table to this section, where an individual has a relevant income that exceeds €200,000, the individual shall, instead of being charged the universal social charge on the amount of the excess provided for in column 2 of that table, be charged on the amount of the excess at the rate of 15 per cent,

[ SECTION 3 ]

- (f) notwithstanding subsection (1) and the table to this section, where an individual has a relevant income that exceeds €250,000, the individual shall, instead of being charged the universal social charge on the amount of the excess provided for in column 2 of that table, be charged on the amount of the excess at the rate of 17 per cent,
- (g) notwithstanding subsection (1) and the table to this section, where an individual has a relevant income that exceeds €350,000, the individual shall, instead of being charged the universal social charge on the amount of the excess provided for in column 2 of that table, be charged on the amount of the excess at the rate of 20 per cent.”.

—Richard Boyd Barrett.

SECTION 5

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

“5.—The Minister shall within 3 months of the passing of this Act prepare and lay before Dáil Éireann an analysis of the tax increases in this Act, and the total of tax increases and spending cuts of Budget 2013, setting out the continuing impact on people based on their gender, income, age, marital and disability status.”.

—Pearse Doherty.

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

“5.—The Minister shall, within one month of the passing of this Act, prepare and lay before Dáil Éireann a report on options available for the introduction of a third band of income tax of 48 per cent on individuals’ income over €100,000.”.

—Pearse Doherty.

7. In page 11, between lines 24 and 25, to insert the following:

“(c) the provisions in this section will not be enacted until the passing of a commencement order from the Minister, which will be pending the review of R & D tax credits to be undertaken post March 2013.”.

—Pearse Doherty.

SECTION 8

*Section opposed.*

—Michael McGrath, Pearse Doherty.

SECTION 9

8. In page 13, before section 9, to insert the following new section:

9.—Section 244 of the Principal Act is amended by inserting the following after subsection (6):

“(7) This subsection shall apply to a loan taken out and used by an individual—

“Amendment of section 244 (relief for interest paid on certain home loans) of Principal Act.

[ SECTION 9 ]

- (a) on or after 1 January 2012 and on or before 31 December 2012 solely for the purpose of defraying money employed in the purchase of an estate or interest in the land referred to in paragraph (b) and in respect of which the permission in subsection (10) applies but only where a residential premises, which is a qualifying residence in relation to that individual, is constructed on that land, or
- (b) on or after 1 January 2012 and on or before 31 December 2013 solely for the purpose of defraying money employed in the construction of a residential premises which is a qualifying residence in relation to that individual on land—
  - (i) in respect of which he or she has, on or after 1 January 2012 and on or before 31 December 2012, acquired an estate or interest, and
  - (ii) the acquisition of which was financed by way of the loan referred to in paragraph (a).

(8) This subsection shall apply to a loan in respect of which there was in place, on or after 1 January 2012 and on or before 31 December 2012, an agreement evidenced in writing to provide that loan to an individual and—

- (a) part of that loan is used in the period 1 January 2012 to 31 December 2012, and
- (b) the balance of that loan is used in the period 1 January 2013 to 31 December 2013,

by that individual solely for the purpose of defraying money employed in the repair, development or improvement of a residential premises which is a qualifying residence in relation to that individual.

(9) Any loan to which subsection (7) or (8)(b) applies shall, for the purposes of this section, be deemed to be a qualifying loan taken out on or after 1 January 2012 and on or before 31 December 2012.

(10) Relief shall not be granted in respect of interest paid on any loan to which subsection (7) or (8) applies unless any permission required under the Planning and Development Act 2000 was granted on or before 31 December 2012 in respect of such construction, repair, development or improvement, as appropriate, and such permission has not ceased to exist.”.”.

—An tAire Airgeadais.

SECTION 10

*Section opposed.*

—Richard Boyd Barrett, Michael McGrath.

SECTION 11

9. In page 14, line 45, after “former employee” to insert the following:

“who holds or has held an office or employment the profits or gains from which are or were chargeable to tax under Schedule E or under Case III of Schedule D”.

[ SECTION 11 ]

—An tAire Airgeadais.

- 10.** In page 15, lines 28 and 29, to delete “becomes an employee of that employer —” and substitute the following:

“first holds with that employer an office or employment the profits or gains from which are chargeable to tax under Schedule E or under Case III of Schedule D—”.

—An tAire Airgeadais.

- 11.** In page 15, line 36, after “tax” to insert the following:

“or is not liable in a territory with the government of which arrangements are for the time being in force by virtue of section 826(1) (or in a territory with the government of which arrangements have been made which on completion of the procedures set out in section 826(1) will have the force of law) to a tax that corresponds to income tax”.

—An tAire Airgeadais.

- 12.** In page 17, line 10, after “employee” to insert the following:

“who holds or has held an office or employment the profits or gains of which are or were chargeable to tax under Schedule E or under Case III of Schedule D”.

—An tAire Airgeadais.

SECTION 12

- 13.** In page 19, paragraph (j), to delete line 35.

—Pearse Doherty.

SECTION 13

- 14.** In page 20, to delete line 28 and substitute the following:

“payment.

- (c) (i) Notwithstanding subparagraph (i) of paragraph (a) the amount of €200,000 referred to in that subparagraph shall be reduced by an amount equal to the aggregate amount of all payments, exempted from income tax by virtue of that subparagraph, which were paid before or at the same time as the making of the payment to which that subparagraph refers.

- (ii) Where two or more payments to which subparagraph (i) of paragraph (a) applies are made to or in respect of the same person in respect of the same office or employment, or in respect of different offices or employments, for the purposes of that subparagraph this subparagraph shall apply as if those payments were a single payment of the aggregate amount of all such payments, and the provisions of subparagraph (i) of paragraph (a) shall apply to that single payment accordingly.”.

—An tAire Airgeadais.

SECTION 16

- 15.** In page 21, before section 16, to insert the following new section:

[ SECTION 16 ]

“16.—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 provision of early access to pension benefits in certain limited circumstances including employer paid contributions, regular employee contributions, self-employed personal pensions and Personal Retirement Savings Accounts.”

—Michael McGrath.

**16.** In page 21, subsection (1), between lines 29 and 30, to insert the following:

“(a) in section 770(3) by substituting “Schedules 23 and 23C” for “Schedule 23”.”

—An tAire Airgeadais.

**17.** In page 21, subsection (1), between lines 29 and 30, to insert the following:

“(a) In section 770 by deleting the words “on retirement or” from paragraph (a) of the definition of “retirement benefits”.”

—Michael McGrath.

**18.** In page 21, to delete lines 32 to 41 and substitute the following:

““(3I) A retirement benefits scheme shall not cease to be an approved scheme where the trustees of the scheme, notwithstanding anything contained in the rules of the scheme as approved, allow a member or, as the case may be, where the scheme is subject to a pension adjustment order, the spouse or former spouse or civil partner or former civil partner of the member, to avail of an option in accordance with section 782A.””

—An tAire Airgeadais.

**19.** In page 22, line 10, to delete “trustees determine” and substitute “administrator determines”.

—An tAire Airgeadais.

**20.** In page 22, to delete lines 47 to 50 and substitute the following:

“ ‘administrator’, in relation to an AVC fund, means the person or persons having the management of the scheme to which the relevant AVC contributions comprising the AVC fund have been made or, as the case may be, the PRSA administrator;”

—An tAire Airgeadais.

**21.** In page 25, between lines 42 and 43, to insert the following:

“(5) The administrator shall also deduct the applicable rate of USC and PRSI to the amount transferred.”

—Pearse Doherty.

**22.** In page 26, lines 8 to 26, to delete subsection (2).

—Pearse Doherty.

**23.** In page 26, to delete lines 29 to 42 and substitute the following:

[ SECTION 16 ]

“(2C) A PRSA product (within the meaning of Part X of the Pensions Act 1990) approved under section 94 of that Act, shall not cease to be an approved product where, notwithstanding anything contained in the terms of the product as approved, the PRSA administrator makes an amount available from the PRSA assets to the PRSA contributor or, as the case may be, where the PRSA is subject to a pension adjustment order, to the spouse or former spouse or civil partner or former civil partner of the PRSA contributor (in this subsection referred to as the ‘relevant individual’) on foot of the relevant individual availing of an option in accordance with section 782A.”.

—An tAire Airgeadais.

24. In page 26, line 48, to delete “7 working days” and substitute “15 working days”.

—An tAire Airgeadais.

25. In page 27, line 22, to delete “7 working days” and substitute “15 working days”.

—An tAire Airgeadais.

26. In page 27, to delete lines 43 to 45 and substitute the following:

“ “non ring-fenced amount”, in relation to a vested PRSA, means the amount or value of assets in the vested PRSA that the PRSA administrator can make available to, or pay to, the PRSA contributor or to any other person;”.

—An tAire Airgeadais.

27. In page 28, subsection (6)(b), to delete lines 22 to 29 and substitute the following:

“(b) Where on or after 6 February 2011 and before the date of passing of this Act one or more than one relevant option is exercised by an individual, or an individual has one or more than one vested PRSA, and in the exercise of the relevant option or options or in the vesting of the PRSA or PRSAs, an amount or value of assets is transferred to an approved minimum retirement fund (by way of one or more than one transfer) or, as the case may be, is a ring-fenced amount (in this paragraph referred to as the “relevant amount”, and where this term is used in the context of a ring-fenced amount it shall, where there is more than one ring-fenced amount, be construed as meaning the aggregate of the ring-fenced amounts), then where the individual—”.

—An tAire Airgeadais.

28. In page 28, subsection (6)(b)(i), line 30, to delete “€12,700” and substitute “€18,000”.

—Pearse Doherty.

29. In page 28, subsection (6)(b)(i), to delete lines 37 to 39 and substitute the following:

“(II) the ring-fenced amount or, as the case may be, each ring-fenced amount shall thereupon become a non ring-fenced amount;”.

—An tAire Airgeadais.

[ SECTION 16 ]

30. In page 28, subsection (6)(b)(ii), line 41, to delete “€12,700” and substitute “€18,000”.  
—Pearse Doherty.
31. In page 28, subsection (6)(b)(ii), line 43, to delete “€63,500” and substitute “€119,800”.  
—Pearse Doherty.
32. In page 28, subsection (6)(b)(ii)(I), line 46, to delete “€63,500” and substitute “€119,800”.  
—Pearse Doherty.
33. In page 29, subsection (6)(b)(ii), to delete lines 1 to 4 and substitute the following:  
“(II) the ring-fenced amount or, as the case may be, so much of each ring-fenced amount determined in accordance with *paragraph (c)* \* shall, to the extent of the excess of the relevant amount over €63,500 thereupon become a non ring-fenced amount.”.  
—An tAire Airgeadais.

[\*This is a reference to the paragraph proposed to be inserted by amendment No. 35.]

34. In page 29, subsection (6)(b)(ii)(II), line 2, to delete “€63,500” and substitute “€119,800”.  
—Pearse Doherty.
35. In page 29, subsection (6), between lines 4 and 5, to insert the following:  
“(c) For the purposes of giving effect to *paragraph (b)(ii)(II)*\*, where more than one vested PRSA has a ring-fenced amount the individual shall determine how much of each ring-fenced amount shall become a non ring-fenced amount.”.  
—An tAire Airgeadais.

[\*This is a reference to the clause proposed to be inserted by amendment No. 33.]

SECTION 17

*Section opposed.*

—Michael McGrath.

SECTION 18

36. In page 32, before section 18, to insert the following new section:

“18.—The Minister shall within one month from the passing of this Act prepare and lay before Dáil Éireann a report on options available for the introduction of a comprehensive asset tax otherwise known as a wealth tax, the report shall include options for the collation of data necessary for the assessment of such a tax, definitions of categories of wealth to be included in such a tax, proposals for the assessment and collection of the proposed tax and estimates of potential revenue raised at various rates of taxation.”.

—Pearse Doherty.

[ SECTION 21 ]

SECTION 21

**37.** In page 48, between lines 27 and 28, to insert the following subsection:

“(3) The Minister commits to examining and reviewing the Employment and Investment Incentive and Seed Capital Scheme in advance of Budget 2014, in particular with regard to its effect on employment levels and new jobs created.”.

—Pearse Doherty.

SECTION 24

**38.** In page 49, before section 24, to insert the following new section:

“24.—Section 825C of the Principal Act (as inserted by section 14 of the Finance Act 2012) is deleted.”.

—Pearse Doherty.

SECTION 25

**39.** In page 51, line 27, to delete “[FT — C] — T” and substitute “(FT — C) — TV”.

—An tAire Airgeadais.

SECTION 29

*Section opposed.*

—Pearse Doherty.

SECTION 30

**40.** In page 67, subsection (1)(h), line 31, to delete “subsection” and substitute “section”.

—An tAire Airgeadais.

*Section opposed.*

—Pearse Doherty.

SECTION 32

**41.** In page 75, before section 32, to insert the following new section:

“32.—The Minister shall, within three months of the passing of this Act, prepare and lay before Dáil Éireann a report on the effective rate of tax charged to businesses in this State, analyse the impact the *Finance Act 2013* will have on helping businesses to lower their effective tax rate, or in fact increase it, and set out the impact on the Exchequer and businesses of increasing the minimum effective corporation tax rate by 1 per cent.”.

—Pearse Doherty.

SECTION 33

**42.** In page 76, before section 33, to insert the following new section:

33.—(1) Section 486C of the Principal Act is amended—

[ SECTION 33 ]

“Amendment of section 486C (relief from tax for certain start-up companies) of Principal Act.

- (a) in subsection (2)(a) by substituting “at any time” for “in at any time”,
- (b) by substituting the following for subsection (3):

“(3) Where a company carries on a qualifying trade in an accounting period falling partly within the relevant period in relation to that qualifying trade, then, for the purposes of this section, the income from the qualifying trade for that accounting period shall be the amount of the income of the qualifying trade for that part of the accounting period and that part of the accounting period shall be treated as a separate accounting period.”

- (c) in subsection (4)(a) by deleting “wholly or partly”,
- (d) in subsection (4)(b) by deleting “wholly or partly”,
- (e) in subsection (4)(c) by substituting “For the purposes of this subsection and subsection (4A)” for “For the purposes of this subsection”,
- (f) in subsection (4)(d) by substituting “For the purposes of this subsection and subsection (4A)” for “For the purposes of this subsection”,
- (g) by inserting the following after subsection (4):

“(4A) (a) In this subsection—

‘accounting period following the relevant period’, in relation to a company carrying on a qualifying trade, means an accounting period commencing on a date which occurs after the expiry of the relevant period in relation to the qualifying trade;

‘corporation tax referable to the qualifying trade’, in relation to an accounting period of a company, means the corporation tax payable by the company for the accounting period, so far as it is referable to—

- (i) income from the qualifying trade for that accounting period, and
  - (ii) chargeable gains on the disposal of relevant assets in relation to the trade in that accounting period.
- (b) (i) Where for an accounting period of a company falling within the relevant period in relation to a qualifying trade carried on by the company—
- (I) the total corporation tax payable by the company for the accounting period does not exceed the lower relevant maximum amount, and
  - (II) the total contribution for the accounting period exceeds the corporation tax referable to the qualifying trade for that accounting period,

[ SECTION 33 ]

the amount (in paragraph (c) referred to as a ‘first relevant amount’) of the excess referred to in clause (II) shall be available to reduce, in accordance with this subsection, the corporation tax referable to the qualifying trade for an accounting period following the relevant period.

(ii) Where for an accounting period of a company falling within the relevant period in relation to a qualifying trade carried on by a company—

(I) the total corporation tax payable by the company for the accounting period exceeds the lower relevant maximum amount but does not exceed the upper relevant maximum amount, and

(II) the total contribution for the accounting period exceeds the corporation tax referable to the qualifying trade for that accounting period,

an amount (in paragraph (c) referred to as a ‘second relevant amount’) determined by the following formula:

$$[C - (3 \times (T - M) \times C/T)] - R$$

where—

C is the total contribution for the accounting period,

T is the total corporation tax payable by the company for the accounting period,

M is the lower relevant maximum amount, and

R is the amount of relief to which the company is entitled under subsection (4)(b) for the accounting period,

shall be available to reduce, in accordance with this subsection, the corporation tax referable to the qualifying trade for an accounting period following the relevant period.

(c) For the purposes of this subsection, the aggregate of all amounts which are—

(i) the first relevant amount, or

(ii) the second relevant amount,

if any, for each accounting period falling within the relevant period, shall be referred to as a ‘specified aggregate’.

(d) (i) Subject to paragraphs (e) and (f), where a company carries on a qualifying trade in an accounting period following the relevant period, the corporation tax referable to the qualifying trade for that accounting period shall be reduced by the specified aggregate.

[ SECTION 33 ]

(ii) Subject to paragraphs (e) and (f), where there is a reduction in the corporation tax for an accounting period following the relevant period by virtue of subparagraph (i) and the specified aggregate exceeds the amount of that reduction, the corporation tax referable to the qualifying trade for the next accounting period shall be reduced by the amount of that excess and so much of that excess as is not applied to reduce that corporation tax shall, in turn, be applied by the company to reduce the corporation tax referable to the qualifying trade for the succeeding accounting period and so on for each succeeding accounting period.

(e) As respects a qualifying trade carried on by a company, the amount by which the corporation tax referable to the qualifying trade for an accounting period following the relevant period may be reduced under this subsection shall not exceed the lesser of—

(i) such corporation tax, and

(ii) the total contribution,

for that accounting period.

(f) So much of a specified aggregate as is applied by a company to reduce corporation tax under this subsection shall be so applied only once.”

(h) in subsection (5) by substituting “subsections (4) and (4A)” for “subsection (4)”, and

(i) in subsection (7) by substituting “subsections (4) and (4A)” for “subsection (4)”.

(2) Paragraphs (e) to (i) of subsection (1) have effect as respects any first relevant amount or second relevant amount (both within the meaning of section 486C of the Principal Act (as amended by subsection (1))) for accounting periods ending on or after 1 January 2013.”

—An tAire Airgeadais.

[Acceptance of this amendment involves the deletion of section 33 of the Bill.]

43. In page 76, before section 33, to insert the following new section:

“33.—The Minister shall within 3 months of the passing of this Act prepare and lay before Dáil Éireann an analysis of the tax expenditures included in this Act, setting out their incurred cost to the State and the impact they have had on job creation, volume of new start-ups, preventing job losses and other such impacts.”

—Pearse Doherty.

44. In page 78, between lines 43 and 44, to insert the following subsection:

“(3) The carry-forward period provided for in this clause is extended for a total of 3 years, upon which date any unused credits lose their value.”

—Pearse Doherty.

[ SECTION 38 ]

SECTION 38

45. In page 81, before section 38, to insert the following new section:

“Rate of appropriate tax for companies.

38.—(1) The Principal Act is amended in section 730F—

(a) in subsection (1) by substituting “Subject to subsection (1B), in this section” for “In this section”, and

(b) by inserting the following after subsection (1A):

“(1B) Where the policyholder is a company—

(a) the rate specified in subsection (1)(a)(i) shall not apply unless the policyholder has made the declaration referred to in paragraph (b), and

(b) the rate specified in subsection (1)(a)(ii) shall apply unless immediately before the chargeable event, the life assurance company is in possession of a declaration from the policyholder to the effect that the policyholder is a company and which includes the company’s tax reference number (within the meaning of section 891B(1)).”.

(2) The Principal Act is amended in section 739D—

(a) in subsection (5A) by substituting “Subject to subsection (5AA), the amount” for “The amount”, and

(b) by inserting the following after subsection (5A):

“(5AA) Where the unit holder is a company—

(a) the formula specified in subsection (5A)(a) shall not apply unless the unit holder has made the declaration referred to in paragraph (b), and

(b) the formula specified in subsection (5A)(b) shall apply unless immediately before the chargeable event, the investment undertaking is in possession of a declaration from the unit holder to the effect that the unit holder is a company and which includes the company’s tax reference number (within the meaning of section 891B(1)).”.

(3) The Principal Act is amended in section 739E—

(a) in subsection (1) by substituting “Subject to subsection (1B), in this section” for “In this section”, and

(b) by inserting the following after subsection (1A):

“(1B) Where the unit holder is a company—

(a) the rate specified in paragraph (a)(i) or paragraph (b)(i), as the case may be, of subsection (1) shall not apply unless the unit holder has made the declaration referred to in paragraph (b), and

[ SECTION 38 ]

- (b) the rate specified in paragraph (a)(ii) or paragraph (b)(ii), as the case may be, of subsection (1) shall apply unless immediately before the chargeable event, the investment undertaking is in possession of a declaration from the unit holder to the effect that the unit holder is a company and which includes the company's tax reference number (within the meaning of section 891B(1)).”.”.

—An tAire Airgeadais.

SECTION 39

46. In page 83, to delete lines 14 to 19 and substitute the following:

“ ‘aggregate income’, in relation to a company or group, means the aggregate profits of the company or group, as the case may be, as—

- (a) reduced by the aggregate net gains of the company or group, as the case may be, where aggregate net gains arise, or
- (b) increased by the aggregate net losses of the company or group, as the case may be, where aggregate net losses arise;”.

—An tAire Airgeadais.

47. In page 83, between lines 30 and 31, to insert the following:

“ ‘aggregate net losses’, in relation to a company or group, means the amount by which the sum of the losses recognised in arriving at the aggregate profits of the company or group, as the case may be, being losses which arise on the revaluation or disposal of investment property or other non-current assets, exceeds the sum of the gains so recognised, being gains which arise on such revaluation or disposal;”.

—An tAire Airgeadais.

48. In page 84, to delete lines 35 to 39 and substitute the following:

“ ‘property income’, in relation to a company or group, means the property profits of the company or group, as the case may be, as—

- (a) reduced by the property net gains of the company or group, as the case may be, where property net gains arise, or
- (b) increased by the property net losses of the company or group, as the case may be, where property net losses arise;”.

—An tAire Airgeadais.

49. In page 84, line 49, after “on” to insert “the”.

—An tAire Airgeadais.

50. In page 85, between lines 4 and 5, to insert the following:

“ ‘property net losses’, in relation to a company or group, means the amount by which the sum of the losses recognised in arriving at the aggregate profits of the company or group, as the case may be, being losses which arise on the revaluation or disposal of investment property or other non-current assets which are assets of the property rental business, exceeds the sum of the gains so recognised, being gains which arise on such revaluation or disposal;”.

—An tAire Airgeadais.

[ SECTION 39 ]

**51.** In page 86, between lines 24 and 25, to insert the following:

“ ‘specified debt’ means any debt incurred by a REIT or group REIT in respect of monies borrowed by, or advanced to, the REIT or group REIT, as the case may be;”.

—An tAire Airgeadais.

**52.** In page 87, line 11, to delete “75 per cent” and substitute “85 per cent”.

—Pearse Doherty.

**53.** In page 87, to delete line 29 and substitute the following:

“least 1.25:1,

(iv) at least 75 per cent of the aggregate market value of the assets of the REIT or group REIT relates to assets of the property rental business of the REIT or group REIT, as the case may be,

(v) it ensures that the aggregate of the specified debt shall not exceed an amount equal to 50 per cent of the aggregate market value of the assets of the business or businesses of the REIT or group REIT, as the case may be, and”.

—An tAire Airgeadais.

**54.** In page 87, line 30, to delete “(iv) subject to” and substitute the following:

“(vi) subject to”.

—An tAire Airgeadais.

**55.** In page 87, lines 37 and 38, to delete “85 per cent” and substitute “90 per cent”.

—Pearse Doherty.

**56.** In page 87, line 56, to delete “three years” and substitute “one year”.

—Pearse Doherty.

**57.** In page 88, line 8, to delete “three years” and substitute “one year”.

—Pearse Doherty.

**58.** In page 90, line 20, to delete “property profits.”.

—An tAire Airgeadais.

**59.** In page 90, line 21, to delete “arising from” and substitute “accruing on the”.

—An tAire Airgeadais.

**60.** In page 90, line 27, after “asset” to insert the following:

“which is used, or subsequent to such acquisition is used,”.

—An tAire Airgeadais.

**61.** In page 92, between lines 46 and 47, to insert the following:

“(5) Where, but for subsection (2) and section 129, a property income dividend would be income of a company which is income chargeable to tax under Case I of Schedule D, it shall be so chargeable notwithstanding those provisions.”.

—An tAire Airgeadais.

[ SECTION 39 ]

- 62.** In page 95, line 36, after “REIT” to insert “or group REIT, as the case may be,”.  
—An tAire Airgeadais.
- 63.** In page 97, line 1, to delete “85 per cent” and substitute “90 per cent”.  
—Pearse Doherty.
- 64.** In page 97, lines 16 and 17, to delete “, as the case may be,”.  
—An tAire Airgeadais.

SECTION 40

- 65.** In page 99, to delete lines 10 to 20 and substitute the following:

“Investment  
limited partnerships.

739J.—(1) (a) In this section ‘investment limited partnership’ means an investment limited partnership within the meaning of the Investment Limited Partnerships Act 1994.”

—An tAire Airgeadais.

SECTION 41

- 66.** In page 101, subsection (1)(a), line 13, to delete “substituting “33 per cent” ” and substitute “substituting “40 per cent” ”.  
—Pearse Doherty.

SECTION 44

- 67.** In page 102, line 15, to delete “the”.  
—An tAire Airgeadais.

SECTION 46

- 68.** In page 106, lines 29 and 30, to delete “that individual or those individuals” and substitute “an individual or individuals”.  
—An tAire Airgeadais.

SECTION 47

- 69.** In page 107, to delete lines 6 to 26, and substitute the following:

“SCHEDULE 2

Rates of Tobacco Products Tax

(With effect as on and from 6 December 2012)

[ SECTION 47 ]

| Description of Product                              | Rate of Tax   |
|---|---|
| Cigarettes.....                                     | Rate of tax at—<br><br>(a) except where paragraph (b) applies, €275.57 per thousand together with an amount equal to 0.2 per cent of the price at which the cigarettes are sold by retail, or<br><br>(b) €275.57 per thousand in respect of cigarettes sold by retail where the rate of tax would be less than that rate had the rate been calculated in accordance with paragraph (a). |
| Cigars.....   | Rate of tax at €275.342 per kilogram.   |
| Fine-cut tobacco for the rolling of cigarettes..... | Rate of tax at €248.608 per kilogram.   |
| Other smoking tobacco.....                          | Rate of tax at €191.022 per kilogram.   |

—Richard Boyd Barrett.

*Section opposed.*

—Pearse Doherty.

SECTION 48

70. In page 107, before section 48, to insert the following new section:

“Report on amended rates of tobacco products tax.

48.—The Minister for Finance shall, not later than 3 months from the passing of this Act, prepare and lay before each House of the Oireachtas a report on the implications of amending the rate of tobacco products tax on cigarettes to a rate of tax at—

- (a) except where *paragraph (b)* applies, €300 per thousand together with an amount equal to 3.15 per cent of the price at which the cigarettes are sold by retail, or
- (b) €313.27 per thousand in respect of cigarettes sold by retail where the rate of tax would be less than that rate had the rate been calculated in accordance with *paragraph (a)*.”.

—Aodhán Ó Ríordáin, Liam Twomey.

71. In page 108, subsection (1)(b), line 1, to delete “and”.

—An tAire Airgeadais.

72. In page 108, line 29, to delete “return.” and substitute the following:

“return.”,

and

- (d) in section 102(1) by deleting paragraph (c).”.

—An tAire Airgeadais.

[ SECTION 49 ]

SECTION 49

73. In page 109, between lines 37 and 38, to insert the following:

“(e) a person who holds a Community Licence within the meaning of Regulation (EC) No. 853/2004 of the European Parliament and of the Council of 29 April 2004,

(f) a person who holds a Community Licence within the meaning of Regulation (EC) No. 1/2005 of the European Parliament and of the Council of 22 December 2004;”.

—Michael McGrath.

74. In page 110, line 5, to delete “€75.00” and substitute “€149.00”.

—Michael McGrath.

75. In page 110, line 35, after “during” to insert “, prior to or after”.

—Michael McGrath.

76. In page 112, line 4, after “approved” to insert “or an approved oil supplier”.

—Michael McGrath.

77. In page 112, line 10, after “provider” to insert “or an approved oil supplier”.

—Michael McGrath.

SECTION 56

*Section opposed.*

—Richard Boyd Barrett, Pearse Doherty.

SECTION 59

*Section opposed.*

—Richard Boyd Barrett, Michael McGrath, Pearse Doherty.

SECTION 61

78. In page 122, lines 28 to 32, to delete paragraph (a) and substitute the following:

“(a) in paragraph (d)(ii) by substituting “a vehicle that, at all stages of manufacture, is classified as a category N1 vehicle with less than 4 seats and has, at any stage of manufacture,” for “a category N1 vehicle that, at the time of manufacture, has less than 4 seats and has”, and”.

—An tAire Airgeadais.

*Section opposed.*

—Richard Boyd Barrett, Pearse Doherty.

SECTION 66

79. In page 124, lines 37 to 47, to delete paragraph (e) and substitute the following:

“(e) in section 76(2)(a) by substituting the following for subparagraph (i):

“(i) furnish to the Collector-General—

[ SECTION 66 ]

- (I) a true and correct return, prepared in accordance with regulations, of the total amount of tax which became due in that taxable period, by—
  - (A) the accountable person in relation to the disposal of the goods or the supply of the services, and
  - (B) the receiver, liquidator or other person exercising a power, in relation to any adjustment required under Chapter 2 of Part 8 or section 95(4)(c),
- and
- (II) such other particulars as may be specified in regulations,””.

—An tAire Airgeadais.

**80.** In page 125, paragraph (g), line 8, to delete “and”.

—An tAire Airgeadais.

**81.** In page 125, paragraph (h), line 12, to delete “section 22(3)”” and substitute the following:

“section 22(3), and

(i) in section 95(4) by inserting the following after subparagraph (b):

“(c) Where the letting referred to in paragraph (a)(iii) is a supply to which section 28(4) applies, the receiver or person exercising the power shall calculate the deductibility adjustment in accordance with the formula set out in paragraph (b) and that amount shall be payable as if it were tax due for the taxable period in which that letting takes place.””.

—An tAire Airgeadais.

SECTION 68

**82.** In page 125, before section 68, to insert the following new section:

“Amendment of section 59 (deduction for tax borne or paid) of Principal Act.

68.—Section 59 of the Principal Act is amended—

(a) in subsection (1), in paragraph (d) of the definition of “qualifying activities”, by substituting “paragraph 6(1), 7(1)” for “paragraph 6, 7”, and

(b) in subsection (2), by substituting the following for paragraph (j):

“(j) the tax chargeable during the period, being tax for which the accountable person is liable by virtue of section 16(1), 94(6) (a) or (7) or 95(8)(c) to (e), in respect of a supply to that person of immovable goods,””.

—An tAire Airgeadais.

[Acceptance of this amendment involves the deletion of section 68 of the Bill.]

[ SECTION 69 ]

SECTION 69

**83.** In page 126, line 39, to delete “is in possession” and substitute “takes possession”.

—An tAire Airgeadais.

**84.** In page 126, line 40, to delete “has been appointed” and substitute “is appointed”.

—An tAire Airgeadais.

**85.** In page 127, lines 35 and 36, after “possession” to insert the following:

“(other than where paragraph (h)\* applies or on a disposal of the capital good)”.

—An tAire Airgeadais.

[\*This is a reference to the inserted paragraph proposed to be inserted by amendment No. 92.]

**86.** In page 127, line 37, after “ends” to insert “(other than where paragraph (h)\* applies)”.

—An tAire Airgeadais.

[\*This is a reference to the inserted paragraph proposed to be inserted by amendment No. 92.]

**87.** In page 128, lines 23 and 24, to delete “subsection (2)(b)(i) or (3)(b)(i)” and substitute “subsection (2)(b)(i), (3)(b)(i) or (4)(b)(i)”.

—An tAire Airgeadais.

**88.** In page 128, lines 34 and 35, to delete “subsection (2)(b)(i) or (3)(b)(i)” and substitute “subsection (2)(b)(i), (3)(b)(i) or (4)(b)(i)”.

—An tAire Airgeadais.

**89.** In page 128, line 41, after “balance” to insert “(if any)”.

—An tAire Airgeadais.

**90.** In page 128, lines 44 and 45, to delete “subsection (2)(b)(ii) or (3)(b)(ii)” and substitute “subsection (2)(b)(ii), (3)(b)(ii) or (4)(b)(ii)”.

—An tAire Airgeadais.

**91.** In page 129, lines 5 and 6, to delete “subsection (2)(b)(ii) or (3)(b)(ii)” and substitute “subsection (2)(b)(ii), (3)(b)(ii) or (4)(b)(ii)”.

—An tAire Airgeadais.

**92.** In page 129, line 13, to delete “balance.” and substitute the following:

“balance (if any).”

(h) Where paragraph (c) applies and if—

(i) a mortgagee ceases to have possession and another mortgagee takes possession,

(ii) a mortgagee ceases to have possession and a receiver is appointed,

(iii) a receiver’s appointment ends and a mortgagee takes possession, or

[ SECTION 69 ]

(iv) a receiver's appointment ends and another receiver is appointed,

then, in each case, the person who ceases to have possession or whose appointment ends shall furnish a copy of the capital goods record to the mortgagee who takes possession or the receiver who is appointed and, from the start date, that mortgagee or that receiver shall be treated for the purposes of this Chapter as if that mortgagee or that receiver were the capital goods owner and shall be responsible for the obligations of the preceding mortgagee or receiver in accordance with paragraphs (c) and (d).”.”.

—An tAire Airgeadais.

SECTION 71

93. In page 129, between lines 17 and 18, to insert the following subsection:

“(2) Where, in relation to a supply of agricultural produce or an agricultural service by a flat-rate farmer, an invoice is issued, that invoice must carry a VAT number and PPS number for moneys claimed against income tax by farmers and farm businesses.”.

—Pearse Doherty.

SECTION 73

94. In page 130, subsection (1), between lines 6 and 7, to insert the following:

“(e) in paragraph 6(2) by inserting the following after clause (a):

“(aa) an investment limited partnership within the meaning of section 739J of the Taxes Consolidation Act 1997;”.”.

—An tAire Airgeadais.

SECTION 78

95. In page 135, before section 78, to insert the following new section:

“Amendment of section 85 (certain loan capital and securities) of Principal Act.

78.—Section 85 of the Principal Act is amended—

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

“(1A) For the purposes of subsection (2)(d) ‘enhanced equipment trust certificate’ means loan capital issued by a company to raise finance to acquire, develop or lease aircraft.”.

and

(b) in subsection (2) by deleting “and” at the end of paragraph (b) and substituting “business, and” for “business.” in paragraph (c) and by inserting the following after paragraph (c):

“(d) the issue, transfer or redemption of an enhanced equipment trust certificate.”.”.

—An tAire Airgeadais.

[ SECTION 80 ]

SECTION 80

*Section opposed.*

—Michael McGrath.

SECTION 82

**96.** In page 139, before section 82, to insert the following new section:

“82.—(1) The Principal Act is amended—

(a) in paragraph 1 of Part 1 of Schedule 2 in the definition of “group threshold”—

(i) in subparagraph (a) by substituting “€187,000” for “€250,000”,

(ii) in subparagraph (b) by substituting “€25,125” for “€33,500”, and

(iii) in subparagraph (c) by substituting “€12,562” for “€16,750”,

and

(b) in the Table in Part 2 of Schedule 2 by substituting “40” for “30”.

(2) This section applies to gifts and inheritances taken on or after 6 December 2012.”.

—Pearse Doherty.

*[Acceptance of this amendment involves the deletion of section 82 of the Bill.]*

SECTION 88

**97.** In page 142, before section 88, to insert the following new section:

“88.—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.”.

—Michael McGrath.

**98.** In page 142, before section 88, to insert the following new section:

“88.—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.”.

—Michael McGrath.

**99.** In page 142, before section 88, to insert the following new section:

“88.—The Minister shall commit to examining the introduction of a range of measures to stimulate activity within the market for improvement and maintenance of private dwellings, within the course of 2013.”.

—Michael McGrath.

[ SECTION 88 ]

**100.** In page 142, before section 88, to insert the following new section:

“88.—The Minister shall, within one month of the passing of this Act, prepare and lay before Dáil Éireann a report on the impact and money saved from standardising all tax reliefs, excepting the tax relief for charitable donations.”.

—Pearse Doherty.

**101.** In page 142, before section 88, to insert the following new section:

“88.—The Minister shall, within one month of the passing of this Act, prepare and lay before Dáil Éireann a report on the loss to the Exchequer from tax evasion and set out the options available, including allowing the Revenue Commissioner to hire and direct more staff to targeting tax evasion, to lessen the impact of evasion on taxes collected.”.

—Pearse Doherty.

SECTION 90

**102.** In page 145, subsection (1), lines 49 and 50, to delete paragraph (x) and substitute the following:

“and”.

—An tAire Airgeadais.

SECTION 97

**103.** In page 153, subsection (4)(c), line 12, after “date” to insert “of the”.

—An tAire Airgeadais.

SCHEDULE 2

**104.** In page 170, paragraph 1, lines 17 to 20, to delete subparagraphs (f) and (g) and substitute the following:

“(f) in section 487(1)(a), in the definition of “group base tax”, by substituting “subparagraphs (IV)” for “subparagraph (IV)”.

(g) in section 766A(3A)(a)(i) by substituting “this section” for “section 766A”.

(h) in section 865(1)(b) by substituting the following for clauses (I) and (II) of subparagraph (i):

“(I) all the information which the Revenue Commissioners may reasonably require to enable them determine if and to what extent a repayment of tax is due to the person for that chargeable period is contained in the statement or return, and

(II) the repayment treated as claimed, if due—

[ SCHEDULE 2 ]

(A) would arise out of the assessment to tax, made at the time the statement or return was furnished, on foot of the statement or return, or

(B) would have arisen out of the assessment to tax, that would have been made at the time the statement or return was furnished, on foot of the statement or return if an assessment to tax had been made at that time,”

(i) in section 917B(5) by substituting “subsection (3)” for “subsection (2)” in each place,

(j) in section 960A by substituting “Chapters 1A, 1B, 1C and 1D” for “Chapters 1B, 1C and 1D”,

(k) in section 1025(4)(d) by substituting “section 465(6)” for “section 465(5)”, and”.

—An tAire Airgeadais.

**105.** In page 171, paragraph 2, line 1, to delete “and” and substitute the following:

“(c) in section 82B by deleting paragraph (b) of subsection (3),

(d) in section 127(2) by substituting “as the case may be, for the duty, including any surcharge incurred under section 14A(3), and interest” for “as the case may be” in the second place where it occurs, and”.

—An tAire Airgeadais.

**106.** In page 172, lines 45 and 46, to delete paragraph 5 and substitute the following:

“5. (a) Subject to *subparagraphs (b) and (c), paragraphs 1, 2, 3 and 4* have effect on and from the passing of this Act.

(b) *Subparagraph (h)\* of paragraph 1* has effect on and from 1 January 2013.

(c) *Subparagraphs (c)\*\* and (d)\*\*\* of paragraph 2* are deemed to have come into force and have taken effect as regards instruments first executed on or after 7 July 2012.”.

—An tAire Airgeadais.

[\*This is a reference to the schedule subparagraph proposed to be inserted by amendment No. 104.]

\*\*This is a reference to the schedule subparagraph proposed to be inserted by amendment No. 105.]

\*\*\*This is a reference to the schedule subparagraph proposed to be inserted by amendment No. 105.]