

(Supplementary Order Paper)

12 DÁIL ÉIREANN

*Dé Máirt, 22 Márta, 2011
Tuesday, 22nd March, 2011*

2.30 p.m.

GNÓ COMHALTAÍ PRÍOBHÁIDEACHA PRIVATE MEMBERS' BUSINESS

Fógra i dtaobh leasú ar Thairsceint : Notice of Amendment to Motion

6. “That Dáil Éireann:

- confirms its absolute commitment to the maintenance of the 12.5% rate of corporation tax;
- is opposed to any Irish participation in proposals to introduce a Consolidated Corporate Tax Base within either the Eurozone or the European Union as a whole;
- notes the clear evidence that investment attracted to Ireland by our policy on corporation tax is largely won against non-European Union countries and is therefore a net-benefit to the EU; and
- believes that any move away from these established policies would undermine Irish employment and prospects for a strong recovery with serious implications for the wider European economy.” — *Micheál Martin, John Browne, Dara Calleary, Niall Collins, Barry Cowen, Timmy Dooley, Sean Fleming, Billy Kelleher, Seamus Kirk, Michael P. Kitt, Brian Lenihan, Michael Moynihan, Michael McGrath, John McGuinness, Charlie McConalogue, Éamon Ó Cuív, Willie O’Dea, Seán Ó Fearghail, Brendan Smith, Robert Troy.*

Leasuithe:

Amendments:

1. To delete all words after “Dáil Éireann” and substitute the following:
 - “— notes the following table laying out the total amounts of corporation profits earned and corporation tax paid by all companies in the Republic of Ireland from 2000 to 2008 inclusive (figures for 2009/2010 not finalised):

Table: Profits and Corporation Tax for Accounting Periods ended in 2000-2008

	Total Profits	Tax payable	Effective tax rate
2008	€51,154,400	€5,122,100	10.0%
2007	€63,160,300	€6,305,300	10.0%

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	Total Profits	Tax payable	Effective tax rate
2006	€59,963,700	€6,119,700	10.2%
2005	€49,960,100	€5,167,400	10.3%
2004	€44,125,700	€4,420,200	10.0%
2003	€42,491,300	€4,331,800	10.2%
2002	€38,134,400	€4,172,500	10.9%
2001	€38,229,400	€4,132,400	10.8%
2000	€39,681,600	€4,296,400	10.8%

- notes that only Bulgaria and Cyprus have lower rates of corporation tax than Ireland in the 27 member states of the European Union;
 - notes the corporation tax rate in the following member states: Austria 25%; Denmark 25%; Finland 26%; Sweden 28%; and Germany 29.8%;
 - notes the substantial extra revenue that would be raised each year for every percentage point increase in the corporation tax rate;
 - believes that setting an appropriate rate of corporation tax is a matter for the Irish people and condemns the opportunism of EU leaders like French President Sarkozy and German Chancellor Merkel in linking this issue with renegotiation of the EU/IMF austerity pact;
 - notes the substantial cuts in the incomes of unemployed people, those on disability incomes and low and middle income workers as a result of government policy to pay billions of bad private debts of speculators in the Irish property market;
 - condemns the hypocrisy of the establishment political parties in this State which implement savage attacks on the income of ordinary people, speak about ‘all sectors making a contribution’ but in practice unite to prevent any pressure on big business to pay more;
 - believes that historically the Irish State developed an unsustainable reliance on foreign direct investment because of a failure to invest in a solid domestic programme of research and development leading to a sustainable manufacturing economy;
 - notes that private investment in the Irish economy has fallen sharply over the past three years and therefore that reliance on such private investment to tackle the crisis of 440,000 unemployed is destined to fail;
 - believes that public investment in major infrastructural programmes is necessary to create sufficient jobs to resolve the unemployment crisis; and
 - calls for a major debate on what the appropriate rate of corporation tax should be in this State.” — *Joe Higgins, Clare Daly.*
2. To delete all words after “Dáil Éireann” and substitute the following:
- recognises that the Programme for Government clearly states that the Government will ‘Keep the corporate tax rate at 12.5%’;
 - recognises that the 12.5% corporation tax rate will support Irish economic recovery and employment growth by attracting foreign investment;
 - recognises that the Government, alongside other European member states, remains highly sceptical about many aspects of the Common Consolidated Corporate Tax Base proposal (CCCTB) but that the Government believes that a constructive and

forthright engagement with all of our European partners on this issue will result in the best outcome for Ireland and for the European Union as a whole; and

- notes that, in particular, as confirmed in the Pact for the Euro, direct taxation is a matter of national competence and, more generally, that unanimity is required in respect of decisions on tax issues.” — *An tAire Airgeadais*.