2023

Annual Report

Revenue

Cáin agus Custaim na hÉireann

Irish Tax and Customs

Annual Report 2023

One hundred and first Annual Report of the Revenue Commissioners for the year ended 31 December 2023, including progress on the implementation of Revenue's Statement of Strategy, in accordance with the Public Service Management Act 1997, presented to the Minister for Finance

April 2024

Our Mission

To serve the community by fairly and efficiently collecting taxes and duties and implementing customs controls

Our Vision

To be a leading tax and customs administration, trusted by the community, and an employer of choice

Our Core Values

- Respect
- Professionalism
- Collaboration
- Agility
- Integrity

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Board's Review for 2023

2023 marked a century of Revenue's dedication and commitment to serving Ireland and, notwithstanding the exceptional disruption faced in recent years, timely compliance rates remained strong across all taxes. This is a very positive reflection on the engagement by businesses, individual taxpayers and agents with their tax compliance obligations. We support this culture by providing a wide range of services to make it as easy as possible for taxpayers to pay the right amount of tax at the right time, whilst also confronting and tackling non-compliance in all forms.

In June 2023 we published our Statement of Strategy for the years 2023 - 2025. This is the first Statement of Strategy prepared in the post-pandemic environment and remains centred around our strategic pillars of service for compliance and confronting non-compliance. These pillars remain constant as we refine our business models to meet changes in taxpayer needs and changing ways of working, embrace and build on emerging digitalisation opportunities and global tax reform, and anticipate and proactively respond to changes in our internal and external environment.

Our performance during 2023 was underpinned by our core values of respect, professionalism, collaboration, agility and integrity, which are embedded into our culture. This puts us in a strong position to continue meeting the challenges that lie ahead in 2024 and beyond.

Collection of Taxes and Duties

We play a vital role in the economy by securing taxes and duties due to the State, and 2023 saw record tax receipts, with high timely compliance rates.

Total gross receipts were €127.9 billion, including €26.3 billion in non-Exchequer receipts collected on behalf of other Government Departments and agencies. Net Exchequer receipts, after repayments and transfers of non-Exchequer receipts collected on behalf of other Departments and agencies, were €87.2 billion. Timely compliance rates in 2023 were over 99% for large cases, 98% for medium cases and 91% for all other cases.

We have a tailored approach to debt collection, which enables us to provide greater flexibility in matching our debt management resources to counter tax collection risk. In response to the exceptional disruption individual taxpayers and businesses have experienced over the past four years, we suspended our enforcement activity for a considerable period of time.

This has had an impact on timeliness of payment, and the level of non-warehoused debt available for collection at the end of 2023 was €1.4 billion. This is significantly higher than the level of debt available for collection at the end of 2019. Our Debt Management Service system, which we developed in 2019, is now fully deployed in dealing with these outstanding liabilities.

The Debt Warehouse Scheme has also continued to provide a vital support for businesses. Some businesses began to repay their warehoused debt during 2023, where their financial circumstances permitted, and at 31 December 2023 a total of €1.756 billion was warehoused for 57,811 businesses. Almost 70% of those businesses owed balances of less than €5,000 and we are taking a flexible and pragmatic approach to the payment of warehoused debt.

During 2023 we engaged extensively with businesses and their representatives across multiple settings and sectoral groups to maintain their awareness of their payment options and the key requirement of remaining within the scheme, namely that current taxes are filed and paid as they fall due. Payment of currently liabilities is also a key measure of business viability, a relevant factor we consider when facilitating tailored phased payment arrangements to suit individual business circumstances.

Service for Compliance

Since the introduction of real-time payroll reporting there has been a year-on-year increase in the number of PAYE taxpayers managing their tax affairs through our MyAccount service. During 2023, we processed nearly 1.4 million IT Returns for PAYE taxpayers in respect of the 2022 year of assessment. This is a 20% increase on the number of PAYE returns processed in 2022 for the 2021 year of assessment.

We continued to advance our aim of modernising taxes and duties, with a focus on process automation, digitalisation and personalisation of services, as we move towards natural taxation. During 2023 we launched an online platform for Non-Resident Landlord Withholding Tax, which eases the administrative burden for both collection agents and tenants, and simplifies the process for non-resident landlords to file their own return.

Notwithstanding the increasing expectation among taxpayers and agents for digital service offerings, we continue to provide alternative service channels for those who are unable to access our online offerings. Our National Appointment Service enables taxpayers to make either an in-person or virtual appointment at a time that suits them, and eliminates waiting times. We also dealt with 4.2 million items of correspondence and answered 1.7 million telephone calls.

A key element of our service for compliance approach is providing taxpayers with appropriate and timely information and guidance, and supporting them in understanding new taxes and reporting rules. We attended over 100 national outreach events during 2023 and our representatives gave presentations and hosted webinars at numerous events with business and industry experts, employers and tax agent representative bodies coving a wide range of topical tax issues such as the Enhanced Reporting Requirements, TBESS, the Debt Warehouse Scheme, the Small Company Administrative Rescue Process, the share schemes project and post COVID-19 compliance activity.

Customs Trends and Co-operation

In implementing customs controls we aim to facilitate legitimate trade to move as speedily and efficiently as possible while also tackling non-compliance. We processed 54.2 million customs declarations during 2023, an increase of 11.3 million (26%) when compared to 2022. Additionally, of the 400,423 freight vehicle movements into Ireland from GB during 2023, 89% were green routed at disembarkation, meaning that they passed freely through the relevant port without the need for any additional interaction with Revenue or any other State agency.

We have also been to the forefront in supporting global efforts to confront non-compliance and ensure a level playing field for economic operators in the EU, and we represent Ireland’s interest at various national and international fora including the Customs Consultative Committee and World Customs Organisation. In July 2023 Ireland, represented by Revenue, assumed a position on the World Customs Organisation Policy Commission for a two-year term.

In May 2023, the European Commission put forward proposals for a comprehensive reform of EU customs law and we actively contributed to those discussions, engaging with trade and other Government Departments to ensure that the proposal provides benefits for businesses of all sizes, consumers, and customs administrations. Discussions on this key work item will continue during 2024.

Another focus area during 2023 included the release of a new Automated Export System in March. This new system is used to process export declarations and exit summary declarations for goods moving directly and indirectly to countries outside the EU.

The UK published their Border Target Operating Model during 2023, setting out the new import formalities that applied to Irish businesses exporting goods to, or through, the UK (excluding NI), and the key milestone dates in 2024 from which they apply. Revenue, together with Government Departments, has engaged with those impacted by these checks, and any other relevant stakeholders, to ensure traders are aware of the new requirements. This engagement will continue during 2024.

Confronting Non-Compliance

Although the vast majority of taxpayers pay the right amount of tax at the right time, we remain committed to tackling tax and duty non-compliance in all forms and 2023 saw a continuation of our work in managing risk in both traditional and emerging sectors.

We use a range of risk identification, assessment and evaluation programmes, together with real-time data analytics and interrogation, to monitor compliance. This approach enables us to identify and quantify risk, ensuring that our compliance resources focus on the non-compliant taxpayer, minimising the administrative burden on the compliant taxpayer.

Our annual compliance programmes focus on multiple risk areas and business sectors. Individuals who engaged in business activities through online platforms and social media, non-resident online traders who sell goods and digital services to Irish consumers and the construction sector were among some of the focus areas for our compliance activity during 2023.

The total yield from our compliance interventions during 2023 was €787 million. We also secured 21 criminal convictions for serious tax evasion and fraud and published 73 tax settlements amounting to €25.6 million in the List of Tax Defaulters.

Identifying, targeting and confronting offshore evasion continues to form an integral component of our overall compliance framework, and we make best use of the full range of statutory powers and data networks at our disposal to address this risk. During 2023, we completed 85 tax avoidance cases with a yield of over €16.5 million, including €5.2 million in interest and penalties. Additionally, at the end of 2023, we were actively challenging 342 cases involving potential tax avoidance, relating to 35 transactions.

Collaboration and exchange of information with other Government Departments and agencies, such as the Department of Social Protection and the Workplace Relations Commission, are key to our work in addressing areas of concern in relevant sectors where risks relating to cash payment and classification of employment status are prevalent. This includes, but is not limited to, the hair and beauty sector, the domestic animal trade, car washes, the takeaway food and beverage sector and couriers and delivery drivers.

In October 2023 the Supreme Court delivered its judgement in The Revenue Commissioners v. Karshan (Midlands) Ltd. t/a Domino's Pizza. We welcomed this important judgement, and the significant clarity it provided on the key factors to be considered when classifying an individual's employment status for IT purposes.

We have primary responsibility for the detection, interception and seizure of prohibited goods intended to be illegally imported or smuggled into the State, and we deploy a risk-based approach in our detection and intervention strategy.

Our enforcement teams operate at all main ports, airports and mail centres, as well as freight forwarding premises, and use a variety of resources, including our mobile x-ray scanners and detector dog teams, in their work. The procurement of a new replacement Customs Cutter vessel will further enhance the quality of assets available to our teams. We also work collaboratively with our law enforcement partners, on both a national and international level, to exchange information and share intelligence.

During 2023 we seized 9,085kgs of drugs with an estimated value of almost €302 million. The significant level of drug seizures during 2023 included a high profile Joint Task Force operation which resulted in the seizure of over €157 million worth of cocaine being detected onboard the MV Matthew.

Our work against drug crime is extensive and multifaceted, and we continually monitor trends and developments in this area to ensure that we deploy our resources and prioritise risk in the most effective way possible.

Our People, Technology and Capability

We are a large organisation with just over 7,000 staff in 29 locations nationwide, and our people are key to our success. We remain committed to building our capability as an organisation, and continue to invest in our people. During 2023, we appointed 1,016 staff through recruitment across all grades, and almost 40,000 training days were delivered to Revenue staff.

Our success in carrying out our role is further underpinned by our ability to harness innovation in technology and business practices. This enables us to respond effectively to existing and emerging challenges, changes in taxpayer behaviour and changes in the business and economic environment. Our technical implementation of the Central Electronic System of Payment, which is our first end-to-end cloud delivered system, will allow us to leverage AI solutions to capitalise on the growing exchange of data on an international level, with a view to addressing the tax challenges arising from digitalisation and globalisation. We also utilised AI and Natural Language Processing techniques to simplify and expediate our responses to taxpayer contacts, a vital development given the growing size and complexity of the tax base.

We remain dedicated to our vision of being an employer of choice and place the safety and wellbeing of our people at the heart of everything we do. In 2023 we carried out our first staff survey since the introduction of blended working, with the results providing very good indicators for job performance, job satisfaction, wellbeing and overall health among our people. We also hosted townhall sessions throughout the country during 2023 to enhance employee engagement and provide an opportunity for open dialogue across all levels of the organisation. The results from the survey and discussions at the townhall events will inform our approach to how we work in the future, and ensure that we deliver on our mandate and remain an employer of choice.

Looking Ahead

As we move into our second century of service to the State, we remain committed to supporting taxpayers to maintain high levels of voluntary compliance. We will continue to provide high-quality digital offerings, enabling taxpayers to engage with us at a time and place of their choosing, whilst also supporting those who cannot use our online services, aiming to make it easier for all taxpayers to self-manage their tax affairs.

We will remain alert to and proactive in identifying and addressing non-compliance in all forms, using our risk-based approach to minimise the burden on compliant taxpayers. We will also maintain our focus on smuggling and illegal activity, working in partnership with national and international crime prevention partners and deploying our full range of assets. As part of this work, we will continue to fully leverage our extensive data and intelligence holdings to further strengthen our understanding of compliance behaviour, particularly among cash businesses and the shadow economy, and assist us in identifying and dismantling core supply chains used in illegal trade.

We have been working with the Department of Social Protection and Workplace Relations Commission to update the Code of Practice on Determining Employment Status, and separately on the development of our own guidelines on the impact of the Supreme Court judgement in The Revenue Commissioners v. Karshan (Midlands) Ltd. t/a Domino's Pizza. Both documents will be published in coming weeks and the classification of employment status will continue to be a focus area for our compliance activity. In the interim, businesses that engage contractors, sub-contractors or other workers on a self-employed basis are encouraged to continue familiarising themselves with the judgement. We will work with employers who, having considered the impact the judgement may have for them, wish to regularise their position as set out in our Code of Practice for Revenue Compliance Interventions.

One of our key priorities for 2024 is to proactively manage the Debt Warehouse Scheme, and we will support viable businesses in the scheme to exit the warehouse through tailored payment agreements, whilst keeping up to date with their current pay and file obligations. We will also continue to fully utilise all elements of our Debt Management Service system to reduce the balance of non-warehoused debt available for collection.

We will work with affected taxpayers, businesses and agents to ensure the successful implementation and compliance with new taxes, particularly on the application of the Pillar Two Global Anti-Base Erosion rules. We will proactively engage with taxpayers and their agents on the administrative framework to deliver these new rules, and provide clear and comprehensive guidance on how the new rules will work, and will continue to contribute to ongoing discussions with the OECD, EU Commission and other relevant stakeholders.

We will continue our programme of work to advance the modernisation of taxes and duties. This will include a review of withholding taxes, such as the Relevant Contracts Tax. As part of this review, we will examine the extension of the scope of Relevant Contracts Tax to sectors where subcontracting exists, where people are correctly self-employed rather than employed, and scenarios where corporate structures are a feature of contracting.

We will also continue our programme of consultation on the modernisation of VAT reporting for both cross-border and domestic transactions. During 2023 we launched a consultation seeking views on how digital advances, including the introduction of real-time digital reporting supported by eInvoicing, can be used to modernise Ireland's VAT Invoicing and Reporting System. The initial phase of the consultation covered the modernisation of Business to Business (B2B) and Business to Government (B2G) VAT reporting. We received over 1,100 submissions from stakeholders during this first stage of the consultation and will publish our findings in respect of same in due course.

Further phases of the consultation will be launched as reform proposals take clearer shape, are tested, refined and put into operation. These further stages will explore Business to Consumer (B2C) trade, the approach to VAT payment and repayments and accounting for VAT. We will also provide ongoing support to the Department of Finance in respect of the development of the European Commission's proposals on VAT in the Digital Age.

We will continue to support business and trade as they continue adjusting to the UK Government's import requirements. In response to changing trade patterns following the UK's exit from the EU we will continue to work with the Office of Public Works and other government Departments on the development of a permanent State facility in Rosslare Europort, work on which commended in July 2023. These facilities will replace the temporary infrastructure which was put in place in Kilrane to facilitate Customs, Sanitary and Phytosanitary and official food controls following the departure of the UK from the EU. This major infrastructure project will provide enhanced facilities for the administration of regulatory controls and examinations. The facilities will also see the provision of a fixed x-ray scanner, which will provide state of the art scanning technology to further enhance customs detection capabilities.

We will also continue to support the Department of Finance in relation to the evolving and complex international tax and customs agenda. This includes, but is not limited to, the following.

- The advancement of a comprehensive proposal to reform the EU Customs Union to reduce the burden for business while also addressing fiscal and non-fiscal risks, particularly those relating to eCommerce.
- Contribute to the work of the World Customs Organisation and discussions relating to the modernisation of customs infrastructure, donor funding, and capacity building through our position on the Policy Commission.
- The progression of green customs initiatives, such as the Carbon Border Adjustment Mechanism.
- The continued implementation of the Two-Pillar solution.
- Analysing EU proposals regarding the modernisation of international taxation of companies, such as VAT in the Digital Age and initiatives on the establishment of a head office tax system and easing of withholding tax relief procedures, to boost cross-border investment and help fight tax abuse.

The security of our systems and data will remain a fundamental priority going forward, and we will continue to be vigilant and to invest in and upgrade our security infrastructure, resilience, and responsiveness. We will also remain committed to our plan to improve sustainability across the organisation, to address the challenges of climate change and reduce our carbon footprint.

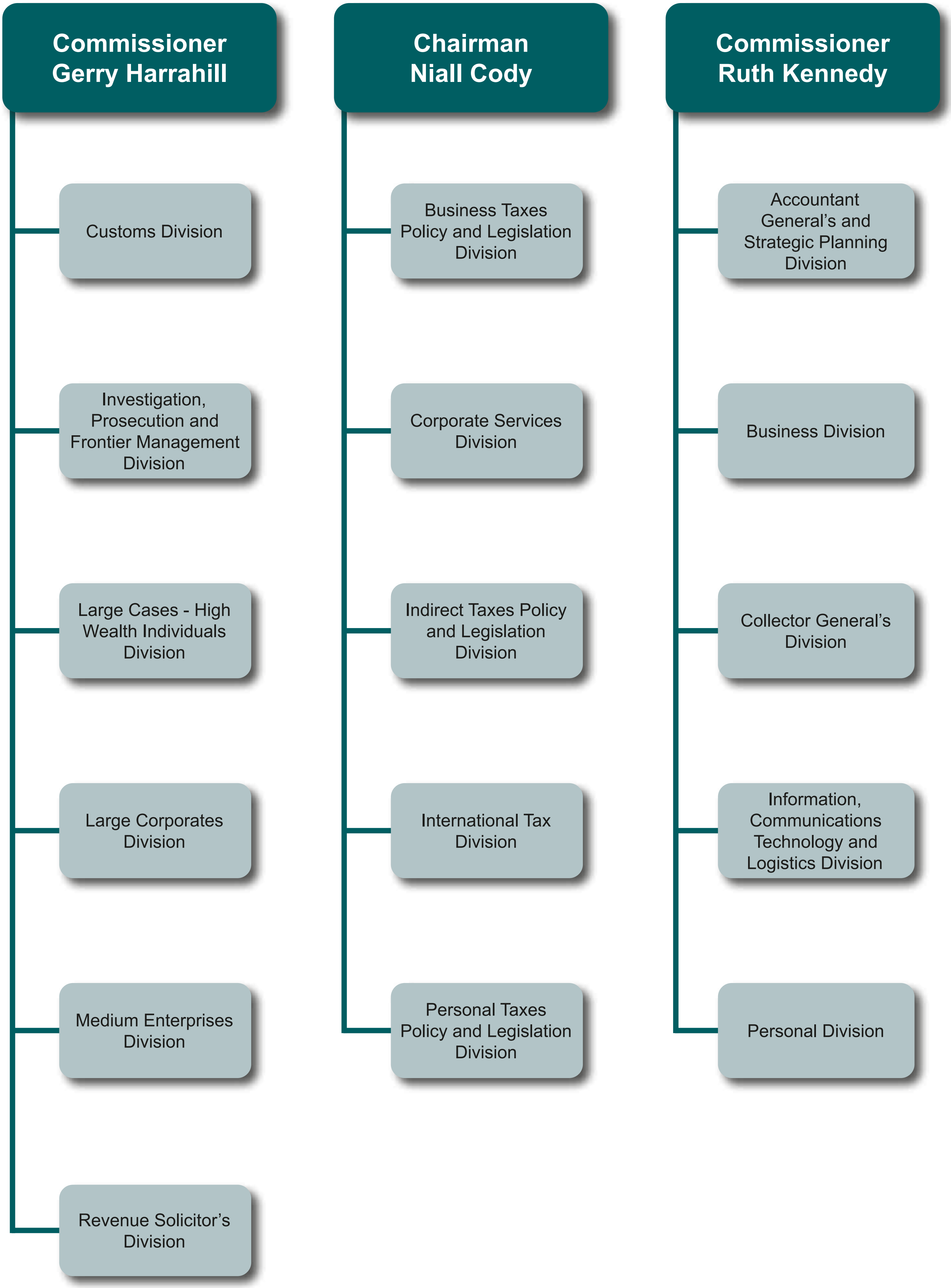
Finally, we acknowledge that our continued success in delivering on our mission and upholding our key values is down to the hard work of our staff. We thank them for their professionalism, commitment and dedication, without which our achievements during 2023 would not have been possible.

Ruth Kennedy
Commissioner

Niall Cody
Chairman

Gerry Harrahill
Commissioner

2023 Organisational Structure



Revenue Management Committee at Assistant Secretary Level

John Barron

Information, Communications Technology and Logistics Division

Responsible for the provision of secure, reliable and quality information and communications technology services to help drive the further transformation of Revenue business processes. Also responsible for the management and delivery of logistical services central to running Revenue.

Brian Boyle

Accountant General's and Strategic Planning Division

Responsible for overseeing the development and implementation of business policies, monitoring and evaluating national tax compliance risks. Responsibilities also include performance measurement and reporting, statistics and economics research, financial management and accounting, banking functions, communications and knowledge management.

Noel Brett

Business Division

Responsible for the management and development of service, compliance and audit functions for entities registered for VAT, RCT, Customs and Excise. Also responsible for excise license entities with trade or professional income, proprietary directors and subsidiaries/parents of Business Division companies.

Orla Campbell

Corporate Services Division

Responsible for Revenue's human resource management strategies, including workforce planning, recruitment, training and capability development, organisational development, administrative budget management, governance, information compliance and corporate reform.

Florance Carey

Customs Division

Responsible for the development of customs legislation and systems, and for ensuring the implementation of customs controls. Also responsible for influencing the development of EU policy on all customs related matters, including implementation of the EU Customs Code and representing Revenue's and Ireland's interests at various international fora.

Eugene Creighton

International Tax Division

Responsible for international engagement on direct taxation policy and on operational matters that include transfer pricing-related negotiation and EOI with other tax authorities. Also responsible for monitoring and updating Ireland's tax treaty network.

Jeanette Doonan

Business Taxes Policy and Legislation Division

Responsible for the policy, legislation and interpretation functions for CGT, CT, and other business taxes. Also responsible for dealing with the administrative aspects of various schemes and reliefs, including Film Relief, R&D tax credit, Capital Allowances and business incentive schemes.

Orla Fitzpatrick

Medium Enterprises Division

Responsible for the management and development of service, compliance and audit functions for medium enterprises and proprietary directors, subsidiaries/ parents of Medium Enterprises Division companies, Government Departments and public bodies. National responsibility for the delivery of the RTS.

Deirdre Hanlon

Indirect Taxes, Policy and Legislation Division

Responsible for Revenue's contribution to the development of VAT and the various excise duties at national and EU level, and for managing policy, legislation and interpretation functions for these indirect taxes.

Joe Howley

Collector General's Division

Responsible for the collection of taxes and for the implementation of debt management programmes, including appropriate interventions to maximise timely compliance and debt enforcement action against those who fail to comply. Also responsible for the Central Repayments Office and for VIES, Intrastat and Mutual Assistance.

Tom James

Personal Taxes Policy and Legislation Division

Responsible for the policy, legislation and interpretation functions for personal taxes, capital taxes (excluding CGT), property taxes (LPT and VHT), RCT, PSWT, Revenue powers, penalties, interest, taxation of pensions, global mobility issues and tax appeals.

Maura Kiely

Revenue Solicitors Division

Responsible for providing comprehensive legal support services for Revenue including in the conduct of litigation and appeals and in the prosecution of criminal offences.

Breda Ruddle

Large Cases - High Wealth Individuals Division

Responsible for the management and development of service, compliance and audit functions for the wealthiest individuals in the State and for pension schemes and retirement funds. Also responsible for challenging tax avoidance transactions including the use of the General Anti-Avoidance Rule.

Lynda Slattery

Investigation, Prosecution & Frontier Management Division

Responsible for leading Revenue's criminal investigation function, ensuring overall supply chain safety and security, managing EU external borders and implementing national level prohibitions and restrictions. Also responsible for Revenue's national investigation functions and the conduct of relevant operations aimed at cross-border fraud, drug smuggling and diversion of taxable goods.

James Twohig

Personal Division

Responsible for the management and development of service, compliance and audit functions for individuals with PAYE income only or with self-assessed non trading/ professional income and other entities such as trusts, charities and sporting bodies. Also responsible for LPT, VHT and Stamp Duty Services.

Eugene Creighton

Large Corporates Division

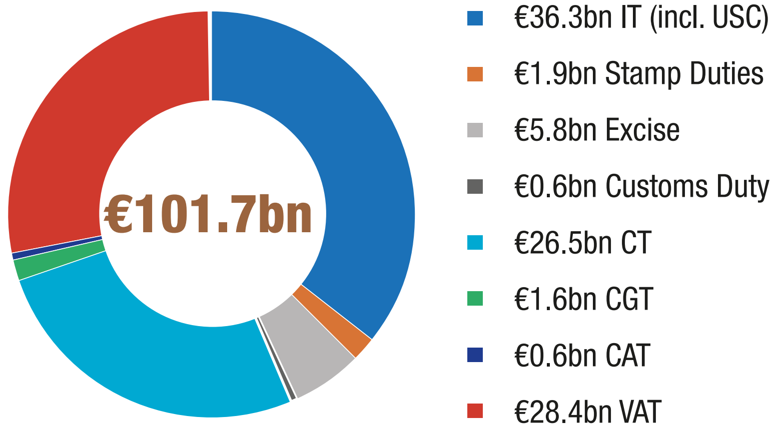
Responsible for the management and development of service, compliance and audit functions for the largest businesses in the State and also for certain entire sectors, such as banking, insurance, aircraft leasing, Section 110 companies and investment funds. Also responsible for challenging CT avoidance transactions including abusive transfer pricing.

Main Results 2023

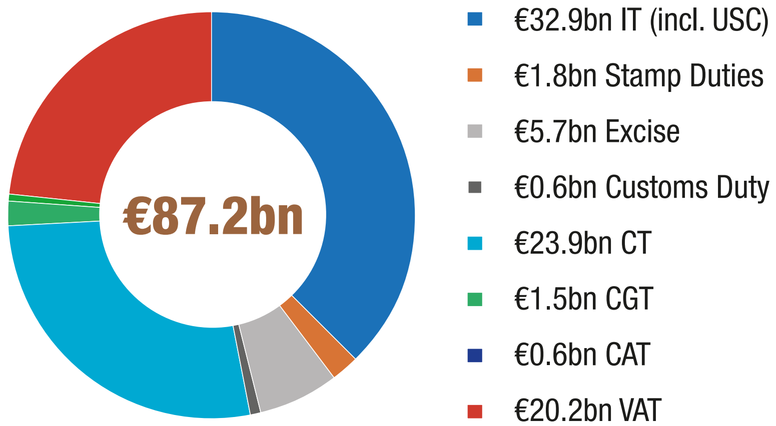
Total gross receipts of €127.9 billion collected, including €101.7 billion in gross tax receipts and €26.3 billion in non-Exchequer receipts. Net tax receipts were €87.2 billion.

Cost of Revenue administration: €0.6 billion.

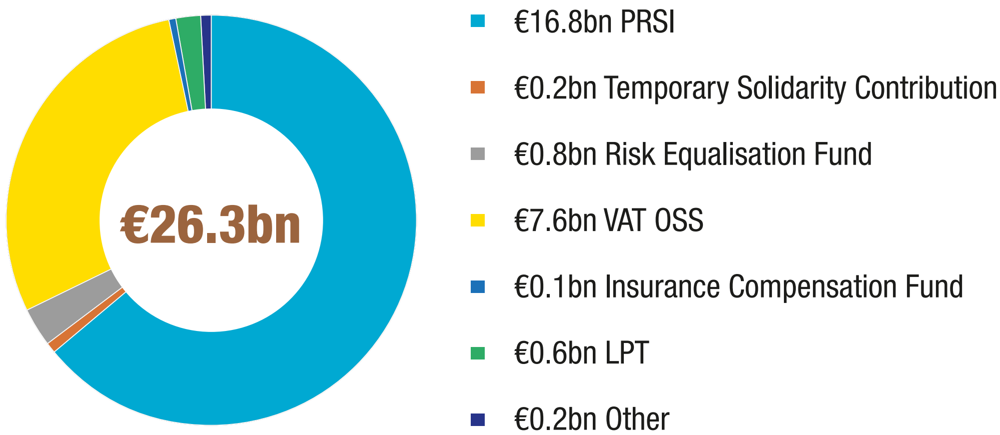
Gross Tax Receipts



Net Tax Receipts



Collection for other Departments & Agencies



Collection of Taxes and Duties

99% timely compliance rate for large cases, and 98% for medium cases	91% timely compliance rate for all other cases, up from 88% in 2022
Non-warehoused debt available for collection at 31 December 2023 was €1.4bn	€1.756bn warehoused for 57,811 businesses, at 31 December 2023
35,905 cases, to the value of almost €655m, referred to enforcement	11,159 Phased Payment Arrangements, valued at €406m, in place at 31 December 2023

Service for Compliance

PAYE Customer Survey	Debt Warehouse Scheme
72% of respondents indicated that they were satisfied, or very satisfied, with our services	The balance in the warehouse at 31 December 2023 was owed by 57,811 business, with almost 70% of those owing less than €5,000

Facilitating Legitimate Trade

54.2m Customs Declarations processed and 89% of GB inbound movements green routed

Confronting Non-Compliance

Seizures	€804m	Prosecutions
20,596 seizures of drugs and excisable products, valued at €382m	Yield arising from audit and compliance interventions, and avoidance cases	211 convictions secured and total fines of €554,180 imposed

Our People, Technology and Capability

57%	7,033	90%
Share of senior management positions currently filled by women	Number of permanent staff employed at 31 December 2023	Share of staff who would recommend Revenue as a good place to work

Main Results 2023

Collection and Compliance

- €127.9 billion in Gross Receipts collected (Table 1)
- €26.3 billion in Gross non-Exchequer receipts was collected on behalf of other agencies (Table 1)
- Net Exchequer receipts for 2023 were €87.2 billion, up 6% on 2022 receipts (Table 2)
- 99% timely return/payment compliance rates for large sized businesses and 98% for medium sized businesses, with very high compliance levels maintained overall (Table 6)
- Debt available for collection was €1.4 billion, up €0.1 billion (8%) on 2022
- Debt available for collection as a percentage of gross receipts was 1.07%, down from 1.08% in 2022

Service for Compliance

- 1.7 million telephone calls answered (Table 3)
- 4.2 million items of correspondence (letters, secure email, online enquiry, etc.) dealt with (Table 3)
- Launched a new Non-Resident Landlord Withholding Tax system, to ease the burden on tenants, collection agents and Non-Resident Landlords (NRLs)
- Developed a bespoke tax education resource for Transition Year students
- Introduced a number of measures through our engagement on the Tax Administration Liaison Committee (TALC), to streamline administrative processes
- Hosted an extensive number of informational webinars and presentations on a wide range of topics throughout the year, including the Debt Warehouse Scheme (DWS), Enhanced Reporting Requirements (ERR) and the TBESS
- Published timely guidance to support taxpayers in understanding their obligations under newly introduced taxes, including Vacant Homes Tax (VHT) and the Defective Concrete Products Levy (DCPL)
- Launched an “Age Week” initiative to support those taxpayers aged 65 and over
- Attended over 100 outreach events nationally

Confronting Non-Compliance

- €787 million in yield, including almost €139 million in interest and penalties, arising from over 290,000 audit and compliance interventions (Tables 14A, 14B and 14C)
- €16.5 million in yield, including €5.2 million in interest and penalties, arising from 85 tax avoidance cases
- €25.6 million in tax settlements, including €11.7 million in interest and penalties, in respect of 73 taxpayers published in Iris Oifigiúil (Tables 16 and 17)

- 21 criminal convictions for serious tax and duty evasion (Table 22)
- 190 convictions and fines amounting to €554,180 secured in respect of a range of summary offences (Table 22)
- 9,217 drug seizures valued at almost €302 million (Table 18)
- 69.5 million cigarettes and 10,191kgs of tobacco seized, valued at €55.7 million and €7.7 million respectively (Table 19)

Supporting Tax Policy and Reform

- €153.8 million of TBESS payments were approved in respect of 62,604 claims
- €1.756 billion in tax debt was warehoused for 57,811 businesses, with almost 70% of those businesses having warehoused debt of less than €5,000
- 11,159 Phased Payment Arrangements (PPAs) covering €406 million were in place at the end of 2023, with 2,116 of those PPAs covering €158 million of warehoused debt
- Worked with the Department of Finance to legislate for the introduction of Pillar Two Global Anti-Base Erosion (GloBE) rules
- Engaged extensively with stakeholders to implement necessary system updates ahead of the commencement of ERR
- Launched a public consultation on the modernisation of Ireland's VAT system
- Developed and launched an online portal for the administration of VHT

Managing Non-Warehoused Debt

- Total debt at 31 December 2023 was €3.4 billion
- Debt under collection was €1.37 billion, €0.17 billion of which was less than 2 months old, €0.4 billion of which was between 2 and 12 months old and €0.8 billion of which was greater than 12 months old
- Debt under appeal was €329 million, and a further €65 million was subject to ongoing insolvency proceedings
- Referred 35,905 cases, with a value of €654.9 million for enforcement (Table 7)

Enhancement of Online Services

- 13.3 million electronic payments made to Revenue with a value of €121.6 billion (Table 3)
- 1.9 million electronic repayments made to taxpayers with a value of €12.9 billion (Table 3)
- 5.5 million electronic returns processed, an increase of one million since 2022 (Table 3)
- 3.8 million individual taxpayers were registered for myAccount at the end of 2023, an increase of 6% from 2022
- 24% of myAccount activity was initiated via the MyGovID portal, up from 16% in 2022
- Almost 1.4 million PAYE IT Returns processed in respect of the 2022 year of assessment, a 20% increase on the number processed in 2022 for the 2021 year of assessment

- Refunds totalling €684 million paid to taxpayers' bank accounts in respect of all 2022 PAYE IT Returns processed during 2023

Payroll Reporting

- 6.6 million successful payroll submissions
- 197,022 employers (including pension providers) made submissions
- 3.7 million employees and pension recipients recorded through Revenue systems
- €133.7 billion gross pay and pensions reported
- €22.7 billion IT paid through Revenue payroll reporting
- €4.8 billion USC paid through Revenue payroll reporting

Customs and Trade facilitation

- 54.2 million customs declarations (import, export, transit) processed (Table 13)
- 400,423 freight vehicle movements into Ireland from GB: 89% Green Routed, 9% Orange Routed, 2% Red Routed
- 10,100 new customs registration Economic Operator Registration and Identification numbers issued

Playing Our Part Internationally

- 2,081 Mutual Assistance requests received and 362 requests issued by Revenue (Table 23) under the provisions of Ireland's Exchange of Information (EOI) agreements
- Participated in a number of automatic EOI with other tax administrations worldwide
- 51 Mutual Agreement Procedures (MAPs) completed following engagement with Competent Authorities of other jurisdictions to eliminate double taxation in relation to international tax disputes and one bilateral Advance Pricing Agreement (APA) concluded in order to prevent transfer pricing disputes (Tables 11 and 12)
- Signed a protocol to incorporate Base Erosion Profit Shifting (BEPS) minimum standards to our limited scope Double Taxation Agreement (DTA) with Jersey
- Assumed our position on the World Customs Organisation (WCO) Policy Commission

Collection of taxes and duties

We play a vital role in the economy by securing taxes and duties due to the State. We achieve this by providing excellent service for compliance and delivering a risk focused, effective and proportionate response to non-compliance, reflecting taxpayer behaviour.

Gross receipts were €127.9 billion in 2023, including €26.3 billion in non-Exchequer receipts collected on behalf of other Departments, agencies and EU Member States (Table 1).

Net Exchequer receipts of €87.2 billion were up by almost 6% or €4.9 billion on 2022, with the largest tax receipts arising from IT, at 38% or €32.9 billion, CT, at 27% or €23.9 billion and VAT, at 23% or €20.2 billion (Table 2).

Net non-Exchequer receipts of €26.3 billion included almost €16.8 billion in respect of PRSI and €7.6 billion in respect of VAT OSS Schemes. It also included almost €0.6 billion in respect of LPT, a tax administered and collected by Revenue with net receipts transferred to the Local Government Fund.

Overall timely compliance rates for 2023 remained strong. Reflecting the continued culture of strong voluntary compliance, timely compliance rates in 2023 were over 99% for large cases and 98% for medium cases. Timely compliance rates for all other cases in 2023 was 91%, up from 88% in 2022 (Table 6).

Total debt was €3.4 billion gross. This included almost €1.8 billion of warehoused debt. The balance of debt in the warehouse had decreased by €1.4 billion since January 2022. The balance remaining in the warehouse at 31 December 2023 was owed by 57,811 businesses, with almost 40,000 (70%) of those having debt less than €5,000.

Non-warehoused debt available for collection increased by 8% compared to 2022, to €1.4 billion. A further €329 million was under appeal, while €65 million was subject to ongoing insolvency proceedings. During 2023 we referred 35,905 cases, with a value of €654.9 million for enforcement.

A total of 11,159 businesses and individuals had PPAs covering €406 million of debt in place at the end of 2023. Of these 11,159 PPAs, 2,116 included warehoused debt totalling €158 million.

Vacant Homes Tax

VHT is an annual self-assessed tax that was introduced through Finance Act 2022, as part of the Government's "Housing for All" strategy. The key objective of the tax is to increase the supply of homes available for rent or purchase, by encouraging the owners of vacant residential properties to bring those properties back into use.

VHT only applies to properties that meet both of the following conditions:

1) are residential properties for the purposes of LPT, and
2) were occupied for less than thirty days in a chargeable period.

VHT does not, therefore, apply to derelict or uninhabitable properties. In addition, VHT does not apply to residential properties which were sold during the relevant chargeable period, or subject to a tenancy that has been registered with the Residential Tenancy Board. Additional exemptions are available, and can be claimed when a VHT return is being filed.

The first chargeable period for VHT was 1 November 2022 to 31 October 2023, and the deadline for returns in respect of that period was 7 November 2023. A register of vacant homes and associated chargeable persons did not exist prior to the introduction of VHT, and we therefore began work to establish this register during 2023. In addition to recording the details of those properties which have been entered on the VHT portal, we have carried out a number of correspondence campaigns, writing to property owners where the data available to us indicates that they may have a liability to VHT.

The first of these correspondence campaigns was carried out in September 2023, when we wrote to the owners of approximately 25,000 properties. We used our own records, together with data from ESB Networks and An Post's property database, GeoDirectory, to identify this initial subset of properties. We will continue our work to develop the register during 2024.

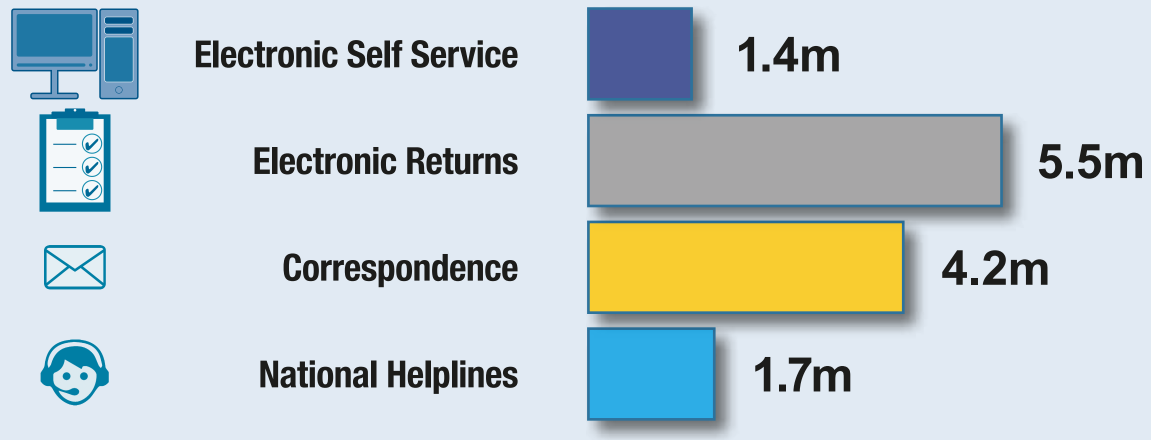
To facilitate relevant property owners in meeting their VHT pay and file obligations, we developed and launched an online VHT Portal on 25 September 2023. We also published detailed guidance on our website, carried out a communication campaign and delivered a comprehensive VHT training programme to support our staff. As at 31 March 2024, we have responded to over 6,500 online queries relating to VHT.

The online VHT portal guides property owners through a simple three-step process to review their details, submit their return and make their payment, if necessary. The system calculates the VHT amount due for property owners. For the first chargeable period, this was set at three times the property's existing base LPT liability before any Local Authority adjustment is applied. For the chargeable period ended 31 October 2024 and subsequent chargeable periods, the VHT charge will be increased to five times the property's existing base LPT liability before any Local Authority adjustment is applied.

As at 31 March 2024, the status of over 67,000 properties has been confirmed for the purposes of VHT for the chargeable period ended 31 October 2023, with approximately 59,000 of these properties being declared as occupied. Approximately 6,000 properties have been declared as vacant, with exemptions being declared in respect of approximately 2,500 of these properties. Approximately 3,500 properties have a liability to VHT, amounting to €2 million.

Service For Compliance

Taxpayer Contacts in 2023



PAYE IT Returns

1.4m PAYE IT Returns processed in respect of the 2022 year of assessment, with refunds totalling **€684m** paid to taxpayers' bank accounts

Tax Opinions and Confirmations

333 opinions or confirmations issued through our RTS

80 Relevant Tax Opinions issued

Electronic Payments and Repayments

13.3m electronic payments, to the value of **€121.6bn,** made to Revenue

2m electronic repayments, to the value of **€12.9bn,** made by Revenue

Customs Trade Facilitation

54.2m Customs Declarations processed, up 11.3m (26%) from 2022

Service For Compliance

Our core task is to fairly and efficiently collect the taxes and duties due to the State. We deliver on this core task through our agile and responsive service for compliance delivery model that is based on the evolving needs of taxpayers and tax agents, and the continually changing economic and business environments they operate in.

We continue to refine and deepen our segmented approach of service delivery in a manner that supports and facilitates high voluntary compliance levels. Key to our achievements in this regard are:

- delivering quality service across a range of delivery platforms in a cost-efficient way,
- developing further opportunities to leverage the benefits of technology and data insights across our business engagements to improve taxpayer experience and minimise the risk of inadvertent non-compliance,
- continually refining and refocusing our service delivery model to take account of the needs of taxpayers, changes in business models and the role of tax agents and intermediaries,
- providing clear, comprehensive, and up-to-date information to taxpayers and tax professionals on our website,
- ensuring our service results in the right outcome for taxpayers and Revenue,
- seeking to minimise compliance costs for taxpayers, and
- reducing the need for taxpayers to contact us.

Facilitating Voluntary Compliance

We remain committed to supporting a culture of high voluntary compliance and provide services and guidance that make it as easy as possible for taxpayers to understand and comply with their tax obligations.

A Preliminary End of Year Statement (PEOYS) is made available to all PAYE employees at the end of each year, and is easily accessible in myAccount. The PEOYS provides a preliminary calculation of an employee's IT and USC for the year, and indicates whether their tax position is balanced, underpaid, or overpaid.

The PEOYS is based on information available to us, including pay and tax details reported by employers and pension providers and Department of Social Protection (DSP) payments. As such, if an employee wishes to claim additional tax credits or reliefs or declare other income earned outside the PAYE system, they must complete a PAYE IT Return for the year. We will then generate a Statement of Liability confirming the final tax position for that year. Therefore, for the vast majority of PAYE taxpayers, filing a PAYE IT Return is a straightforward process they can complete themselves through our quick, easy and free to use myAccount service.

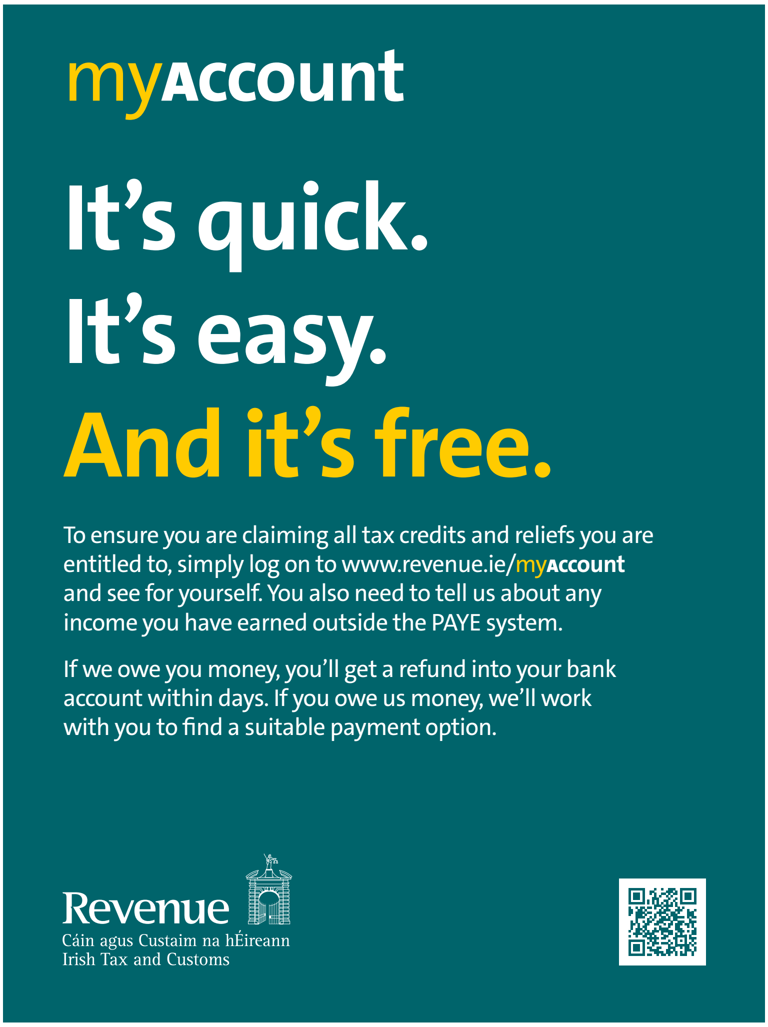
During 2023, we processed nearly 1.4 million PAYE IT Returns in respect of the 2022 year of assessment. This is a 20% increase on the number of PAYE IT Returns processed in 2022 for the 2021 year of assessment. Of the 2022 PAYE IT Returns processed during 2023:

- 952,471 resulted in an overpayment of tax, and €684 million has been refunded to taxpayers' bank accounts in respect of these returns,
- 247,184 were balanced, and
- 174,204 resulted in an underpayment of tax, with total underpayments of €44 million being

collected through a reduction in the taxpayers' tax credits from 2025.

Work has been ongoing to raise awareness among PAYE taxpayers of the availability of the PEOYS, and the process by which they can finalise their tax position and claim any refund they may be due.

During 2023 we wrote to over 96,000 individuals who, according to their PEOYS, may have either overpaid or underpaid tax in one or more of the tax years 2019 – 2022 inclusive, advising them to file a PAYE IT Return. As at 31 March 2024, we had received approximately 122,000 returns from over 47,000 of those individuals that we wrote to in 2023 as part of this programme. A total of €45.8 million has already been refunded to taxpayers' bank accounts in respect of these returns.



Revenue 2024 information campaign

This campaign was a continuation of correspondence we issued during 2022 and we will be continuing this action in 2024, writing to those individuals who, according to their PEOYS, may have either overpaid or underpaid tax in one or more of the tax years 2020 – 2023 inclusive. This letter campaign will build upon an extensive public information campaign we launched for PAYE taxpayers in January 2024.

We continued to use all information available to us, including third-party information from a range of sources, to pre-populate annual tax returns. The 2022 year of assessment was the first complete year of eProfessional Services Withholding Tax (PSWT), and during 2023 payment notification data were pre-filled on the self-assessed taxpayer IT Return for the first time. Some 7,850 returns were populated with payment notification data, to the value of €655 million.

During 2023, we also pre-populated the following information on self-assessed IT Returns:

- payments made by the Department of Agriculture, Food and the Marine (DAFM),
- tenancies registered with the Residential Tenancies Board,
- Housing Assistance Payments scheme payments made, and
- information from third-party returns filed by letting agents.

Revenue Outreach Events

We have an extensive outreach program, as part of which we attend local and national events and visit schools. We also host events and live webinars to inform and support taxpayers with their tax affairs, and facilitate stakeholder engagement. This program provides an excellent range of opportunities for us to engage and interact directly with taxpayers and stakeholders.

During 2023, almost 200 staff across all areas of Revenue attended over 100 local and national events, during which attendees engaged positively with our representatives on a wide range of topics. Some of the events we attended during 2023 included:

- the DBI Digital Summit in Dublin,
- the Ideal Homes Exhibition in Dublin,
- the National Ploughing Championship in Laois,
- the Pregnancy and Baby Fair in Dublin,
- the Summer Show in Cork,
- the 50 Plus Show in Cork, Dublin and Galway, and
- the Property Show in Dublin.

Revenue staff attending the National Ploughing Championship

Representatives from our Personal, Business, Collector General's and Medium Enterprises Divisions also gave presentations and hosted webinars at numerous events with business and industry experts, and tax agent representative bodies, over the course of 2023. These events covered a wide range of topical tax issues such as the TBESS, the DWS, the Small Company Administrative Rescue Process (SCARP), ERR, the share schemes project, learnings from COVID-19 related wage subsidy schemes and post COVID-19 compliance activity.

A school pilot project was also initiated in 2023, with schools in Cork and Galway participating. Information events delivered as part of this project were designed with a particular focus on the needs of younger people, with the goal of offering practical and useful information to assist them in understanding their tax obligations and entitlements. During the events, representatives demonstrated how to register for and access our myAccount service using both MyGovID and the Revenue website. This outreach project will continue in 2024.

We also designed a bespoke tax education resource for Transition Year students, with a view to improving tax literacy amongst young people, empowering them to manage their own tax affairs and encouraging the use of Revenue's online services. In developing this resource, we collaborated extensively with a wide range of bodies across the education sector to ensure the content met the needs of its audience.

Revenue staff attending Transition Year Fair

We attended a number of Transition Year fairs and events to promote the launch of the "Introduction to Tax" Module, and 927 students had commenced the module by 31 December 2023. These events also provided an opportunity to promote Revenue as an employer of choice. All material related to the Introduction to Tax module is available to download from our website for free, and we will continue to engage with stakeholders in the education sector to promote awareness of the module and these resources throughout 2024.

Share-based remuneration continues to form a key element of remuneration packages provided by some employers, as a tax-efficient means of attracting and retaining employees. We do, however, recognise the difficulties some employees experience in understanding the self-assessment tax obligations arising in respect of same. To address this, we communicated directly with approximately 7,000 employees in May 2023 reminding them of their filing obligations relating to Relevant Tax on Share Options, IT and CGT.

Finance (No. 2) Act 2023 introduced new provisions which transfer the reporting requirements in respect of gains realised on share-based remuneration from self-assessment to the PAYE system. As a result, the employer will be responsible for accounting for the tax due as part of their payroll process. This treatment will apply to gains realised on or after 1 January 2024. Gains realised on or before 31 December 2023 will remain taxable under self-assessment.

Enhanced Reporting Requirements

The ERR, which were introduced through Finance Act 2022, came into effect on 1 January 2024. The items that come within the scope of the ERR are the small benefit exemption, the remote daily working allowance and untaxed travel and subsistence payments.

In line with our approach to the introduction of other reporting regimes, we engaged extensively with stakeholders prior to the commencement of the ERR. Our engagement with 3rd party software providers throughout 2023 was key to facilitating the integration of the new reporting system with existing expense and payroll software packages. We held regular meetings with these software providers throughout 2023, and will continue to do so as employers familiarise themselves with the new reporting mechanisms.

We confirmed in December 2023 that we will be operating a service for compliance approach in respect of the ERR until the 30 June 2024, which focuses on supporting those employers who are attempting to comply with the new requirements. Employers are, however, still expected to take all reasonable steps to ensure they fulfil their reporting obligations. To that end, we published an information hub on our website, setting out comprehensive guidance and hosting support videos for employers and their representatives.

Our change management team has also been running an extensive series of free informational webinars for all employers and representative bodies since September 2023. As at 31 March 2024, we had hosted almost 35 of these webinars and they have been extremely well attended, with upwards of 1,000 participants joining individual events. During these webinars our team provide key information on what is reportable under the ERR and demonstrate how the reporting mechanism works. Attendees also have an opportunity to ask questions on the new reporting obligations. In addition to this, we participated in employer and industry-led sessions with members of agent professional bodies and their clients, and engaged directly with large scale employers in the case base.

We will continue this engagement during 2024 as needed, and we have also committed to establishing a TALC sub-committee to deal specifically with ERR matters.

As at 31 March 2024, almost 287,000 submissions have been received from approximately 30,000 employers, in respect of more than €310 million in payments and benefits provided to over 400,000 individual employees. The payments and benefits reports are made up of almost €270 million in untaxed travel and subsistence payments, approximately €38 million in qualifying incentives under the small benefit exemption and the balance of approximately €2.4 million for the remote working daily allowance.

The real-time data provided by employers through the ERR will assist us in assessing risks associated with these benefit and payment types, and will enable us to focus our compliance activity on the riskiest cases and reduce the likelihood of a compliance intervention, and associated costs of same, for compliant taxpayers. The obligation to report in real-time is also likely to result in tighter controls being implemented by an employer to ensure it is satisfied that the specific payments and benefits are correctly treated as not being subject to tax.

The **DCPL** came into effect on 1 September 2023. The levy applies to the first supply of a defined list of certain **concrete products** and is calculated at a rate of 5% of the open market value of the products concerned. Prior to the commencement of the levy, we contacted over

1,000 businesses and their agents in the concrete industry, as well as industry bodies, to increase awareness of the levy and to outline the supports available to aid compliance with the DCPL.

The Finance (No. 2) Act 2023 introduced changes to the DCPL, providing for the removal of ready-to-pour concrete used in the manufacture of pre-cast concrete products from its scope, with effect from 1 January 2024. The Act also provides for a refund of the DCPL incurred in respect of the ready-to-pour concrete used in the manufacture of pre-cast concrete products between 1 September 2023 and 31 December 2023. The refund scheme has been operational from 1 January 2024 and all refund claims must be submitted by 30 April 2024.

The **Revenue Technical Service (RTS)** plays a pivotal role in promoting voluntary compliance and is an essential support system for individuals and businesses. Operating across Revenue, the service addresses complex technical issues, providing clarity for both agents and taxpayers by giving them a means to formally seek an opinion or confirmation where there is a doubt in relation to the application of tax law for specific transactions or situations. During 2023, 333 opinions or confirmations were issued.

Revenue opinions have a maximum validity period of five years and in January 2023, we issued a reminder (eBrief No. 10 of 2023) advising that opinions provided between 1 January and 31 December 2017 were subject to review. Taxpayers wishing to continue relying on opinions issued during 2017 on or after 1 January 2023, in respect of a transaction, period or part of a period, were required to make an application for a renewal or extension of the opinion on or before 31 March 2023. We received applications to renew or extend six such opinions.

As distinct from the full range of opinions and confirmations provided through the RTS, **Relevant Tax Opinions** are those that are provided to companies and other entities only (not to individuals or for the benefit of individuals) and in respect of direct taxes only (e.g. CT, Business IT, Stamp Duty and CGT). Where a Relevant Tax Opinion has a cross-border element, it is exchangeable under the EOI instruments. During 2023, we provided 80 Relevant Tax Opinions on complex technical issues to companies and other entities (Table 10).

Our 24/7 **online PPA facility** continued to provide essential services to support viable businesses experiencing tax payment difficulties throughout 2023. This self-service facility provides up-to-date information on liabilities and outstanding returns, and guides the taxpayer through the application process to secure a PPA.

At the end of 2023, a total of 11,159 PPAs were being actively managed through the **Debt Management Service (DMS)** system. Once approved, taxpayers have considerable flexibility to self-manage the payment schedule in line with changing business needs.

Of the 11,159 PPAs in place at the end of 2023, 2,116 included warehoused debt. We will continue to be pragmatic in relation to the payment plans for warehoused debt, and will work with businesses in the DWS so that they can secure the viability of their business into the future. This is subject to the key requirement of the DWS that businesses continue to file their current tax returns and pay current liabilities as they fall due which will, in itself, be viewed as a key indicator of business viability. By remaining in the warehouse, businesses will benefit from the 0% interest rate and flexible payment options available in respect of warehoused debt. The consequence of not meeting these conditions is that the warehouse status is revoked, which will result in the standard interest rate of 8%/10% applying, and the immediate enforcement of all outstanding debt, including interest.

We service our policy of supporting voluntary compliance for large corporate groups through our **Co-operative Compliance Framework (CCF)**. Those large corporate businesses that participate in the framework benefit from having regular dialogue with us, which helps to provide long-term certainty in relation to tax and duty exposures, and an ability to predict, with reasonable confidence, what our position will be on any particular aspect of tax and duty obligations. At the end of 2023, there were 125 corporate groups working with us in CCF. This is an increase of four from 2022.

During 2022 a comprehensive review of the CCF was carried out, and during 2023 we implemented a number of recommendations which arose from this review. One such change implemented related to risk review meetings, which are held with participating businesses and generally take place on an annual basis. It has now been determined that these meetings can take place on a less frequent basis, e.g., every 18 months or two years, where Revenue considers the group's tax affairs and/or group tax payments to be relatively low. Arising from risk reviews and other engagements under CCF, disclosures in the region of €26 million were received from these groups during 2023.

We also commenced the piloting of CCF in Public Bodies during 2023, in order to assist voluntary compliance in this sector. Expansion of this programme will be subject to ongoing review and evaluation during 2024.

Service Delivery

Over recent years we have seen an increased demand for 24/7 digital service offerings, with a high portion of taxpayer transactions moving online. It is also noted that taxpayers and their agents expect greater flexibility in their access to services, whether digital or not.

With that in mind, the focus of our service design is to provide a suite of online or digital services that leverages process automation, where appropriate, and that allows taxpayers and agents to self-serve to the greatest extent possible. Complementing this, we aim to give excellent service to those unable to avail of our online services.

myAccount is a single access point to our secure online services for individuals who are in receipt of income which is subject to tax under the PAYE system. **ROS** is a similar secure facility for self-assessed taxpayers to access our online services. Both services are available 24/7, year-round, and provide a quick and convenient way for individuals to access their tax records and manage their tax obligations.

Our myAccount service can be accessed through **MyGovID** or the Revenue website. In 2023, there were over 5.8 million myAccount logins or registrations using MyGovID, which represents 24% of all individuals using myAccount. Additionally, recognising the profile of those accessing myAccount for the first time (that is new employees registering their first employment), a new guide for first time employees was published to provide additional help with the processes to register for myAccount, and register a first employment.

85%

of respondents trust Revenue to keep their information safe

72%

of respondents are either satisfied or very satisfied with Revenue's services

70%

of PAYE taxpayers interacted with Revenue in the past 12 months

76%

of PAYE taxpayers have used **myAccount**

PAYE Customer Survey

During 2023 we conducted a survey among PAYE taxpayers, as part of our ongoing practice of engaging with taxpayers to seek their views and ensure their needs are being met.

PAYE taxpayers' trust in us, the way we administer the tax system and manage and protect their personal information, is an issue that is very important to us. The evolution of the digital economy and the increased threat of cyber-attacks has heightened the challenges associated with this responsibility, but 85% of survey respondents stated that they trust Revenue to keep their information safe, and this finding is welcome.

We are, however, cognisant of the views of the small minority (7%) who have concerns about the safety of their information, and we will do what we can to build their confidence and trust in us.

It is also welcome to note that a high proportion of survey respondents were either satisfied or very satisfied with the services we provide. Respondents in older age categories, those who engaged more frequently and those with higher earnings tended to indicate a higher level of satisfaction.

This is a noteworthy finding in the context of accelerated digitalisation across society, with growing consumer expectations on the availability of services in multiple channels and at times that suit them.

We have continued to evolve and invest in our response to taxpayers' ever changing needs. Our agility and responsiveness has helped maintain the high level of customer satisfaction, which is comparable to previous customer survey findings.

We thank all those who participated in the survey and will use the responses and feedback provided to assist us in continuing to understand and address taxpayer needs.

Our **website**, www.revenue.ie, provides vital information about our services and tax rules for taxpayers and tax agents. Information is tailored to meet the diverse needs of our website users, catering for a very broad range of taxpayers and tax professionals, setting out what are sometimes complex tax rules in as straightforward a way as possible.

We continue to prioritise the accessibility of our website to the widest possible audience, regardless of technology or ability. We also ensure that the information and guidance on our website is relevant, current and accurate by continually updating the content and by reviewing our website users' feedback carefully. For example, we redesigned and expanded the information that explains how pensions are taxed on our website during 2023, in response to feedback we had received.

Our **National Appointment Service** allows taxpayers to choose a time convenient for them to meet with a member of our staff, and eliminates waiting times. As part of this service we offer a virtual (video) appointment service, which gives taxpayers even greater flexibility and convenience, by eliminating the need to travel.

Recognising that not all taxpayers have access to the internet or a smart device, we introduced an in-office virtual appointment service in the Letterkenny and Tralee offices during 2023. This service allows a taxpayer to conduct a virtual appointment from those offices, using Revenue facilities. It is expected that this service will be extended to further locations in 2024.

We also offer an in-person appointment service in our public offices in Dublin, Cork, Galway, and Limerick. Where taxpayers cannot avail of a virtual or in-person appointment at one of our public offices, appointments at other locations are facilitated on a case-by-case basis.

An appointment was not required for 87% of the enquiries received via the Appointment Line during 2023, with the callers being directed to the most appropriate service channel based on their individual needs. An appointment was required for the remaining 13% of enquiries and, over the course of the year, 195 virtual appointments and 2,036 face-to-face appointments were provided.

Revenue's **Irish Policy Unit** (Rannóg na Gaeilge) is based in Geata na Cathrach, Galway, and has national responsibility for managing Revenue's compliance with the provisions of the Official Languages Act 2003 and related Regulations, and for the implementation of Revenue's Irish Language Scheme commitments.

We have fully complied with all of our obligations in relation to the Act to date. In that regard, we have appointed a member of staff from senior management to oversee our compliance with our obligations under the Act, respond to all written communication in the official language through which it is received and issue all key publications in both Irish and English simultaneously. We have also met all of our obligations in relation to advertising, and advertising spend, in the Irish language and specifically through Irish language mediums.

The Rannóg na Gaeilge team provides a comprehensive translation service, ensuring that guidance and content published on the Revenue website is available in Irish. During 2023, in excess of one million words were translated.

The team also provides an Irish language service on our National PAYE, Business Taxes and Employer helplines, answering 4,595 calls during 2023. The team also held an outreach talk with final year students at the University of Galway, advising students on what actions they should take upon commencing employment, including how to set up myAccount.

We continue to carry out detailed analysis of taxpayer contacts to identify areas where taxpayers may be experiencing difficulties in meeting their tax and duty obligations and take action to proactively assist them.

In noting the challenges that some of those aged 65 and over face in engaging with our online services, we hosted an **"Age Week"** outreach event in our public office in Dublin during April 2023. The aim of the event was to enhance the support available to assist these individuals in meeting their tax obligations, promote the ease of use of our online services, and to reduce the compliance burden for these taxpayers.

Over the course of the week presentations and follow up question and answer sessions, covering a range of topics of particular relevance to this cohort, were delivered. This included LPT, accessing ROS and myAccount, self-assessment and CAT. The DSP, Age Action and the Citizens Information Board were also in attendance at the event.

Through this outreach programme we received direct feedback from attendees, which will form part of our continuous review of the service delivery channels we provide. As a result of the success of this event, we hosted a second outreach event for taxpayers aged 65 and over in our Dundalk Office in October 2023. Similar events will be rolled out nationally in 2024.

Understanding Taxpayer Needs

Factors such as rapidly changing business and economic environments, as well as a shift towards more flexible working arrangements in organisations across the country and globally, means that we need to continually engage with taxpayers and other key stakeholders to understand their differing and evolving needs. This engagement informs our service strategies, approach to contact channel management and systems design, with a view to sustaining high levels of voluntary compliance.

We engage and consult with agents, industry and business representatives through a range of initiatives and forums. Through TALC we discuss practical changes to achieve a more effective and efficient administration of the tax system, and support practitioners in the work they do to assist their clients to comply with their tax obligations on a timely basis.

During 2023 we continued to engage with practitioners on our Compliance Intervention Framework (CIF) through the TALC Audit Sub-Committee. This collaborative approach has allowed for constructive engagement on the practical and operational aspects of the framework as it has been implemented. We also delivered a number of **priority system enhancements**, which had been requested by practitioners through TALC. These developments included:

- simplifying the process for updating bank account details through our online services, for both tax payments and refunds,
- generating a single agent notification into the ROS inbox listing clients with the same compliance issue (e.g. outstanding IT and CT returns), in place of individual notices for each client, and
- committing to prioritise certain correspondence in the ROS inbox requiring attention within short timelines, such as correspondence relating to PPAs.

A number of additional TALC sub-groups were also established during 2023, to facilitate engagement between Revenue and representative bodies on relevant operational matters. This includes an ERR sub-group, which has been developed under the Direct and Capital Taxes Sub-Committee. In addition, work commenced to establish a new sub-committee to examine opportunities to simplify and modernise the administration of tax-based supports for small and medium sized businesses during 2023. This group was subsequently established in January 2024 with recommendations expected to be delivered later in the year.

Non-resident Landlord Withholding Tax System

A NRL is required to pay tax in the State on their Irish rental income. To do this, NRLs have the option of either engaging the services of a collection agent, or having their tenant withhold 20% of the rent payment due, and remit that to Revenue.

Historically, where a NRL appointed a collection agent, the collection agent was responsible for collecting the rent and filing an IT Return, for the rental income, on the NRL's behalf. Where a NRL did not appoint a collection agent, and tenants were making their rent payment directly to the NRL, the tenants were required to remit the tax deducted from the rental payments due, together with a Form R185 (Certificate of IT Deducted), by filing a PAYE IT Return after the end of the year. The NRL was then also required to submit their own self-assessed IT Return to declare the Irish rental income themselves, and then claim a credit for the tax deducted and remitted to Revenue by their tenants.

This system remained unchanged for years and Revenue recognised the complications it caused for some. Many collection agents expressed dissatisfaction at having to file returns for NRLs, and tenants who were paying rent directly to a NRL were often unaware of their responsibilities and, in some cases, were unaware that their landlord was not Irish resident.

Legislative provisions introduced through Finance Act 2022 facilitated our aim to modernise the existing process and introduce a real-time withholding mechanism. We implemented the necessary developments and the new Non-resident Landlord Withholding Tax system went live on 1 July 2023. This new system eases the administrative burden for both collection agents and tenants, and simplifies the process for NRLs to file a return.

The portal can be accessed through myAccount or ROS, and enables tenants and collection agents to make a rental notification when making payments to a NRL. This notification, and accompanying 20% payment, should be submitted to Revenue within 21 days of the rental payment being made.

Collection agents are no longer required to file a return on behalf of the NRL, and tenants are no longer required to include details of the tax withheld from the rental payment and remitted to Revenue on their own return. This means that NRLs are now required to file a self-assessed IT Return to declare their Irish rental income irrespective of whether they have appointed a collection agent. Revenue will, however, pre-populate NRL returns with details of rental payments made by the tenant and any credit due to the NRL for tax which has already been withheld and remitted.

In the nine months following the launch of the system almost 60,000 rental notifications were received through the portal and withholding tax of €24.8 million was remitted in respect of gross rental payments amounting to €124.2 million.

We **collaborate with Government Departments** to further support taxpayer needs, and some examples of this engagement during 2023 are as follows:

- we continued to liaise with the Department of Finance, Banking and Payments Federation Ireland and departing retail banks on the implementation of actions and supports required to minimise the disruption arising from the departure of two retail banks from the Irish banking market,
- we worked closely with the Department of Enterprise, Trade and Employment (DETE) to administer the (TBESS), which is funded by DETE,
- we participated in a DETE working group to propose policy solutions to transpose Article 2(1)(b) of Directive 2008/94/EC on the protection of employees in the event of the insolvency of their employer,
- we exchanged relevant information with the DSP to ensure that taxable income is recorded and taxed in a streamlined and efficient manner, and that citizens' social insurance records are populated with the relevant PRSI contribution information to enable their benefit and pension entitlements to be assessed as quickly as possible, and
- together with the Department of Justice and other stakeholders, including the Courts Service and the Insolvency Service of Ireland, we participated in a review group which

was tasked with looking at the role of sheriffs and considering if the nature of the role is currently in line with best international practice.

Temporary Business Energy Support Scheme

We continued to administer the TBESS on behalf of the DETE in 2023. The scheme supported qualifying businesses with increases in their electricity and natural gas costs during the period 1 September 2022 to 31 July 2023.

A business was eligible to make a claim under the scheme if it:

- satisfied the energy costs threshold, meaning that it had experienced an increase of 30% or more in the average unit price of its electricity and/or natural gas costs,
- carried on either a Case I trade or a Case II profession,
- was compliant with regard to tax registration, tax payments and filing of tax returns, and had been eligible for a tax clearance certificate throughout the claim period, and
- had been an eligible business throughout the claim period and intended to be an eligible business following the end of the claim period.

To assist businesses in applying for the scheme we recorded a number of how to videos, which we published on our website, and hosted numerous information webinars. We also responded to 41,000 items of correspondence with businesses. Revenue also issued communications, reminding eligible businesses to register for TBESS and submit claims, throughout the life of the scheme.

The final deadline for submitting claims under the scheme was 30 September 2023. Over the course of the scheme 62,604 claims, with a total value of €153.8 million had been approved. All recipients of the scheme were published on our website in November 2023.

In addition, we are represented on both the Insolvency Service of Ireland Consultative Forum and the Protocol Oversight Committee, and constructively participate in the Personal Insolvency process. We are also represented on the Company Law Review Group and its Corporate Insolvency sub-committee, which reviews company law within the corporate insolvency regime to ensure it addresses all stakeholders' concerns and is fit for purpose. In 2023, the sub-committee worked through the European Commission's proposal for a Directive on harmonising certain aspects of insolvency law, and will continue to work with the DETE on this during 2024.

Supporting Tax Policy and Reform

Throughout 2023, Revenue continued to work closely with the Department of Finance in relation to both national and international tax policy developments, such as the OECD Inclusive Framework Two-Pillar solution and EU proposals regarding the international taxation of companies. This included supporting the Department of Finance in drafting legislation for two Finance Bills and providing statistical and economic analysis and costings to the Department of Finance as well as to the Government and the Oireachtas.

The **mortgage interest tax credit** was introduced by Finance (No. 2) Act 2023. This measure provides for a tax credit of up to €1,250 for the 2023 year of assessment only. Broadly, the credit is available to homeowners with an outstanding mortgage balance between €80,000 and €500,000 at 31 December 2022, where the interest payments made during 2023 were higher than those made during 2022.

The **Help to Buy scheme** was further extended by one year, to 31 December 2025. The scheme was also amended to enable a contribution from the Local Authority Affordable Purchase Scheme to be combined with the qualifying loan amount for the purposes of calculating the loan-to-value ratio. In 2023, 19,084 applications were approved, 6,804 of which progressed to claim stage and are now fully approved. The total value of approved claims in 2023 was €180 million, of which 78% related to new properties bought from developers and 22% related to self-builds.

The Finance (No. 2) Act 2023 also broadened the scope of the **rent tax credit**, to provide that the credit will be available for payments made by parents in respect of rent-a-room arrangements for their children. The Act also increased the value of the credit, for the 2024 and 2025 years of assessment, to up to €750, or €1,500 in jointly assessed cases.

Another measure introduced by Finance (No. 2) Act 2023 was the **residential premises rental income relief**, which landlords can set against the rental income they have earned from residential lettings. The relief applies to individual landlords who are fully compliant with their Residential Tenancies Act and LPT requirements, and have tax clearance. The relief will be available for the 2024 to 2027 years of assessment inclusive, starting at up to €600 in 2024, rising to up to €1,000 in 2027.

Finance (No. 2) Act 2023 also implemented a recommendation of the Commission on Taxation and Welfare that a lifetime limit be introduced in respect of CGT relief on disposals of businesses and farms to children. This amendment therefore introduced a €10 million lifetime limit for **Retirement Relief** in respect of such disposals with effect from 1 January 2025.

The new **CO2-based Benefit-in-Kind regime** for employer-provided cars applied from 1 January 2023. Under this scheme, the notional pay amount is determined by the car's Original Market Value (OMV), the annual business kilometres driven and the CO2 emissions-based bands. Finance Act 2023 provided for a reduction of €10,000 in the OMV of cars in categories A, B, C and D, for the purposes of determining the notional pay amount for the 2023 year of assessment. The reduction of €10,000 also applies to all vans. In addition, this Act provided for a reduction of 4,000 kilometres to the highest mileage band, reducing it from 52,001 kilometres to 48,001 kilometres. Finance (No. 2) Act 2023 extended these measures to apply for the 2024 year of assessment.

Finance (No.2) Act 2023 extended the existing relief that applies for **electric vehicles** to 31 December 2027. A €35,000 reduction to the OMV applies for 2024 and 2025, a €20,000 reduction applies for 2026 and a €10,000 reduction applies for 2027.

Finance Act 2023 and Finance (No. 2) Act 2023 introduced a number of amendments to tax provisions arising from the June 2023 revisions to Commission Regulation (EU) 651/2014, known as the **General Block Exemption Regulation (GBER)**, and the adoption of Commission Regulation 2022/2472, known as the **Agricultural Block Exemption Regulation (ABER)**.

The GBER-related amendments included amendments to Part 16 of the Taxes Consolidation Act 1997 (TCA 1997), which provides relief for investment in corporate trades, being the Employment Investment Incentive, Start-Up Relief for Entrepreneurs and Start-Up Capital Incentive, reflecting a revised lifetime limit of €16.5 million on the amount of risk finance investment that may be raised by a qualifying company, and the introduction of maximum rates of relief ranging from 20% to 50% depending on the basis under which the company seeking to raise risk capital is eligible and on whether the investment is direct or indirect.

The ABER-related amendments included an increase to the aggregate amount of relief available to a person under the **Young Trained Farmer Stock and Stamp Duty reliefs** and **relief for Succession Farm Partnerships** from €70,000 to €100,000, which was provided for in Finance (No. 2) Act 2023.

Finance (No. 2) Act 2023 also provided for an increase in the rate of the **Research and Development tax credit**, from 25% to 30%, and also increased the first year payment threshold from €25,000 to €30,000.

Amendments were also made under the Act to the **Digital Games CT credit**, to align the credit with international requirements. The tax credit is available in respect of expenditure incurred on the development of a digital game, and a digital games development company will now have the option to either call for payment of the credit in cash, or to request that the credit be offset against existing tax liabilities. The amendments also provide that the credit will be paid or offset against existing tax liabilities in full within 48 months of a valid claim being made.

Work continued at the OECD throughout 2023 on finalising the Two-Pillar solution, agreed through the OECD/G20 Inclusive Framework on **BEPS** to address tax challenges arising from the digitalisation of the economy. We actively engaged with and supported the Department of Finance in all aspects of these negotiations. We also supported the Department of Finance in preparing for and implementing these complex rules in Irish tax legislation. This included preparing draft legislative approaches to implementing the Pillar Two rules in Irish law.

Implementation of the Two-Pillar solution

Existing international tax rules were established many years ago, before the significant degree of digitalisation and globalisation observed in today's economy. An international agreement, known as the "Two-Pillar Solution", aims to address the tax challenges arising from such digitalisation of the economy.

The international Two-Pillar Solution consists of two separate components, namely, Pillar One and Pillar Two. Broadly, Pillar One aims to ensure that a portion of the profits of large MNEs are taxed where the products or services they provide are consumed. Pillar Two establishes a global minimum tax rate for large MNEs.

Pillar One

Pillar One has two aspects, known as "Amount A" and "Amount B". The OECD/G20 Inclusive Framework on BEPS report on Amount B has already been incorporated into the OECD Transfer Pricing Guidelines. We will continue to support the Department of Finance in negotiations to finalise the text of the Amount A Multilateral Convention during 2024.

Pillar Two

Pillar Two introduces a 15% global minimum level of taxation for MNEs globally, and large scale domestic groups operating in the EU. The minimum rate of tax operates by way of a number of top-up taxes.

The Pillar Two top-up taxes are calculated by reference to financial accounting rules, subject to certain adjustments agreed upon by the OECD Inclusive Framework and set out in an EU Directive and domestic Irish legislation. The new provisions apply to both multi-national and domestic businesses with a global annual turnover of over €750 million in at least two of the preceding four years.

There are three Pillar Two top-up taxes:

- an Income Inclusion Rule (IIR) top-up tax, which operates via group parent entities,
- an Undertaxed Profit Rule (UTPR) top-up tax, which can be operated by other group entities as a backstop provision where an IIR has not applied, and
- an optional Qualified Domestic Top-up Tax (QDTT), which provides for the collection in a jurisdiction of any top-up tax due in respect of in-scope entities located in that jurisdiction.

Ireland has elected to apply a QDTT in implementing Pillar Two.

Council Directive (EU) 2022/2523 (the Pillar Two Directive) was transposed into Irish law through Finance (No. 2) Act 2023. The three top-up taxes are collectively referred to as the "GloBE taxes".

The Pillar Two GloBE taxes will be administered on a self-assessment basis, under the care and management of Revenue. Administrative obligations imposed on those in scope of the GloBE taxes are set out below.

- In scope entities must register with Revenue within 12 months of the end of the first fiscal year they are in scope of the rules.
- In scope entities are required to submit a comprehensive informational return, referred to as a Top-Up Tax Information Return or GloBE Information Return (GIR). This return must be filed 15 months following the period end

(extended to 18 months for the first year within scope). The earliest such a return is due is June 2026. There is an option of centrally filing the GIR in one jurisdiction, subject to certain conditions.

- An Irish entity subject to a top-up tax will be required to prepare and file domestic returns in respect of any top-up tax that applies, with three separate returns for the IIR top-up tax, UTPR top-up tax and domestic top-up tax (where relevant).
- The domestic returns and accompanying payments are due 15 months after the end of the fiscal year, with an extended 18-month deadline for the first fiscal year that entities are within scope.

In line with published OECD guidance on Pillar Two implementation, the legislation includes transitional and permanent safe harbours, which aim to ease the administrative burden on in-scope businesses, particularly in the initial period of the application of the Pillar Two rules.

The domestic pay and file obligations apply at entity level, however, an elective group approach to filing and payment obligations applies for the domestic top-up tax and UTPR top-up tax. This will simplify the administration process as one entity (the group filer) will be responsible for filing the relevant returns and paying the top-up tax liabilities for all of the Irish located entities of the group. There is no requirement to pay preliminary tax for the GloBE taxes.

The normal collection and enforcement provisions available to Revenue are extended to the GloBE taxes. This includes provisions related to statutory interest charges, penalties, Revenue offences and publication of tax defaulters. A number of new fixed penalties have also been introduced for late or non-filing of required returns or notifications.

The IIR and domestic top-up taxes came into effect in Ireland from 31 December 2023. The UTPR top-up tax will broadly come into effect from 31 December 2024, but does already apply from 31 December 2023 in certain very limited circumstances.

We continued to support the Department of Finance in progressing the Government's "Corporation Tax Roadmap" during 2023. This included the following:

- **Dividend Participation Exemption**: The Department of Finance launched a roadmap for the introduction of a dividend participation exemption in Finance Bill 2024, in the fourth quarter of 2023, including a range of consultation questions. The consultation also sought responses regarding the potential merits of introducing a foreign branch exemption. We will continue to support the Department of Finance in their work on this project during 2024.
- **Outbound payments**: A feedback statement was published by the Department of Finance during 2023 regarding the introduction of measures to apply to outbound payments from Ireland, including payments to jurisdictions on the EU list of non-co-operative jurisdictions for tax purposes and no or zero tax jurisdictions. Legislation was enacted in Finance (No. 2) Act 2023 to provide for the application of withholding tax on certain outbound payments, which formed part of commitments given under Ireland's "National Recovery and Resilience Plan".

The Department of Finance also commenced a wide-ranging review of the taxation of the **funds sector** as part of their "Funds Sector 2030: A Framework for Open, Resilient and Developing Market", and on foot of recommendations from the Commission on Taxation and Welfare. As part of the review, a public consultation was held in 2023. We will continue to support the Department of Finance in delivering the review by summer 2024.

We also provided assistance to the Department of Environment, Climate and Communications (DECC) during 2023, in relation to the enactment of the Energy (Windfall Gains in the Energy Sector) (Temporary Solidarity Contribution) Act 2023. This Act implemented Council Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices, specifically in relation to the development of a **Temporary Solidarity Contribution**. This applies to companies and permanent establishments located in Ireland with activities in the field of extraction, mining, refining of petroleum (including natural gas and coal) or manufacture of coke oven products, and is being collected by Revenue.

We continued to manage the **Central Register of Beneficial Ownership of Trusts**, which helps to prevent money laundering and terrorist financing by improving transparency on who ultimately owns and controls Irish trusts. The beneficial owners of a trust must be registered within six months of the establishment of a trust. Since the establishment of the register, 1,700 trusts have been reviewed as part of the ongoing programme of compliance activities checking the quality of data submissions.

Along with Member States across the EU, we deployed an enhancement to the **pan-EU information technology system** on 13 February 2023. This enhancement enables the system to record intra-EU movements of excisable products in real-time, by extending its scope to duty-paid excisable products. These products are mainly alcohol, but also include tobacco and oil used for propulsion and heating. The resulting benefits of moving these details to a computer-based regime include reducing administrative costs for both business and Revenue, and facilitating more effective risk analysis and fraud detection techniques within Revenue.

For all EU Member States, their national VAT regime operates within an agreed common framework which applies throughout the EU. We work closely with the Department of Finance in representing Ireland at EU-level discussions on VAT matters, and during 2023 work focused particularly on European Council negotiations regarding the EU Commission's **"VAT in the Digital Age" (ViDA)** proposals. These proposals aim to facilitate cross-border trade and tackle VAT fraud in the increasingly digitalised modern business environment.

VAT Modernisation Consultation

Digital technology offers us the opportunity to redesign how we administer VAT, to align businesses' VAT compliance obligations more closely with normal business processes. Modernising Ireland's domestic VAT reporting system can make it easier and more seamless for businesses to comply with their VAT reporting obligations, while supporting us in focusing more effectively on addressing non-compliance.

Following an announcement by the Minister for Finance, Michael McGrath, T.D., in Budget 2024, we launched a Public Consultation on how digital advances, including the introduction of real-time digital reporting supported by eInvoicing, can be used to modernise Ireland's VAT Invoicing and Reporting System. This initiative complements work ongoing at EU level, through the ViDA proposals, to support similar developments in trade between Member States.

The initial phase of the consultation opened on 13 October 2023 and covered the modernisation of Business to Business (B2B) and Business to Government (B2G) VAT reporting. This consultation period ran to 31 January 2024 and over 1,100 submissions were received. These submissions reflected input from a broad range of businesses affected by VAT administration, and other stakeholders and industry experts from across the VAT community. We are currently analysing these submissions in detail and will publish our findings in due course.

This consultation was just a first step in a series of engagements which will seek the views and input of stakeholders, and we are committed to continuing our engagement with businesses and relevant representative bodies as we develop our VAT modernisation programme.

Further consultation and public engagement on real-time reporting and eInvoicing will follow, as reform proposals take clearer shape, are tested, refined and put into operation. We will also explore additional aspects of VAT administration, including reporting Business to Consumer (B2C) trade, the approach to VAT payment and repayments, and accounting for VAT. Engagement from the VAT community will play a significant role in guiding the design and implementation of a modernised VAT administration.

Over the course of the year, we continued to support the Department of Finance in developing fair and effective policy and legislative measures at national level for assessing, collecting and controlling VAT. Changes to legislation in 2023 included:

- increasing the turnover thresholds below which businesses are not required to register for

VAT to €80,000 for goods and €40,000 for services,

- extending the timeframe for application of the 9% reduced rate of VAT to the supply of electricity and gas,
- providing for the Deposit Retention Scheme, which came into effect on 1 February 2024, ensuring that VAT is only applicable on Scheme Operators for bottles and cans that are not returned for recycling,
- amending primary legislation to explicitly provide that the provision of emergency accommodation is exempt from VAT, which is consistent with EU law and practice we already operate, and
- extending the application of the 0% rate of VAT to supplies of electronic books and audio books, and to the supply and installation of solar panels on school buildings.

During 2023 we progressed the development and management of Ireland's **tax treaty network**. Ireland has signed DTAs covering IT, CT, USC and CGT with 76 countries, and 74 of these agreements are currently in effect. Ireland has also signed Tax Information Exchange Agreements with 26 jurisdictions, and all of these agreements are currently in effect.

Developments to our tax treaty network during 2023 included:

- conducting treaty negotiations and signing a protocol to incorporate BEPS minimum standards to the Limited Scope Agreement with Jersey, and
- continuing the process of agreeing synthesised texts with treaty partners to reflect modifications to our existing DTAs as provided for by the anti-BEPS Multilateral Instrument.

Revenue acts as the **Competent Authority** for the purpose of resolving disputes in relation to relief from double taxation that may arise under Ireland's DTAs. During 2023, we resolved 51 such disputes, 16 of which related to attribution or allocation of profits between Ireland and the other country concerned (transfer pricing), and 35 of which related to other (non-transfer pricing) double taxation disputes (Table 11).

This work involved **MAP negotiations** with other Competent Authorities, as provided for under our network of DTAs, the EU Arbitration Convention and the EU Tax Dispute Resolution Mechanisms Directive. In November 2023 Ireland received two MAP awards from the OECD, in recognition of our efforts in resolving MAP cases in an efficient and timely manner. We received awards, together with Denmark (for transfer pricing cases) and with Germany (for non-transfer pricing cases), as the jurisdictions that dealt the most effectively with their joint MAP caseload during 2022.

APAs are bilateral agreements which determine, in advance of the period of account concerned, an agreed basis for the transfer pricing of complex cross-border transactions between associated companies. The work we do in negotiating APAs with the Competent Authorities of other countries seeks to prevent transfer pricing disputes arising and requires comprehensive analysis and extensive discussions with our treaty partners to reach agreement.

In 2023, we received 16 APA requests. Following negotiations with the Competent Authorities of other countries, one APA was concluded and one APA request was withdrawn by a taxpayer (Table 12). In addition, substantial progress was made on four APAs during 2023, leading to their conclusion early in 2024.

We continued to negotiate, agree, and implement new initiatives in relation to the authomatic EOI. The European Council **Directive on Administrative Co-operation (DAC) 7**, which was fully transposed into Irish law in 2022, requires **digital platform operators** to report income earned by sellers engaged in the sharing and gig economy. Our online registration portal opened in November 2023, allowing platform operators based both in Ireland and outside the EU to notify us that they intend to report such income. Reports from platform operators were due by 31 January 2024 and we exchanged this information with relevant EU Member States in February 2024.

While DAC7 covers EOI with other EU Member States, the OECD's Model Reporting Rules for Digital Platform Information (DPI) provides for exchanges of similar information with certain other non-EU countries. The automatic exchange of DPI was legislated for in Finance Act 2022 and commenced in 2023. As a signatory to the DPI Multilateral Competent Authority Agreement, we can exchange information with non-EU partner jurisdictions. Platform operators registered in Ireland for the purposes of DPI must file a return with Revenue by 31 January in the year following the reportable period. The first exchanges are expected to take place in 2025.

Another aspect of DAC7 implemented in 2023 was the introduction of **joint audits**, as required under Article 12a of the Directive. The competent authorities of other EU Member States can request Revenue to carry out a joint audit on an Irish resident taxpayer of common or complementary interest to the Member States involved, and their officials can be authorised for the purposes of carrying out an audit in Ireland.

Irish taxpayers selected for a joint audit have the same rights and obligations in respect of that audit as if it were a compliance intervention carried out solely by Revenue officers. The new provisions apply to periods beginning on or after 1 January 2024.

The OECD Crypto Asset Reporting Framework and amended Common Reporting Standards were agreed in 2022. The reporting framework under these agreements will require Crypto Asset Service Providers to provide details of all relevant **crypto asset transactions** by their users.

Following negotiations in which Ireland played an active role, the European Council adopted a **DAC8** in late 2023. This will require both EU and non-EU based Crypto Asset Service Providers to report all relevant crypto asset transactions in the jurisdiction where they have reportable users in the EU. After transposition, the first exchanges of relevant crypto asset transactions under DAC8 are expected to take place in 2027. In November 2023, Ireland joined 47 other jurisdictions in issuing a joint statement to commit to exchanges under the framework by 2027.

Customs trends and co-operation

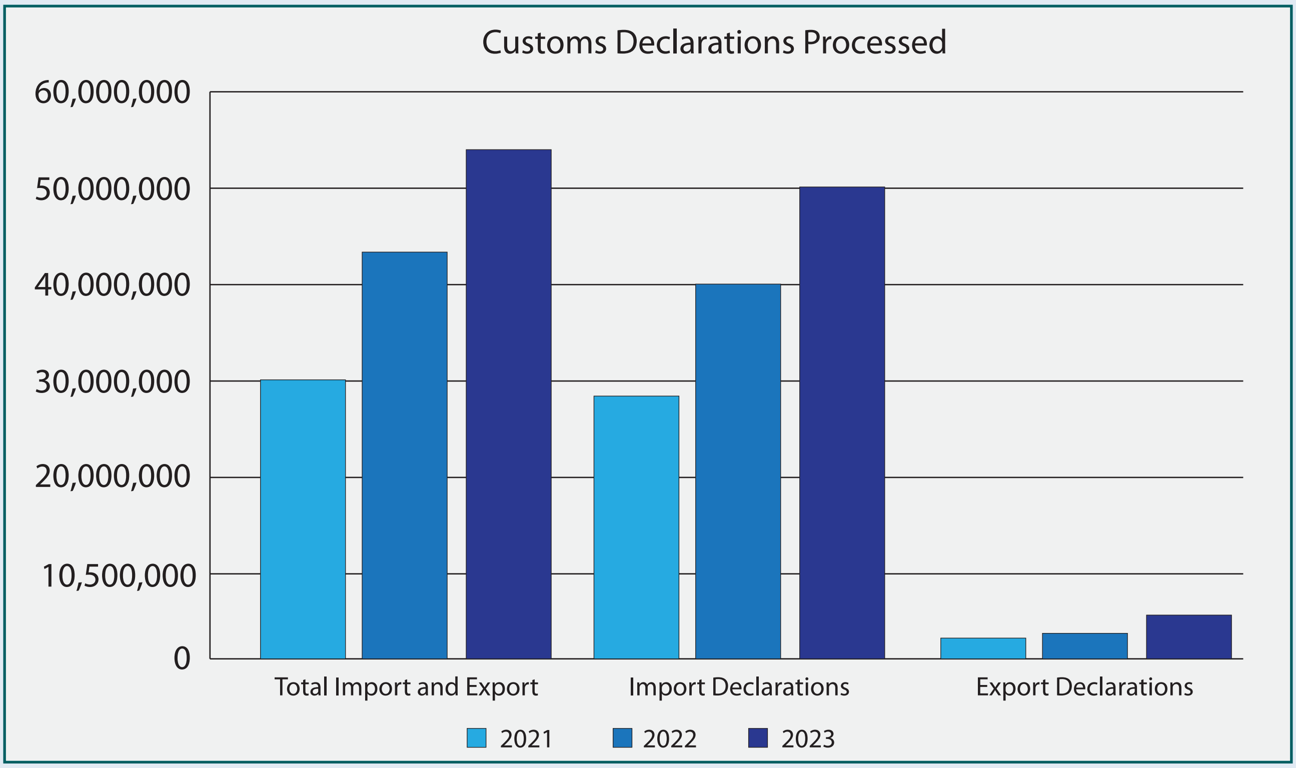
Customs controls are necessary to protect public health, ensure food safety and product standards, protect EU businesses from unfair international competition and preserve jobs for European workers, including Irish workers. In implementing the necessary controls, we seek to facilitate legitimate trade to move as speedily and efficiently as possible, and we have been to the forefront in supporting global efforts to confront non-compliance to ensure a level playing field for economic operators in the EU.

Across the EU, electronic customs import declarations are required for all parcels and packages coming from non-EU countries, and the growth of **eCommerce** has seen a continued increase in businesses engaging with Revenue's customs systems.

The EU has recognised the challenges posed by eCommerce to not only the financial interests of Member States but also, more importantly, the health and safety of its citizens, and is actively seeking to create a more transparent and robust import procedure, which not only supports and encourages international trade, but also seeks to ensure that there is a level playing field for all economic actors. In May 2023, the European Commission put forward proposals for a comprehensive reform of EU customs law, with a particular focus on tackling the inherent risks of eCommerce, both fiscal and non-fiscal. Ireland is actively contributing to those discussions.

Looking across the full year, 89% of all freight vehicle movements from GB into Ireland were green routed on arrival, meaning they passed freely through the relevant port without the need for any additional interaction with Revenue or any other State agency, 9% were orange routed, meaning the goods needed a documentary check or similar control, and 2% were red routed, meaning there was a requirement for a physical examination or inspection of the goods.

We also processed 54.2 million customs declarations, up 11.3 million (26%) from 2022, and answered 14,619 calls to our Customs Division Helpdesk. Our separate 24/7 Customs Helpline, which was established in 2020 to assist with queries from trade and business on customs clearance, and import and export controls, answered 53,272 calls during 2023.



The role of customs administrations continues to evolve from the traditional goal of securing customs duties on goods imported from outside the EU towards the wider objective of protecting trade, the integrity of the EU's Single Market and EU citizens.

Since February 2022, in response to Russia's military aggression against Ukraine, the EU has expanded its **sanctions regime** which includes targeted restrictive measures (individual sanctions), economic sanctions and diplomatic measures.

We have an obligation under Council Regulation (EU) No 269/2014 to ensure a freeze of all funds and economic resources belonging to, owned, held or controlled by persons and entities on the EU sanctions list. We also have an obligation to ensure no funds or economic resources are made available, directly or indirectly, to, or for the benefit of, the persons in question.

We have taken steps, by way of adopting a risk-based approach, to identify entities, groups and individuals subject to, or linked to individuals or entities subject to, EU restrictive measures. As at 31 December 2023, refunds and repayments of tax have been frozen in respect of 21 entities due to the processes we put in place to ensure adherence with EU restrictive measures. In accordance with reporting obligations, we have reported details of the frozen funds to the Central Bank of Ireland.

In accordance with an approach agreed by all EU Member States, we have initiated compliance interventions on taxable entities apparently linked to persons listed on the EU sanctions list, at the appropriate level of the CIF, in response to the perceived tax risks identified.

From a customs perspective, the 12 trade sanctions packages prohibit the import from, and export to, Russia and Belarus of goods that could be used to support the war effort. In 2023 the EU focus, and that of Member States, moved to ensuring that these measures were not circumvented. This focus will continue and further sanctions packages are expected in 2024.

The green agenda also featured prominently on the customs policy agenda during 2023. In May, the regulations establishing both the **Carbon Border Adjustment Mechanism** and deforestation were introduced. Proposals to prevent the import of goods manufactured using forced labour were also advanced.

In addition to the discussions on sanctions and the green agenda, the **European Commission proposal on Customs Reform** featured prominently in our customs work during 2023. The proposal aims to radically change how customs is implemented and operates at an EU level, and we contributed significantly to the discussions held. Additionally, we have engaged with trade and other Government Departments to ensure that the proposal provides benefits for businesses of all sizes, consumers, and customs administrations. Discussions on this key work item will continue during 2024.

The **Customs Consultative Committee** provides a forum for Revenue and representative organisations to consult and exchange views on customs matters. The forum discusses developments and proposals in the customs area, particularly at EU level. The committee met four times in 2023 and its key focus was the customs technology development plan, including the release of the new **Automated Export System (AES)** in March.

Other matters discussed included the UK’s Border Target Operating Model, the Carbon Border Adjustment Mechanism, customs reliefs under the Union Customs Code and the EU Customs Reform proposal.

In July 2023 Ireland, represented by Revenue, assumed its position on the **WCO Policy Commission** for a two-year term. Discussion once again focused on modernisation and ensuring that the WCO, supported by its regional structures, continues to be a global leader in customs matters. Other focus areas included donor funding, green customs, and capacity building.

Revenue has two WCO qualified advisors, a WCO Technical and Operational Advisor on eCommerce and a WCO Advisor in Leadership and Management Development, who support WCO capacity building and have delivered workshops to other WCO members including Bosnia and Herzegovina, Azerbaijan and the Asia-Pacific Region.

Confronting Non-Compliance

Audit and Compliance Interventions

291,756 interventions with a yield of **€787m,** including interest and penalties

Avoidance

85 cases settled with a yield of **€16.5m,** including interest and penalties

Prosecutions

21 serious evasion and fraud convictions

190 summary convictions

Publications on the Lists of Tax Defaulters

73 cases published

€25.6m in settlements, including interest and penalties

Seizures

9,085kg of drugs, with a value of almost **€302m**, seized

6,837 seizures of tobacco products, valued at **€63.4m**

Debt Enforcement

35,905 cases with a yield of **€218.4m**

Confronting Non-Compliance

The high compliance rates during 2023 reflect the positive engagement by businesses, individual taxpayers and tax practitioners with their tax compliance obligations, and the importance that society generally places on a strong culture of voluntary compliance.

We support this culture by providing services to make it as easy as possible for taxpayers to comply with their tax obligations and although the vast majority of taxpayers pay the right amount of tax at the right time, confronting and tackling all forms of non-compliance remains a key priority for us.

We monitor tax compliance through a range of risk identification, assessment and evaluation programmes, together with processes that are supported by real-time data analytics and the interrogation of both taxpayer and third-party information. This approach enables us to identify and quantify risk, ensuring that our compliance resources focus on the non-compliant taxpayer, minimising the administrative burden on the compliant taxpayer.

Where cases display non-compliance indicators we respond vigorously and, where appropriate, conduct a risk intervention under our **CIF**. Each intervention is intended to be in the form which is most efficient in terms of time and resources, and which imposes the least cost on both the taxpayer and on Revenue, whilst properly addressing perceived risks.

In 2023, the yield from our audit and compliance interventions was €787 million (Tables 14A, 14B and 14C). This included €138.5 million in interest and penalties.

Our CIF also provides taxpayers with a range of opportunities to voluntarily regularise their tax affairs, including self-review, self-correction and making an unprompted qualifying disclosure. These opportunities help taxpayers to get things right as easily and cost effectively as possible, and those who avail of them may benefit by experiencing the minimum level of penalty and generally not risk either prosecution or publication.

Publication on the Lists of Tax Defaulters is an important deterrent in our fight against non-compliance, and section 1086A TCA 1997 provides that we publish these lists in Iris Oifigiúil within three months of the end of each quarter in which agreed settlements are reached or Penalty Determinations are made by the courts.

Tax settlements amounting to €25.6 million (including approximately €11.7 million in interest and penalties) in respect of 73 taxpayers, were agreed and published in respect of 2023 (Tables 16 and 17). A further 353 cases with court imposed fines and penalties amounting to almost €2 million were also published in respect of 2023.

We actively challenge shadow economy activity and restrict opportunities for deliberate tax and duty evasion. This is evidenced by the broad range of interventions we conduct which target fraud, illicit trade, smuggling and organised crime.

We seized over 9,000kgs of drugs with an estimated value of almost €302 million during 2023. This included the seizure of 2,253kgs of cocaine, with an estimated value of €157 million, which was detected on board the MV Matthew in September. Additionally, we made 6,837 seizures of illicit tobacco products valued at over €63.4 million and seized over 287,000 litres of illicit alcohol valued at €1.5 million (Tables 18 and 19).

In 2023, Revenue prosecutions resulted in court fines totalling €554,180 in 190 summary cases and 21 criminal convictions for serious tax and customs fraud. At the end of the year, there were a further 36 criminal cases before the courts (Table 22).

Compliance Programmes

We have a segmented case-base, reflecting the evolving national and international tax and customs environment, and we operate a risk-based compliance programme, which is embedded into our normal business programmes.

Our annual compliance programmes focus on multiple risk areas and business sectors, such as construction, retail, wholesale, social media, digital services, fast food and hospitality (Table 15).

The use of **online platforms and social media** to conduct business activities has become more prevalent in recent years, and the tax obligations of those conducting activities via these channels are no different from those which apply to individuals and businesses operating in any other sector of the economy.

During 2023 we issued 142 Level 1 and 78 Level 2 compliance notices to individuals who were engaged in business activities via online platforms and may be in receipt of income, gifts, free use of goods or services, virtual currencies or tokens from same. Level 1 compliance notices remind recipients about their obligations and encourage them to self-review their respective tax positions and take action to regularlise same if necessary. Level 2 interventions are intended to challenge non-compliance by the taxpayer and may take the form of risk-based reviews and checks, examining a single issue within a tax return, up to a full audit.

In 2022 we commenced a programme of checks on all employers who had availed of the **EWSS** to ensure employers met the eligibility criteria and, crucially, that the monies involved were properly paid to employees. Further compliance checks were carried out, where appropriate, based on these risk reviews.

Our work in this area continued during 2023 and by the end of the year 9,310 interventions had been finalised on 8,494 employers, yielding €207.9 million, which equates to less than 3% of all EWSS subsidies paid and PRSI credits claimed during the life of the scheme. These outcomes demonstrate high compliance by the majority of employers who participated in the scheme. A further 267 compliance checks are ongoing, meaning almost 17% of all employers who claimed the subsidy will have had a compliance check reviewing their eligibility for the scheme.

We continued to look at **rental income** as part of our compliance work, using third-party rental data to inform our case selection process. Almost 850 compliance interventions have been carried out in respect of this project to date, with yield of €6.1 million.

Non-resident online traders who sell goods and digital services to Irish consumers continued to be a focus area for our compliance activity during 2023. We actively support non-resident traders in meeting their VAT obligations, whilst also working to tackle key VAT compliance risks. Collaboration with colleagues in EU Member States to progress key compliance measures has resulted in a more robust cross-border compliance framework, and an increase in the EOI under Mutual Assistance in respect of eCommerce VAT compliance.

During 2023 we worked to strengthen the resources available to support the VAT compliance of online businesses which trade on a cross-border basis. In particular, we engaged heavily with Irish and European financial institutions, payment service providers and industry representative bodies to ensure the successful implementation of the EU's **Central Electronic System of Payment (CESOP) initiative**.

Under this initiative, those who provide services to Irish businesses are required to submit data on the value of cross-border payments received from EU consumers from 1 January 2024. This data must be provided to the tax administrations in each of the Member States the services are provided in. During 2023 we worked with the Department of Finance to introduce the relevant legislative provisions to support the CESOP and made the necessary technical developments to enable the CESOP registration process to open on 1 February 2024. We also published comprehensive guidance regarding CESOP on our website.

The **construction sector** continued to feature prominently in our compliance programmes in 2023, given the level of risk involved as well as the continued increase in building activities. Construction sector related compliance activity yielded almost €30 million, including €4 million in interest and penalties. These interventions primarily focused on VAT, Relevant Contracts Tax and Employer (PAYE) risks, while we also continued to monitor the manner in which this sector availed of pandemic support schemes.

We continue to carry out risk-driven **transfer pricing** audits and other transfer pricing compliance interventions, to proactively address the challenges of the international tax environment. In the period 2015 to end of 2023, we have initiated 58 transfer pricing compliance interventions, 33 of which have been finalised.

These finalised interventions have resulted in a yield of €748 million, which includes €233 million in interest and penalties, and a restriction in trading losses of €952 million, which represents a CT effect of €119 million. Additionally, amended CT assessments, with total underpaid CT of approximately €44 million identified, have been made as a result of transfer pricing compliance interventions. The majority of these amended assessments are currently under appeal.

Use of Data, Intelligence and Analytics

We make extensive use of taxpayer returns, third-party information, intelligence and other sources available to us to identify non-compliance indicators and enhance our understanding of sectoral risks. We also continue to leverage our data holdings and capacity for advanced analytics to strengthen our understanding of the tax and duty compliance behaviour.

This approach enables us to identify the incidence, scale, and significance of risk, and target our resources to prevent or confront tax and duty evasion, fraud, organised crime, illicit trade and smuggling.

A wide range of third parties provide information returns to us, and we make extensive use of this information in our data analytics projects. This includes information from merchant acquirers, Government bodies, financial institutions, and certain types of intermediaries. We match the data gathered in these **third-party returns** with our records, and cross-check this to taxpayer declarations. This enables us to highlight discrepancies and identify those non-filers who may be carrying on trading activity. This data can also be used to determine future compliance projects which may be undertaken.

Data analytics is also central to our work to evaluate and improve the performance of our **risk systems** such as our Risk, Evaluation and Profiling tool for tax and our Customs Risk Intervention Selection Programme. We continue to use analytical techniques to evaluate the impact of our actions on taxpayer behaviour.

Our PAYE and VAT real-time risk systems allow us to respond rapidly to emerging risks, and we enhance risk rules on an ongoing basis to ensure that we deliver an effective response to non-compliance in the PAYE and VAT case base.

The **EOI between tax administrations** is another vital source of information we use to detect and prevent tax evasion and tax avoidance, and to ensure the correct application of Ireland’s domestic tax legislation. These exchanges are facilitated through various legal instruments, and may take place automatically or on request.

Examples of some of the automatic exchanges we participated in during 2023 are set out below.

- We automatically exchanged financial account information, including bank account details and details of investments, with 111 other jurisdictions. This exchange provides us with information on accounts held abroad by Irish consumers, and we cross reference this with tax returns to ensure offshore assets and income are properly declared.
- In line with DAC1, we continued to exchange information with other EU Member States under the following five categories: ownership of and income from property, income from employment, director's fees, pensions, and life insurance products.
- Under DAC6 we exchanged 250 returns of information about arrangements which could potentially be used for aggressive cross-border tax planning with other EU Member States.
- We exchanged Country-by-Country data relating to revenue, profits, taxes and other indicators of economic activities of large MNEs with 62 jurisdictions. This data is taken from reports which MNEs are required to file in each jurisdiction the group does business in, and we use this information to inform high-level transfer pricing risk assessments and to evaluate other BEPS related risks.
- We supplied details of 38 cross-border opinions issued in 2023 with other jurisdictions. This exchange was made in line with our commitment to international tax transparency, and EU and OECD initiatives to strengthen EOI between tax authorities in the area of tax rulings.

EU Member States and other countries can make specific requests for EOI through **Mutual Assistance**. We provide and benefit from this through sharing financial and other information, and collaborative investigations within statutory frameworks. During 2023, we received 2,081 requests from EU Member States and other countries, while we made 362 such requests (see Table 23).

Additionally, we received 51 Assistance Mutuelle communications from the European Anti-Fraud Office (OLAF). Many of the requests received relate to a specific customs risk concerning classification, valuation or origin.

Financial institutions and other designated bodies are required, by law, to make **Suspicious Transaction Reports** if they have grounds to believe that a client has been or is engaged in money laundering or terrorist financing. These reports form an integral part of the overall risk profile for individual taxpayers, and we examine and risk assess all reports received to identify and subsequently confront non-compliance. During 2023, we received over 72,900 reports, which represents a 73% increase compared with 2022.

Targeting and Disrupting Shadow Economy Activities

Challenging shadow economy activity and actively restricting opportunities for deliberate tax and duty evasion continues to be an organisational priority for us. This is evidenced by the broad range of interventions we conduct which target fraud, illicit trade, smuggling and organised crime.

In 2023, we implemented a co-ordinated cross-Divisional project ensuring a consistent, focused and measurable approach to managing shadow economy risk in traditional and emerging sectors. An oversight steering group with senior management representatives from our various operational, Policy and Legislation and Accountant General's and Strategic Planning Divisions have established cross-Divisional networks and are leading the implementation of the project's recommendations.

These networks ensure that consistent policies and processes are applied to gather and share intelligence, and collaborate both internally and with other Government agencies to optimise the deployment of resources. An increase in the number of multi-agency and outdoor operations is a key objective for the project.

Supreme Court judgement in The Revenue Commissioners v. Karshan (Midlands) Ltd. t/a Domino's Pizza

In October 2023, the Supreme Court delivered an important judgment on the key factors to be considered when classifying an individual's employment status for IT purposes. The case was concerned with whether the delivery drivers involved were independent contractors under a contract for service and taxable under Schedule D of the TCA 1997, or employees under a contract of service and taxable under Schedule E of that Act through the PAYE system.

The unanimous decision upheld Revenue's view that the delivery drivers working for the business concerned were employees for IT purposes. It is, however, important to note that the judgement has wide-reaching implications across all sectors, and is not limited to delivery drivers generally or the individual workers in this specific case.

In delivering his judgement, Mr. Justice Brian Murray set out a five-step framework which should be used to decide the question of whether a contract is one of service or for service, and provided significant clarity on these matters.

Following the delivery of this judgement, we issued a press release reminding businesses that they are responsible for ensuring that the correct taxes are deducted from their employees' pay (which includes both salary payments and any notional pay received) and remitted through the PAYE system at the right time.

We also encouraged all businesses which were engaging contractors, sub-contractors or other workers on a self-employment basis to familiarise themselves with the details of the judgement and review their workforce model in light of same, paying particular attention to specific arrangements in place with each individual concerned to assess whether a contract of service or a contract for service should apply.

Where businesses believe they may have misclassified a worker as self-employed instead of as an employee, they should take the necessary steps to regularise their tax affairs in line with our Code of Practice for Revenue Compliance Interventions.

In recent months, we have been working with colleagues in the DSP and the Workplace Relations Commission to update the existing Code of Practice on Determining Employment Status (Employed or Self-Employed). An updated Code of Practice, together with Revenue guidelines on the Supreme Court judgement and its impact on the employment status of individuals for tax purposes, will be published in coming weeks.

Our **Joint Investigation Unit** makes a significant contribution to our overall intervention strategy, conducting both standalone Revenue operations and working very effectively with the DSP Special Investigation Unit. We also engage with the WRC to address areas of mutual concern across a range of economic sectors, sharing information under the framework of Data Exchange Agreements and Memorandums of Understanding that exist between Revenue and both agencies.

The construction sector remains a key focus area for this work and during 2023 we conducted 577 standalone site visits during which our officers interviewed 791 contractors, sub-contractors, and employees to make them aware of their compliance and other statutory obligations. Additionally, our officers carried out a further 671 construction site visits in conjunction with DSP and interviewed a further 2,257 individuals. As a result of these activities, 76 individuals were registered as new employees, and an additional eight sub-contractors were reclassified as employees.

In addition to construction site visits, we carried out a further 3,356 visits during 2023, either on a standalone basis or in conjunction with other agencies, across a range of businesses in connection with various forms of shadow economy activity. These visits resulted in the registration of 248 individuals as new employees. These visits focused on sectors where risks related to cash payments and classification of employment have been identified, such as hair and beauty, domestic animal trade, takeaway food and beverages, carwashes and couriers and delivery businesses. The use of data analytics to better understand the cash and virtual cash economy has assisted in identifying instances of individual and systemic risk across the case base.

We continue to develop measures to combat the risk of VAT fraud, and bi-lateral co-operation with Member States on cross-border fraudulent VAT activities is an important element in managing this risk. We engage with international agencies and fora, including EUROFISC and the International Organisation of Tax Administrations to share information regarding emerging trends and best practice.

During 2023 we raised tax assessments giving rise to additional VAT liabilities of €5 million, and cancelled 13 VAT registrations where indications of fraudulent activity were displayed. We also wrote to 56 foreign suppliers to advise them of the cancellations.

We have primary responsibility for the **prevention, detection, interception and seizure of controlled drugs** intended to be smuggled or illegally imported into, or exported from, the State. Our drugs intervention approach supports Ireland's National Drugs Strategy "Reducing Harm, Supporting Recovery: A health led response to drug and alcohol use in Ireland 2017 – 2025".

We deploy a risk-based approach to our detection and intervention strategy and work collaboratively with our national and international law enforcement partners to identify and dismantle core supply chains within the illegal drug trade.

Smuggling and concealment techniques have become increasingly inventive and complex, and those involved have the capability and resources to adapt their methodologies quickly. This is further compounded by the scale and scope of international movement of people, vehicles and freight and the transnational nature of organised crime. Some of the more elaborate concealment techniques we have uncovered involve purpose-built hides within the roof area of refrigerated trucks and horse boxes, and a detection of cocaine which was impregnated in a consignment of charcoal.

Our work against drug crime is extensive and multifaceted, and we continually monitor trends and developments in this area to ensure that we deploy our resources and prioritise risk in the most effective way possible.

We work with our law enforcement partners to exchange information and share intelligence. On a national level, we work closely with An Garda Síochána, particularly the Garda National Drugs and Organised Crime Bureau (GNDOCB), in joint investigations and operations. During 2023, we participated in 82 controlled deliveries of drugs which led to 46 arrests, as well as 42 joint operations with the GNDOCB.

We also have strong and strategic partnerships with international bodies such as the Maritime Analysis Operations Centre Narcotics (MAOC-N) in Lisbon, Europol, Interpol, the WCO and law enforcement agencies in other countries.

During 2023, our teams were involved in 9,217 drugs seizures, as a result of which 9,085kgs of drugs with a value of approximately €302 million were seized. Details in relation to some significant operations conducted are set out below.

€8.4 million worth of heroin seized at Weston Airport

This seizure was made as part of an intelligence-led operation involving Revenue's Customs Service, An Garda Síochána, MAOC-N and French Customs. Approximately 60kgs of heroin were discovered concealed in the rear of a lightweight aircraft, and two individuals were arrested and charged as part of this operation.

Seizure at Weston Airport

€11.4 million worth of cocaine seized at Rosslare Europort

This seizure was made with the assistance of our mobile x-ray scanner and detector dog Dáithí. Approximately 163kgs of cocaine were detected concealed within a horse box and two individuals were arrested.

Seizure at Rosslare Europort and detector dog Dáithí

Protecting Our Maritime Frontiers

R.C.C. Súirbhéir and R.C.C. Faire

Our specialised Maritime Unit, based in Cork, is responsible for monitoring and patrolling Ireland's 3,173 kilometres of coastline.

The Maritime Unit currently operates two Customs Cutters, the R.C.C. Suirbhéir and the R.C.C. Faire. However, in August 2023 we signed a contract for the delivery of a new Customs Cutter to replace the R.C.C. Suirbhéir, which has been in service since 2004.

The new vessel, which is expected to come into service in 2025, will be equipped with advanced navigational and surveillance systems to further extend the quality and range of resources that our Maritime Unit can deploy in its essential work to target illicit trade, smuggling and organised crime in the maritime domain. It will also meet Tier III emission control standards for Emission Control Areas designated under MARPOL Annex VI, ensuring that our frontier controls are carried out in an energy-efficient and environmentally sustainable manner.

Our maritime teams work closely with our land-based enforcement teams to cover high-risk areas along the coastline, using assets such as mobile x-ray scanners and our detector dog teams. Help from coastal communities, maritime personnel and the yachting fraternity also plays a crucial role in protecting our maritime frontiers.

The Coastal Drugs Watch initiative has been in existence for over 30 years. This initiative has been highly successful in raising awareness among coastal communities, and the wide range of businesses and groups that operate at sea, about risk indicators they should be vigilant to and provides a means of reporting any suspicious activities, in confidence.

We are also a member of the Joint Task Force, which is made up of Revenue's Customs Service, An Garda Síochána and Irish Naval Service. Co-operation between members is vital to the success of its operations, with each agency utilising its full capabilities and skill sets to ensure a co-ordinated approach to tackling the threat of drug smuggling.

An excellent example of successful collaboration between Revenue and our law enforcement partners was an operation, supported by Naval and Air Corps assets and interagency personnel, which took place in September 2023 on foot of intelligence surrounding the movements of the bulk carrier MV Matthew and the fishing vessel Castlemore.

In what was a highly complex and dynamic operation, the movements of the MV Matthew were monitored as it transited from South America before ultimately being intercepted off the south coast of Ireland. As a result of this operation, 2,253kgs of cocaine, with a value of €157 million, were seized and eight suspects were arrested and subsequently brought before the courts.

M.V. Matthew

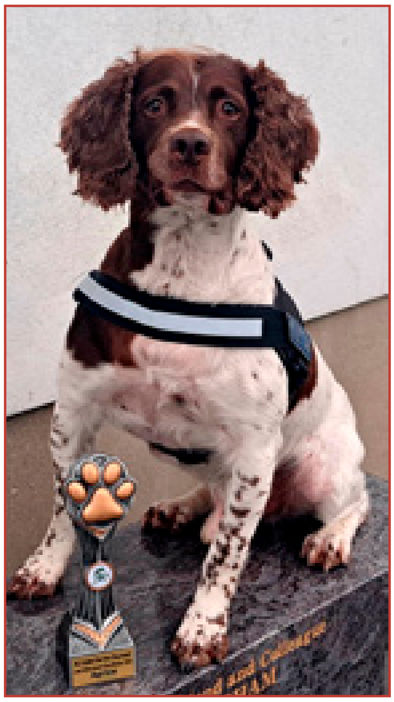
This was the first time that Revenue granted authorisations to members of the Army Ranger Wing of the Defence Forces to act as Officers of Customs under the provisions of the Customs Act 2015, to effect a boarding of a vessel at sea.

Our international law enforcement agencies also play a vital role in the successful outcome of operations like this. In this instance, the MAOC-N played a key role in the management of intelligence, ensuring that enforcement authorities from Ireland, America, the UK and France were updated in real-time as required.

Presentation made at World Customs Awards

In recognition of the significance of this operation, and the importance of engagement between new and traditional partners in undertaking a co-ordinated approach to the threat posed by drug importations in the maritime domain, a joint award was presented to Revenue and the Army Ranger Wing of the Defence Forces at the World Customs Awards in January 2024.

Our land-based enforcement teams also utilise the latest detection methods and technologies to assist us in protecting the EU's frontiers from illicit trade, smuggling and organised crime. In our ports and airports, our teams use an array of equipment, from mobile x-ray scanners to profiling and intelligence software to help identify and target risks. In addition, our detector dog teams play an integral role in our approach to tackling the threat posed by illicit trade and smuggling.

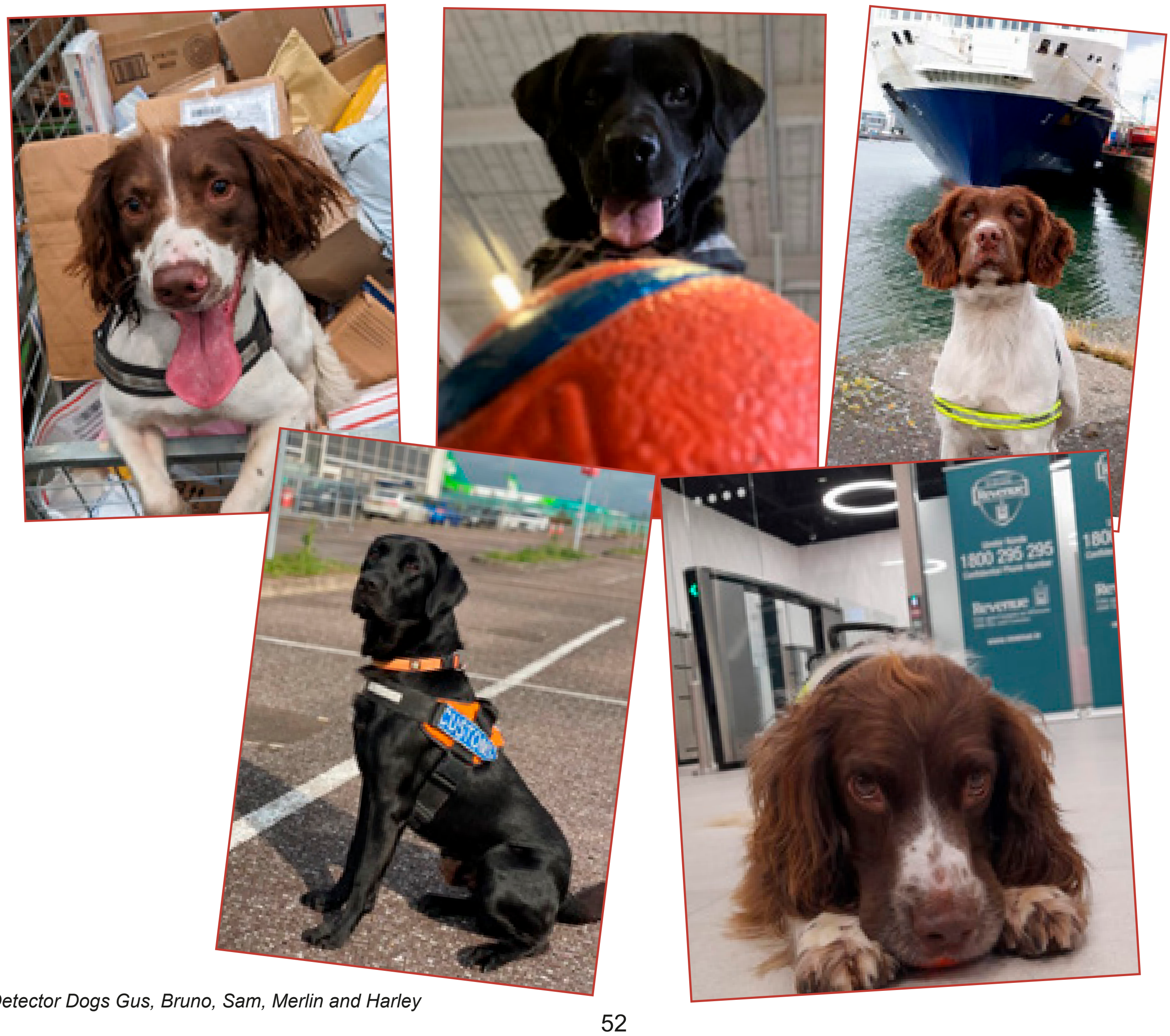


Detector Dog Robbie

Our detector dogs are a national resource and can be deployed across the country, depending on operational requirements, to work in tandem with enforcement teams at all main ports, airports, and mail centres, as well as freight forwarding premises. They also regularly support nationally co-ordinated operations, many of which are carried out on a multi-agency basis.

We currently have 25 detector dogs in our canine programme and are very proud of the work they do in assisting with the detection of significant quantities of drugs, cigarettes and cash derived from criminal activity. Many of their detections have led to successful convictions and disruption to the activities of criminals. During 2023, detector dog Robbie was awarded the Irish Kennel Club's Law Enforcement Golden Paw Award.

Pictured below are some of our other detector dogs: Gus, Bruno, Sam, Merlin and Harley.



Detector Dogs Gus, Bruno, Sam, Merlin and Harley

We target all stages of the supply chain within the illicit tobacco trade, identifying and targeting the smuggling, production, distribution, and sale of such products to achieve our goal of seizing same and, where possible, prosecuting those responsible.

Our successes in this area are a result of continued co-operation and intelligence-sharing with other national and international law enforcement agencies, together with our counterparts in bodies including the OLAF, Europol and the WCO.

Our advanced profiling and detection methods assist us in:

- conducting analysis of the nature and extent of the problem,
- developing and sharing intelligence on a national and international basis,
- identifying and screening cargo, vehicles, baggage and postal packages to intercept the supply of illicit tobacco products, and
- ensuring the optimum deployment of resources having regard to risk at points of importation and within the country.

In 2023, our targeted actions led to the seizure of over 69.5 million illicit cigarettes with a value of €55.7 million (Table 19). We also seized 10,191kgs of tobacco with a value of €7.7 million. Details in relation to some significant seizures of tobacco products are set out below.

9.8 million cigarettes seized in Co. Louth

This intelligence-led operation was carried out with the assistance of detector dog Toby and support of An Garda Síochána. The cigarettes, with an estimated value of €8.2 million, were discovered following the search of a vehicle and represented a potential loss to the Exchequer of €6.4 million.

Cigarette seizure County Louth

Tobacco seizure County Meath

€500,000 worth of chewing tobacco seized in Co. Meath

This seizure was made as a result of risk profiling, when Revenue officers searched a commercial premises and detected approximately 960kgs of chewing tobacco.

In 2023, 287,763 litres of alcohol with an estimated value of over €1.5 million were seized. Additionally, Ireland participated in multi-national operations involving other Member States, targeting fraudulent movements of alcohol products.

Tackling fuel fraud continues to be a key corporate priority for us and, based on the evidence to date, we are satisfied that our overall strategy is effective in combatting the illicit trade in fuel products. In 2023, we seized 1,800 litres of marked fuel oil and we will continue to remain vigilant to emerging trends and risks in this area.

During 2023 we also continued preparations for the introduction of a new fuel marker, ACCUTRACE™ Plus, which was implemented in all Member States in January 2024. This addition to Ireland's suite of fiscal markers will significantly enhance an already robust marking regime and ensure that the risks posed by fuel laundering are mitigated to the greatest extent possible.

Since 2015, Ireland and the UK have operated a joint marker, Accutrace™ S10, as one of a range of measures to address fuel fraud risks. The co-operative approach in aligning fiscal marking regimes in both jurisdictions has proven highly effective and the use of Accutrace™ S10 as the joint marker will continue. Building on this co-operative approach, the new marker was also adopted in NI and GB in January 2024. The further alignment of Ireland and the UK's marking regimes will support ongoing joint efforts to tackle fuel fraud in both jurisdictions.

Under cash seizure provisions in the Proceeds of Crime (Amendment) Act 2005, we detain cash amounts of €1,000 or more where it is suspected that the cash is the proceeds of, or intended for use in, criminal activity. When we detain cash we make an application to the courts requesting further time to investigate the source of the cash. Once satisfied with the application, the courts may grant a detention order to allow us to carry out a comprehensive investigation. In cases where links to criminality are established, we apply to the courts for a forfeiture order.

In 2023 we were granted detention orders in respect of 35 cases, for investigation of cash amounts totalling €2,782,503 (Table 20), and forfeiture orders in respect of 26 criminal cash seizures amounting to €343,217 (Table 21).

Our action against **counterfeit, fake or pirated goods** is provided for by EU Regulations. We make regular detections of counterfeit goods at the country's ports, airports, and postal hubs as a result of risk profiling. Many of the counterfeit goods that are detected and detained are intercepted in postal or courier hubs, addressed to individuals who have purchased them via the internet. Occasionally larger consignments are detected in shipping containers.

During 2023, we detected 19,599 items of suspected counterfeit goods valued at approximately €7.9 million. The range of counterfeit goods seized includes electronic goods, cosmetics, mobile phones/accessories, clothing and jewellery, the majority of which are consigned from China, Hong Kong, and Turkey.

Ensuring Fairness, Transparency and Effectiveness

Our mission is to serve the community by fairly and efficiently collecting the taxes and duties owed to the State. Ensuring that the tax and customs system operates in a fair, transparent, and effective way, and that tax legislation, credits and allowances are not used in a way that was not intended by the legislature, is therefore extremely important to us.

We leverage our vast data holdings to proactively identify and challenge, in as near real-time as possible, schemes and transactions that create an unfair tax advantage for those involved, and display indicators of non-compliance involving tax avoidance.

We have two dedicated Anti-Avoidance Branches, made up of an experienced team of auditors with strong analytical capability. During 2023, we completed 85 tax **avoidance cases** with a yield of over €16.5 million, including €5.2 million in interest and penalties. Additionally, at the end of 2023, we were actively challenging 342 cases involving potential tax avoidance, relating to 35 transactions.

Three transaction structures currently considered as unacceptable tax avoidance, and which are under active project management, involve:

- a complex series of transactions undertaken by taxpayers with connected companies, the main purpose of which is the extraction of cash with little or no related tax liability,

- abuse of share for share CGT relief with the main purpose being the avoidance of personal CGT liabilities on the sale of shares, and
- abuse of a specific CGT relief through resetting the ownership period to solely claim the relief and avoid a liability to CGT.

During the course of 2023 the Court of Appeal delivered a key judgement, related to an intervention commenced prior to 2018, in our favour. The case related to claims for trading losses and resulted in the generation of artificial trading losses that the taxpayer then utilised against other income sources in the year to reduce their tax liability. Revenue successfully challenged the scheme at both the TAC and the High Court in advance of the Court of Appeal judgement and, as at 31 March 2024, 53 of the 231 taxpayers involved in the scheme have settled their appeals yielding liabilities of €7.5 million, including €2.5 million in interest and penalties.

Identifying, **targeting and confronting offshore evasion** continues to form an integral component of our overall compliance framework. Our work to identify and pursue those who have attempted to use offshore accounts, structures or assets to evade or avoid their tax obligations has been underpinned by the introduction of a range of legislative provisions, encompassing various targeted and specific anti-avoidance measures including the **General Anti-Avoidance Rule**. We also make best use of the full range of statutory powers and data networks at our disposal to obtain information from financial institutions and third parties, as well as EOI with other jurisdictions.

We have also been actively involved in the development of the systems, structures and networks needed to give practical expression to international co-operation in this area, and we are fully engaged in the Foreign Account Tax Compliance Act (FATCA), which is an information sharing agreement between Ireland and America. In 2023, we concluded further interventions on cases which were selected using information received under the FATCA and these cases yielded €438,215, which included over €172,000 in interest and penalties.

The various DAC initiatives and Common Reporting Standards provide tax administrations, including Revenue, with access to extensive information about the offshore assets and income of their residents. The review of information received under these measures is an integral part of our profiling and risk assessment processes.

We undertake investigations where we discover cases of **serious tax and duty evasion and fraud**, seeking to apply the full legal sanctions available, to reflect the seriousness of the evasion involved.

In 2023 we referred nine cases of suspected serious evasion to the DPP for consideration of criminal proceedings. In the same period, the DPP directed that criminal proceedings be initiated in 13 cases.

Additionally, the following 21 convictions for serious tax and duty evasion were secured before the courts.

- 13 convictions for serious tax offences, as a result of which custodial sentences ranging from 12 months to three years (fully suspended) were imposed in nine cases and between 180 and 240 hours of community service were imposed, in lieu of custodial sentences, in three cases. Total fines of €30,200 were imposed in five cases.
- Eight convictions for serious duty offences, as a result of which custodial sentences ranging from two months to two years were imposed in five cases (four of which were fully suspended and one of which was partially suspended) and 240 hours community service, in lieu of a custodial sentence, were imposed in one case. Total fines of €27,700 were imposed in five cases.

At the end of 2023, there were 20 cases of serious evasion or fraud under investigation and a further 36 cases are currently before the courts (Table 22).

Debt Collection

We have a tailored approach to debt collection, which reflects the segmented management structure of our case base. This approach enables us to be agile in our response to taxpayer behaviour and provide greater flexibility in matching our debt management resources to counter tax collection risk.

The past four years have been a period of exceptional disruption in which we suspended our enforcement activity for a considerable period of time. This has had an impact on timeliness of payment and the levels of debt. At the end of 2019 the debt available for collection was €0.9 billion compared to €1.4 billion at the end of 2023. Our **DMS system**, which we developed in 2019, is now fully deployed in dealing with these outstanding liabilities.

We are, however, aware that there may be circumstances where taxpayers or businesses may experience temporary cashflow difficulties impacting their ability to meet their ongoing tax obligations on a timely basis. Where businesses or taxpayers are finding it difficult to meet their current tax payment obligations the advice remains, as has always been the case, to engage with us as soon as such difficulties start to arise so that an agreed solution can be found.

We have a proven track record in agreeing flexible payment arrangements that take account of the financial circumstances and capacity to pay in each individual case. We will not initiate enforcement proceedings in situations where there is **meaningful engagement** from the taxpayer, and we make every effort to engage with taxpayers before commencing enforcement action.

We are a notice party for all **Examinerships**, and in determining our position on a proposal, we fully explore the reasonable prospect of the company's survival and consider the best interests of all creditors, including employees. We are also a constructive participant in the **SCARP**. Of 32 cases filed in 2023, we have opted into 27.

We deal with each individual case on its own merits, and will generally support a case or application to commence insolvency proceedings unless there has been non-compliance with the Taxes Acts, or the company has provided incomplete information or information which is not compatible with Revenue intelligence. Where returns have been filed up to date, there is agreement on the outstanding liabilities, there is positive engagement and full disclosure on assets and liabilities, we will participate fully in accordance with the aims of the legislation.

Debt Warehouse Scheme

During 2023, we continued to support businesses availing of the DWS to ensure they complied with the conditions of the scheme and retained its key benefits, including continued parking of the debt at the reduced warehoused interest rate of 3% (compared to the standard 8%/10%), and the deferral of payment of the warehoused debt until 1 May 2024. In February 2024, a further significant enhancement to the scheme was announced by the Minister for Finance, Michael McGrath T.D., whereby the interest rate of 3% applicable to warehoused debt was reduced to 0%.

We commenced targeted outreach campaigns for businesses with high value debt in the warehouse to discuss their payment plans and to advise of the payment options available to pay their debt, including flexible payment arrangements tailored to their individual circumstances. We also worked with sectoral industry groups to address the challenges arising for businesses in their specific sectors. This work continues into 2024, with a number of webinars and informational events held in advance of 1 May 2024.

Businesses do not have to pay all of their warehoused debt by 1 May 2024. However, in advance of that date, they are expected to engage meaningfully with the Collector General's Division to agree a plan on how the debt will be addressed. Where required, businesses can agree tailored PPAs to pay their warehoused debt over an agreed timeframe. There are a range of flexibilities built into the PPA facility particularly with regard to the down payment amount required to activate the PPA and duration of the arrangement, to facilitate the agreement of a tailored payment plan to suit the specific circumstances of each business.

In 2023, as a simplification measure to ease the administrative burden on businesses, we amended the thresholds for uploading supporting documentation when applying for a PPA. Previously, for amounts greater than €5,000, supporting documentation in the form of six months bank statements and cash flow forecasts were required, in addition to management accounts for amounts greater than €100,000. However, these thresholds have been streamlined, with one threshold of €50,000 applying before any supporting documentation is required.

A key measure of business viability is paying current liabilities, and it remains a key condition of the scheme that current taxes are filed and paid as they fall due. We recognise that some businesses continue to experience temporary cashflow difficulties that impact on their ability to meet tax obligations on a timely basis, and it is critical that businesses experiencing payment difficulties engage with us at the earliest opportunity. As always, where there is meaningful engagement, we will work with viable businesses to agree mutually acceptable payment solutions rather than deploying enforcement options.

Collaboration

We collaborate effectively with a wide range of other Departments and agencies, both nationally and internationally, to combat tax evasion in all its forms, including fraud, smuggling and other forms of criminality, and to support and facilitate legitimate trade and regulatory objectives. Examples, rather than an exhaustive list, of our national and international collaborations are set out below.

Examples of our National Collaborations

We play a vital role in the national response to tackling illicit trade, smuggling and organised crime. To that end:

- We work very closely with An Garda Síochána, the CAB, the Naval Service and the Defence Forces, providing mutual operational, intelligence and material support, and seconded 17 staff members to CAB.
- We participate in the Oversight Forum on Drugs, led by the Department of Health, which oversees the implementation of the Government's "National Drugs Strategy 2017-2025".
- We collaborate with the DSPCA and other agencies in relation to the illegal trade of animals.

- We co-ordinate the enforcement and interception of prohibited and restricted goods and products on behalf of our colleagues in the DAFM, the Food Safety Authority of Ireland, the DETE, the Health Products Regulatory Authority and the Competition and Consumer Protection Commission.
- We also work with a range of national competent authorities, such as the Environmental Protection Authority, the Commission for Communications Regulation and the Health and Safety Authority to ensure that products destined for the EU market do not endanger consumers or workers, and that other public interests such as the environment, security and fairness in trade are not impacted by imported products.

We play our part in supporting legitimate trade to move and operate as speedily and efficiently as possible, while effectively managing compliance risk and tackling illegitimate trade. In that context:

- We systematically share real-time data with both the DAFM and the HSE on inbound consignments arriving into the State. This facilitates the efficient flow of goods through our ports and airports from third countries.
- We work in partnership with the DAFM, the Food Safety Authority of Ireland and the HSE on the Geographical Indication Scheme for Irish Whiskey and Irish Poteen.
- We collaborate with the Private Security Authority in exchanging information, in accordance with the Private Security Services Act 2004 and the TCA 1997, to support the regulation of the private security industry.
- We work with Dublin City Council in relation to tackling non-compliance in connection with environmental waste.
- We work closely with the Corporate Enforcement Authority, exchanging information to assist with enforcing company law and tax legislation, and there is a Revenue Liaison Officer established under a signed Memorandum of Undertaking.

We also work closely with colleagues in the Department of Justice and a range of other agencies in the collection and dissemination of risk information in relation to passenger movements through the Irish Passenger Intelligence Unit.

Examples of our International Collaborations

We work very closely with many international bodies and agencies to combat serious and organised crime threats at source. In that regard:

- We have seconded officers to EUROPOL in The Hague, the Irish Embassy in the UK, MAOC-N in Lisbon and the Irish Permanent Representation based in Brussels.
- We work closely with HMRC and other law enforcement agencies in NI.
- We work with the PSNI, An Garda Síochána, HMRC, CAB, and the National Crime Agency to prioritise the area of fiscal fraud through the cross-jurisdictional Joint Agency Task Force which was established under the Fresh Start Agreement.
- We are a key partner at the annual Cross-Border Crime Conference, a collaborative event between representatives of law enforcement agencies and related organisations in the field of combatting organised crime on both sides of the border.
- We engage with the EU Commission and other Member States on the ongoing implementation of the Traceability and Security Features systems for tobacco products, as required by EU law.

We also participate in the EU's Law Enforcement Working Party (Customs) and actively engage with the activities of the WCO to address the threats posed by fraud and smuggling.

World Customs Organisation Policy Commission

The WCO is the steward of international customs standards and is also recognised as the voice of the global customs community, assisting customs administrations in the effective application of controls, while efficiently facilitating legitimate trade. The WCO works in collaboration with customs administrations including Ireland, and provides a forum for dialogue and exchange of experiences between Member authorities.

On 1 July 2023 Ireland took a seat on the WCO Policy Commission for a two-year term. The Policy Commission concerns itself with broad policy questions relevant to the WCO's activities and initiates studies on the policies, practices and procedures of the WCO, with the objective of assisting the Customs Co-operation Council (the Council) to achieve the broad aims of its activities.

As part of our role on the Policy Commission, we contribute to both examinations of policy questions referred by the Council and make recommendations in respect of same, and a preliminary examination and progress reviews of the WCO's Strategic Plan.

Membership of the Policy Commission is restricted to a specific number of WCO Members and we are pleased to have the opportunity to serve on the Policy Commission, particularly in our centenary year.

We actively contribute to a wide range of OECD work groups and initiatives. For example:

- We are active members of the OECD's Joint International Taskforce on Shared Intelligence and Collaboration which brings together 42 of the world's national tax administrations that have committed to more effective and efficient ways to deal with tax avoidance. This initiative offers a platform to enable its members to actively collaborate within the legal framework of effective bilateral and multilateral conventions and Tax Information Exchange Agreements to share their experience, resources and expertise to tackle the issues they face in common.
- We participate in the OECD's International Compliance Assurance Programme and the EU's European Trust and Co-operation Approach, both of which are aimed at promoting multilateral engagements and voluntary tax compliance on a co-operative basis between MNEs and tax administrations in the jurisdictions in which they operate.
- We are active members of the OECD Forum on Taxation Administration (FTA) and participated on the organising committee for the analytics Community of Interest conference in Norway in October 2023. This conference saw participation by 24 worldwide tax administrations who presented examples of their use of analytics to improve compliance, and detect and confront tax evasion.

We are also committed and active members of the **Tax Administration EU Summit initiative**, bringing together senior officials from EU Member States to foster effective administrative co-operation and ensure the optimal use of EU information sharing programmes.

In 2023 we advanced our objective of working collaboratively with less developed countries to increase the effectiveness of their tax and customs administrations. This work is carried out in collaboration with the Department of Foreign Affairs (Irish Aid) and the Department of Finance, as part of Ireland's overseas development policy "A Better World".

The aim of this work is to increase the contribution of taxes and duties, compared with aid, as a source of funding to the developing countries concerned. This supports countries with their Domestic Resource Mobilisation agenda and goals. We seek to match specific expertise from within Revenue with the priorities identified by partner countries, with a view to building or strengthening their tax and customs administration capacity in these key areas.

In support of this work, we actively participate in international networks such as the OECD's Capacity Building Network. We are currently working with countries in Africa, Asia, and the Caribbean, and during 2023 we engaged with development partners on a major VAT and Excise reform project. This project involved Revenue experts conducting in-person visits to the partner jurisdiction, organising technical workshops and contributing to diagnostic reports with findings and recommendations. We also hosted in-person study visits and online webinars with several partner jurisdictions, as we continue to develop our bilateral capacity building relationships.

Our staff have gained valuable experience and benefitted from these relationships, and we are committed to building further on our contribution to Ireland's overseas development work.

Our People, Technology and Capability

2023 Staff Numbers

1,016	staff appointed through recruitment
7,033	permanent staff at year end

Diversity, Inclusion and Wellbeing

Revenue

We recognise and respect diversity and are committed to improving inclusion in the workplace

Revenue
REVWELL

Our wellbeing programme ‘RevWell’ supports our staff in minding their health.

Training & Development

39,542	training days delivered to staff
102	UL 3rd level qualifications awarded
236	ITI professional tax qualifications awarded

Gender Balance - Females at Management Levels

50%	Assistant Secretary and Board
63%	Principal Officer
56%	Assistant Principal Officer
56%	Administrative Officer / Higher Executive Officer
61%	of all Revenue staff are female

Internal Information Technology Certification

ISO 27001	IT Security Management Certification
ISO 22301	IT Certification
ISO 20000	IT Service Management
ISO 29119	IT Software and Systems Engineering

Our People, Technology and Capability

We are a large organisation with **just over 7,000 staff** in **29 locations nationwide**, and our people are key to our success.

We place the safety and wellbeing of our people at the heart of our approach, and achieve our vision to be an employer of choice by fostering a positive and fulfilling work environment through meaningful engagement, and maintaining a strong focus on wellbeing, diversity, and inclusion.

We also remain committed to building our capability as an organisation, and continue investing in our people to develop the leadership, management and technical skills they require to meet the evolving organisational challenges of the future.

Our success in carrying out our role and achieving our goals is further underpinned by our ability to harness innovation in technology and business practices. This enables us to respond effectively to existing and emerging challenges, changes in taxpayer behaviour and changes in the business and economic environment.

Our effectiveness in supporting compliance and tackling non-compliance is reliant not only on our on-going investment in our people and technology, but also on our **targeted recruitment** and strong culture of effective governance and accountability. The agility, resilience and responsiveness of our people and our structure are also essential components to the success and effectiveness of our work.

We will continue to develop, evolve, and refine our structures to ensure that we optimise the alignment of our resources with risk, and deliver a high-quality service to support taxpayer compliance.

Revenue Centenary

Revenue was established by way of Government Order on 21 February 1923, and celebrated its centenary during 2023. Plans to celebrate our centenary in 2023 were largely conceived by staff, serving and retired, who felt it appropriate to mark the one hundred years of Revenue's history, evolution and service to the State.

Revenue Board with Minister for Finance, Michael McGrath TD

An event was held in Dublin Castle on 21 February 2023, to celebrate the establishment of the organisation. Colleagues from our enforcement and trade facilitation teams participated in a ceremonial parade at the commencement of this event, and the Minister for Finance, Mr. Michael McGrath, T.D., launched an historic exhibition illustrating Revenue's development over the last 100 years.

The exhibition consisted of a series of articles, visual displays and artefacts covering many aspects of our history and role in fairly and efficiently collecting the taxes and duties owed to the State. The artefacts have been largely sourced from the Revenue Museum. Since then, the exhibition has been brought to Revenue offices throughout the country for viewing by both serving and retired staff.

The exhibition provided our senior management team, together with serving staff and retired colleagues from across Revenue, the opportunity to meet and celebrate the achievements of the organisation, which would not have been possible without the professionalism, dedication and commitment of our staff over the years.

The exhibition concluded in February 2024 and has since been formally transferred to the care of the Revenue Museum, which is located in Dublin Castle. Entry to the Revenue Museum is free to members of the public.

Revenue staff participating in ceremonial parade

Our People

The flexibility, resilience and professionalism of our people is paramount to everything we achieve. At the end of 2023, there were 7,033 permanent staff working in Revenue, equating to 6,843 full-time equivalents.

We use **targeted recruitment** to ensure that we build and retain internal capacity, talent and leadership, and have the right people and skills in our teams. During 2023, we appointed 1,016 staff across all grades from open recruitment, internal recruitment, interdepartmental and Top-Level Appointments Committee (TLAC) competitions.

Role	Number
Assistant Secretary	2
Principal Officer	10
Principal Officer Solicitor	1
Assistant Principal	60
Solicitor	10
Administrative Officer	64
Higher Executive Officer	131
Executive Officer	283
Clerical Officer	454
Service Officer	1

In addition, 90 staff availed of a mobility move during 2023. Mobility moves comprised two APs, two AOs, 15 HEOs, 30 EOs and 41 COs.

We remain committed to supporting and enabling our people to perform to the highest levels, and ensure that our people and our structures remain adaptable and flexible. During 2023, over **39,542 training days** were delivered to Revenue staff (Table 24). This included:

- a comprehensive range of **skills and capability development programmes** to enhance the leadership, management and soft skills of our staff, and
- needs-based **tax technical and customs training** provided through both externally accredited programmes and in-house standalone training modules.

Revenue Training Branch continues to develop and expand the range of training supports available to our people, utilising a mixture of self-managed eLearning, recorded training content and virtual and in-person classes. A pilot PO Leadership Development Programme was launched in 2023, with 30 POs participating, and the AP Leadership Development Programme also continued, with a further 95 APs commencing that programme in 2023.

Throughout 2023, 246 members of staff enrolled on our dedicated **Customer Service Programme**, covering modules in personal and payroll taxes, along with essential customer service skills. The programme is designed to support newly appointed and current staff assigned to customer service and compliance support roles.

Additionally:

- 80 new recruits completed our Trade Facilitation Programme,
- 129 new recruits received our enforcement training, and
- 1,892 existing staff completed other customs, excise and enforcement training throughout 2023.

In August and October 2023 some of our in-house trainers participated in practical train the trainer sessions, delivered by the Finnish and Dutch Customs administrations. These sessions focused on vehicle and container examination techniques respectively, and the learnings from same will be used to enhance the in-house training we deliver during 2024.

Revenue staff participating in a Train the Trainer event

We continue to foster our strong **educational partnerships** with the University of Limerick (UL) and the Irish Tax Institute (ITI), who assist us in identifying and responding to the development needs of our staff and provide professional development opportunities that enhance the technical knowledge, skills, and professionalism of our workforce.

In 2023 UL awarded **102 third level qualifications** to Revenue students, including qualifications in the Diploma in Applied Tax Administration, BA (Hons), Customs Certificates and Masters in Business Administration. In addition, the ITI awarded **236 professional tax qualifications** to Revenue staff, including Chartered Tax Adviser, Diploma in Tax, Tax Technician qualifications and Revenue Certificates in IT and Payroll Fundamentals, VAT and Other Indirect Taxes, Capital Taxes, and CT (Tables 25 and 26).

We are proud of our investment in our people and regularly highlight the achievements of our staff. The ITI graduation ceremony is held in the O'Reilly Hall, University College Dublin each November, and is an opportunity to acknowledge the great achievements of our staff. A special award is also presented to students who receive the highest marks in their class.

Revenue staff attending graduation ceremony

Staff Survey 2023

In June 2023, we conducted our third staff survey since 2020, and the first since the introduction of blended working arrangements in 2022. This survey sought the views of staff on a variety of topics, such as the benefits and challenges of blended working, our culture and approach to wellbeing, diversity, and sustainability and the recruitment process.

There was excellent engagement with the survey, with 82% of all staff participating. The survey results provided very good indicators for job performance, job satisfaction, wellbeing and overall health among our people.

The survey results indicated that most staff who avail of blended working consider it to be a positive experience, and are adapting well to current working arrangements, with staff feeling that they are part of a team and are trusted to do their job remotely.

Staff are invested in and motivated by our culture, and feel connected to their work. The majority of staff believe that they play a direct role in the success of Revenue and agree that their contribution is recognised and appreciated.

Staff believe that there are opportunities for development and progression within the organisation, which is reflected in most respondents agreeing that there are sufficient opportunities to learn and upskill. In terms of interviews and recruitment, online interview experiences were viewed positively by most respondents with a large proportion indicating that they would like to see this retained as an option for future interviews.

The results from the survey will inform our approach to how we work in the future, and ensure we remain an employer of choice.

90%
of respondents would recommend Revenue as a good place to work

92%
of respondents feel connected to their work

85%
of respondents are motivated by Revenue's culture

We further adapted our **Continuous Personal and Professional Development programme** in 2023, to provide staff with greater opportunities for capability development in a blended working environment. Existing courses were updated, and a large number of new courses have been developed through extensive cross-Divisional collaboration. Our staff continue to be further supported through a variety of funding options that assist them in attaining recognised professional and third level academic qualifications.

We have expanded our use of the **Civil Service Learning Management System**, with Divisions throughout Revenue designing specific training for their staff. This includes a Management Development course to assist staff in the performance of their role at management level in Personal Division, and a course focusing on the impact of the Windsor Framework which is available for all staff to access as required. These developments enhance our ability to provide tailored training to meet the on-going needs of our people.

In line with the vision of Civil Service Renewal 2024 to increase HR professionalism in the Civil Service, our staff are encouraged to enhance their capability and skills in **HR practice**. In 2023, 10 staff members were presented with Certificates in Human Resources Practice awarded by the Institute of Public Administration and by the Chartered Institute of Personnel and Development.

Our **blended working arrangements** have successfully bedded in and strike the required balance between the business needs of the organisation and opportunities for our staff to avail of a better work-life balance. Almost 5,550 (80%) of our staff are availing of blended working arrangements, while the remaining 20% of staff (approximately 1,400) have chosen not to apply, or are not eligible to apply for blended working, due to the essential on-site nature of their role, for example, staff working on frontier enforcement.

Sarah Sullivan – Clerical Officer

Business Division

I had been living in the UK for a number of years and had always planned to return to Ireland, so when a competition for COs in the Civil Service was advertised in November 2020, I jumped at the chance. I was successful in the competition and was very excited to take up a role in Revenue's office in Nenagh, Co. Tipperary, as I knew the office wasn't too far from my home and I would be able to meet new colleagues who were local to the area.

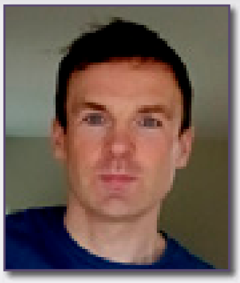
I was assigned to a role on the National Employer Helpline and, for the first few months, I undertook training in the Revenue Training Branch in preparation for an exam in IT and Payroll Compliance. The training provided was excellent and very engaging, and I got to meet other new recruits I would be working alongside each day.

After completing our training, the group started working full-time on the helpline. My job involves dealing with queries from employers and agents about issues they have with running payroll. The work can be challenging at times, but it is interesting, and I get great support from my colleagues and managers.

I am part of the LGBTQ+ community and immediately joined Revenue's LGBT+ Staff Network. I'm now a member of the network's steering committee and it's great to see how inclusive Revenue is, and the support given to Pride and other LGBTQ+ events.

Revenue is a great place to work and has great opportunities for career development and advancement.

Micheál O'Brien – Executive Officer



Medium Enterprise Division

Prior to joining Revenue in September 2019, I had worked in finance departments in two private hospitals and for a private health insurer. I was undertaking an accountancy qualification and was looking to obtain practical experience as part of the requirement to complete my qualification. On the advice of a friend who was already working in Revenue, I applied for the EO in Tax, Audit and Compliance role.

When I joined Revenue, I enrolled in the Trainee Auditor programme, which included weekly mentoring. On completion of this training, I was assigned to an audit and compliance function in the Public Administration Branch of Revenue's Medium Enterprises Division. Our case base includes public hospitals, the HSE and charities.

I carry out compliance interventions, requesting information and documentation to verify taxpayers' compliance. I review and analyse this information whilst engaging with taxpayers, before determining if further action is required or if the intervention should be closed. I am also leading the VAT Postponed Accounting project for Revenue's office in Tallaght, Co. Dublin. This is a large project which requires a comprehensive knowledge of VAT implications arising on foot of the UK's exit from the EU.

I'm lucky to be part of an excellent team and branch which supports me to carry out my role to a high standard. I am keen to continue my formal training and professional development, and my career in Revenue offers me plenty of opportunities to do so.

John Adams – Executive Officer

Investigation, Prosecution and Frontier Management Division

I joined Revenue in 2007 and began working in customs and excise enforcement in Limerick. In this role, I gained valuable experience in the detection and prosecution of a variety of offences, and also spent some time working in Shannon Airport.

I was promoted to EO in 2017 and began working in the Shadow Economy Unit for Limerick and Clare. As part of this work, I was regularly involved in inter-agency operations which enabled me to develop and maintain business relationships with agencies such as the DSP, An Garda Síochána's National Immigration Bureau and the WRC.

In 2022, I joined the Maritime Unit, where I undertook specialist training on Personal Survival Techniques and also attended a rummage training course at the Netherlands Customs National Training Centre.

As part of this unit, I have provided search and rescue support to the RNLI and the Irish Coast Guard, and hosted other Customs Services engaging in missions and sharing intelligence. I was also involved in an operation which resulted in the seizure of €21 million worth of cocaine in the Port of Foynes, Co. Limerick. In this operation, approximately 300kgs of cocaine was detected on board the bulk cargo vessel, MV Verila.

The various roles that I have held in my career to date have afforded me with many exciting and varied opportunities that stretch far beyond a typical workday, and offers a stimulating career path with options for career development.

Judith Christie – Higher Executive Officer

Personal Division

Prior to joining Revenue, I was a Weekend Commercial Manager and Pension Board Director with a large retail entity. After a redundancy, I applied through the Public Appointments Service (PAS) for an AO role in the Civil Service. I was successful in this competition and joined Revenue in 2019.

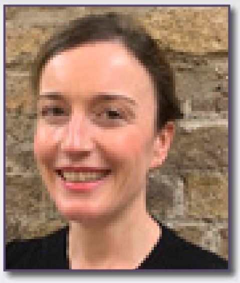
Given my people management background, Revenue granted me a place on a Level 7 Diploma in Strategic People Management, which I enjoyed immensely and completed in January 2023.

While much of my working time revolves around PAYE and the Help to Buy scheme, I am also a Disability Access Officer, a HR Investigations Officer and Chair of the Divisional Partnership Committee. I have also had the opportunity to be part of a working group for the Customer Service Strategy Board and have enjoyed all that that entailed.

However, my favourite role to date has been taking part in various outreach events, including attendance at national events like the Ploughing Championships and local events at Collins Barracks and the Haulbowline Naval base. I was also involved in the development of an education programme for Transition Year students in 2023. This involved working with a number of colleagues across Revenue, the DSP and the education sector.

My career path has therefore been varied and ever evolving in a positive way.

Noreen Collins – Assistant Principal



Revenue Solicitor's Division

I first joined the Civil Service as a CO in 2006, and spent over 10 years working in the civil legal section of An Garda Síochána, qualifying as a Solicitor while there in 2017. I then moved to Revenue, on promotion, as an AP in 2019. Since then, I have been part of both the Criminal Prosecutions Team and the Commercial and Litigation Team within Revenue Solicitor's Division.

The work in the Revenue Solicitor's Division is very interesting and varied. Our Division manages litigation connected to tax and customs matters in the District, Circuit and Superior Courts and the TAC. In addition, we provide legal advice on complex and diverse operational, administrative and governance matters to the Board and colleagues across all Revenue Divisions.

I have found the culture in Revenue to be collaborative and inclusive, and this is further enhanced by well-developed employee engagement initiatives. I have benefitted greatly from working with experienced Revenue colleagues who share their knowledge and understanding of Civil Service principles and encompass Revenue's esprit de corps. This greatly assists me in carrying out my day-to-day role.

I am grateful to work in an organisation that embraces change and is adaptive and responsive to opportunities and challenges. This culture assists Revenue in positively contributing to society, making Revenue a leading Civil Service organisation and tax and customs administration.

Nick Stafford – Assistant Principal Officer

Large Cases - High Wealth Individuals Division

I joined the Civil Service straight from school and worked in three different Government Departments before joining Revenue as an AO in 2015. Prior to that, I had successfully completed a professional accountancy qualification.

When I joined Revenue, I worked in a compliance role within Business Division for nearly six years. In this role I was involved in audits and project work across a range of sectors. As a new recruit I will always be grateful for the knowledge and support I received from colleagues when I first joined Revenue.

In July 2021 I changed roles and moved to Investigation, Prosecution and Frontier Management Division, and was based in Rosslare, Co. Wexford. This move was short-lived as I was successful in an AP competition less than a year later. I did, however, enjoy the combination of indoor and outdoor work during this time, along with the variety and unexpected nature of each work day.

Since March 2022, I have worked as an AP in Large Cases - High Wealth Individuals Division. My role here is to identify and challenge tax avoidance across the Revenue case base. This work is varied, interesting and challenging.

I have been in Revenue for nine years and there have been lots of changes in that time, which shows that Revenue is a progressive organisation. There is a wide variety of work in Revenue, with plenty of opportunities to progress, and I have benefitted directly from Revenue's focus on training and developing staff.

Paul Tancred – Principal Officer

International Tax Division

I joined Revenue as an AO in April 2015 and was assigned to the Statistics and Economic Research Branch in Accountant General's and Strategic Planning Division. I had no formal tax training when I started working in Revenue so I was pleased to be supported by Revenue in undertaking the ITI Chartered Tax Adviser qualification.

I was promoted to AP in 2017, where I was assigned to International Tax Division and worked on a wide range of policy issues. In 2022 I was promoted again, to PO, and remained in this Division. As both an AP and PO I have been very fortunate to represent Ireland at a range of international fora, including EU Council Working Party meetings, European Commission meetings, and various OECD Working Parties.

I have also worked closely with colleagues in the Department of Finance. This includes working on important policy matters related to proposals, such as the Digital Services Tax and Common Corporate Tax Base from the European Commission. I have also been at the centre of significant changes in international tax, such as the development of the OECD's Pillar Two rules since the early conceptual discussions. More recently, I have assisted colleagues in Revenue and the Department of Finance in advancing Ireland's domestic implementation of the Pillar Two rules. The work is challenging, but very rewarding.

I have been afforded many great opportunities throughout my career in Revenue, and thoroughly enjoy working with fantastic colleagues across Revenue and the wider public sector.

Our Culture

We are a highly responsive organisation that provides a positive, engaging and fulfilling work environment for our people. Our **core values** of respect, professionalism, collaboration, agility, and integrity are embedded in our culture, our interactions with colleagues and in all our dealings with taxpayers. We foster openness and accountability in everything we do and place compliance with our legal responsibilities, including health and safety, data protection, taxpayer confidentiality, financial management and freedom of information (FOI), at the heart of how we work.

We support our people by promoting health and workplace wellness, and by providing opportunities for development. Our commitment to deepen employee engagement at all levels across the organisation continues to be a key priority, and we work together in a partnership approach, supporting involvement, innovation, and high performance to enable our continuous improvement.

A key component of this engagement in 2023 was a series of townhall events hosted throughout the country during the year. These events provided a unique opportunity for open and meaningful dialogue between staff at all levels in the organisation and the Revenue Board and senior management. These sessions were extremely well attended, with over 6,000 staff participating.

As part of our commitment to promoting and encouraging good health and wellness among our people, we provided staff with the opportunity to participate in a **nationwide health screening programme**, which provided a comprehensive overview of their current health status. The participation rate was high with over 2,000 staff (almost 30%) availing of the programme.

We also introduced a mental health initiative in September, in conjunction with World Suicide Prevention Day. The "#My15Minutes" initiative encourages staff to prioritise their mental wellbeing by taking small but impactful steps toward self-care and happiness. Commissioner Harrahill recorded an address in support of this initiative, which was available to all staff.

Our **Central Partnership Committee** provides a means of regular and positive dialogue to support and enhance employee engagement. The Committee is chaired by the Chairman and is attended by the full Board along with representatives from management, unions, and staff. During 2023, the Committee met on three occasions and, through its work, continued to underpin our mission, vision, core values, and the achievement of the objectives set out in our Statement of Strategy (SoS).

In 2023 we established two **Partnership Intensive Groups**, one to consider Innovation and the other to review our Employee Engagement Charter. The key objectives of these groups are as follows:

- the Innovation Group explored ways to develop and support an innovative culture, and to make recommendations on how we can best realise the overarching vision and key priorities outlined in our SoS and the "Public Service Innovation Strategy", and
- the Employee Engagement Group reviewed the current Employee Engagement Charter, with a view to identifying ways to further embed our values in the evolving workplace, and to further enhance communication and employee engagement across the organisation.

The work of both Partnership Intensive Groups will be finalised in 2024.

We have built a strong culture of acceptance, inclusivity and equality among our staff, embracing individuality and ensuring that **human rights** are respected in both internal and external environments. We also remain committed to ensuring that our "Public Sector Duty Action Plan" is implemented. All our newly recruited staff are trained in equality and diversity as part of their induction training. We have also developed specialised human rights and equality training for individual cohorts of staff, depending on the nature of their role within the organisation.

As an employer of over 7,000 staff, we recognise, welcome and respect **diversity** in sexuality and gender identity, and are committed to continuously improving inclusion in the workplace. Our **LGBT+ Staff Network** and steering committee work with other Civil Service Departments to develop a civil and public service wide LGBT+ Employee and Ally Network, which is a key component of the "National LGBTI+ Inclusion Strategy".

As we have done for a number of years, we again supported our LGBT+ Staff Network with a number of events throughout the year and Pride month during 2023. Some examples of this are as follows:

- participating in Dublin Pride Festival's 2023 parade, alongside other civil and public service LGBT+ Staff Networks under the banner "Proud to work for Ireland",
- flying the Pride flag at our offices in Dublin Castle, and across the country,
- supporting Pride 2023 on our main website page and social media channels, alongside our LGBT+ Staff Network logo,
- marking International Trans Day of Visibility with a bake sale to raise funds for a LGBT+ youth organisation,
- hosting regular online "Spill The Tea" sessions, providing a safe space for staff to meet virtually,
- hosting a number of in-person events throughout the year for all staff, including a themed tour of the National Gallery of Ireland, and
- using our dedicated intranet page and contact hub to enable our LGBT+ Staff Network to provide information, resources, peer support and networking opportunities to all staff members.

Listening to and learning from the diverse experiences and perspectives from our collective workforce shows that diversity is not just about generation, physical characteristics, or gender, but also includes social, ethnic, cultural, and educational backgrounds. We have long recognised that a workforce that more closely reflects the society we serve increases trust in what we do and how we do it, and we continue to use our recruitment programmes to build a diverse workforce that reflects a contemporary and evolving Irish society, cementing our commitment to equality and helping develop us to be better at what we do.

In October 2023, we held our third annual **Equity, Diversity, and Inclusion week**, and this year's theme was "Celebrating Our Uniqueness". This initiative offered staff throughout the organisation the opportunity to recognise that we are all unique and to reflect on the importance of equality, diversity, and inclusion. It also afforded staff the chance to reflect on the important part we all play in ensuring that our colleagues, peers, and managers feel included and respected. This year's events focused on contributions from colleagues across the organisation, and the LGBT+ Network, who shared their unique stories and lived experiences, including:

- a former Paralympian who spoke about their achievements both personally in the Paralympics and professionally in their career in Revenue,
- a staff member and their son who spoke about living with autism,
- a colleague who is deaf discussed their career and how the assistive technology enhancements within Revenue have positively impacted their job role,
- a webinar on the lived experience of young LGBT+ people today, and
- a newsletter featuring a number of contributions from staff members sharing information about their diverse cultures.

We recognise the importance of gender balance, and are fully committed to ensuring that any gender imbalances that can be addressed by measures within our control will be pursued. We have made significant advances in this regard over the last six years and our 2023 Gender Pay Gap Report showed that 57% of all senior management positions in Revenue are currently filled by women, compared to 25% in 2016 (Table 27). In addition, we signed up to become a member of the "30%+ Club", in 2023. This initiative is a global campaign led by heads of organisations taking action to increase gender diversity at board and executive committee levels.

We also asked specific questions in our 2023 staff survey in relation to promotion and the results show that the majority of female staff intend to apply for promotion in the next 12 months, although caring responsibilities, impact on the availability of blended working opportunities and lack of confidence to operate at the next level are factors influencing their decision.

We will continue to address gender imbalances in our workforce and examine ways to encourage more women to consider applying for promotion. Some ongoing initiatives in that regard are outlined below:

- ensuring all of our recruitment and selection processes are conducted by gender balanced selection boards,
- training all our selection boards in equitable best practice techniques,
- all new recruits participate in equality and diversity training as part of their induction training,
- finalisation of a refresher webinar, focused on the "Civil Service Dignity at Work Policy", our values and our Employee Engagement Charter,
- encouraging our staff to avail of lifelong learning and development opportunities and

supports,

- highlighting specific initiatives, such as breastfeeding arrangements and menopause supports, that are available to women, and
- working with university researchers on a “Call to Lead” project in 2024.

International Women’s Day 2023

We are committed to ensuring an environment of equity and fairness, regardless of gender, and providing support to all employees. We also acknowledge the dedication of staff who are actively engaged in efforts to promote gender equality and diversity within the organisation.

To celebrate International Women’s Day, and as part of the series of events marking our centenary, a live webinar was held on 8 March 2023. The theme for 2023 was “#EmbraceEquity” and discussions during the webinar explored what it means to embrace equality, the removal of historic barriers experienced by women, and the impact that positive changes had throughout their career.

Commissioner Ruth Kennedy and former Chairman Josephine Feehily opened the discussion by reflecting on their careers and experience, with a focus on the future changes they would like to see that could assist the career paths of others. This was followed by a lively and engaging panel discussion between Chairman Niall Cody and staff members from across the organisation.

The panel discussed a range of important topics including:

- positive changes in Revenue for women over the years,
- how opportunities for women have evolved,
- the improvements to working terms and conditions for women,
- comparison of work experiences and opportunities,
- current and perceived barriers for career progression for women, and
- views on what the panel would like to see for the future of women within Revenue.

The event was open to all staff to attend online and was a huge success with fantastic engagement from colleagues across Revenue.

Our **Climate Action Roadmap 2022 – 2030** outlines Revenue’s plan for an increased focus on sustainability and environmental matters across the organisation, to address the challenges of climate change and to reduce our carbon footprint.

We worked closely with the Office of Public Works during 2023 to identify the opportunities provided by blended working to reduce our carbon footprint, and we have now vacated a number of buildings. This has resulted in both a reduction of our overall carbon emissions, as well as a reduction in energy costs. Work is also ongoing to optimise the Revenue Fleet, by moving towards the procurement of electric vehicles.

We have also established **Green Teams** in the majority of our offices. These teams work alongside our Building Management Teams to promote sustainability initiatives at a local level and educate and raise staff awareness in this area, and have been instrumental in implementing our plan to reduce our carbon emissions. For example, our Nenagh office recently received an award, through the **Optimising Power @ Work programme**, to mark the significant achievement of reaching a 50% energy reduction threshold. The Nenagh office joined this programme in 2007 and in the interim period the attic in this building has been insulated, the windows have been upgraded and sensor controlled lighting has been installed. Other changes implemented include upgrades to computer equipment and shared printing facilities.

We ran a number of public procurement competitions during 2023 using the **Office of Government Procurement frameworks**. In total, 80% of our procurement competitions in 2023 included green public procurement criteria, and five additional procurement competitions which contain green criteria are ongoing. It is our objective to ultimately include green criteria in all of our procurement competitions, in line with Government policy and we will continue to promote awareness of green criteria going forward.

In accordance with Circular 1/2020 issued by the Department of Public Expenditure, NDP Delivery and Reform (DPENDR) in relation to procedures for offsetting the carbon emissions associated with official air travel, we had a financial obligation of €6,911 in 2023. This financial obligation is derived from a carbon emissions total of almost 314,156 lbs with a relevant carbon tax cost per tonne of €48.50.

Innovation

Our commitment to optimising the use of technology and continued investment in our information technology capability enables us to develop progressive and innovative business solutions that help drive efficiency and quality.

As an early adopter of computer technology, and in common with many mature organisations, we have some legacy systems in need of **technical modernisation**. In identifying this as a key organisational risk, we continue to progress a Technical Architecture and Systems Modernisation programme to modernise our systems and underlying technology, to ensure that we have both the IT platform and capability to enable our key business programmes to operate effectively.

In 2023, our programme focused on four technology migrations, including a modernisation of our Common Registration System application, a number of AI Proof of Concepts and a Design System to standardise the approach to screen design across systems. This essential work will provide the platform for further modernisation of additional taxes and duties, with a focus on process automation, digitalisation and personalisation of services, as we move towards natural taxation.

We also enhanced our PAYE system in 2023, to leverage re-platforming work by the DSP. This enabled us to minimise the time taken to reflect information in respect of taxable DSP payments in our systems, and improved the service we provide to individual taxpayers by streamlining the end of year process.

In 2023, we extended the deployment of **AI** and **Natural Language Processing** technologies to auto-classify 85% of all queries submitted to MyEnquiries. These advancements simplify the user experience by removing the need for taxpayers to self-categorise their enquiry. Under the auto-classification process the accuracy of query categorisation has increased to 97% and the overall time it takes for queries to be routed to the appropriate subject matter expert has reduced by more than 24 hours.

Our Programme Management Office enables effective and accountable management of information technology enabled business projects, and seeks opportunities for continuous improvement in that area. Project Boards and Steering Committees guide and support the delivery of these projects, ensuring timely decision-making and the management and mitigation of issues and risks as they arise. This work will continue during 2024.

Our customs systems handle ever increasing transaction numbers, and during 2023 our Automated Import System system handled over 76 million messages in 2023, with a peak of 519,000 messages in a single day on 12 December 2023. Additionally, our AES handled almost four million messages (excluding inter Member State messaging) with a peak of 549,000 in the month of June 2023, and our export release verification service handled almost 4.3 million requests with a peak of just over one million handled in the month of August 2023.

Our work to support customs during 2023 combined the implementation of AES Phase 1 (AES-P1), Import Control System Release 2, and New Computerised Transit System Phase 5 (NCTS-P5). The introduction of AES-P1 and NCTS-P5 required further enhancements to Roll on Roll off, and that development is in progress. We also implemented further application programme interfaces to assist trade in tandem with implementation of AES-P1 and NCTS-P5.

Additionally, in preparation for Union Customs Code Centralised Clearance for Import, we implemented the roll out of EU Customs Data Model Version 6 and NCTS P6.

We continue to provide, and further extend, shared computing facilities to other public sector bodies from our **data centre**, with over 50 different organisations availing of this service in 2023. This hosting service provides estimated savings of at least €2.5 million per annum to the organisations hosted.

Our **print and mail service** continued to provide printing and mailing services to a number of other public sector organisations during 2023. For example:

- we printed and posted 7.7 million items of correspondence on behalf of seven Government Departments and agencies, resulting in savings of approximately €292,000,
- we provided print and design services for items such as corporate stationery, leaflets, posters and training manuals for 21 Government Departments and agencies, resulting in savings of approximately €202,000,
- we issued 175,000 COVID-19 green certificates on behalf of the Office of the Government Chief Information Officer and the HSE, and
- we provided additional support to the Oireachtas and Bills Office to produce the various stages of the Finance and Planning Bills, and supported the Department of Finance on Budget Day, offering a complete contingency operation.

We are an active participant in the Civil Service Innovation and Excellence Awards and submitted five projects for consideration. A collaborative project, “Secretariat to the Commission on Taxation and Welfare: Support Strategic Policy Development”, which was submitted by the Department of Finance, the DSP and Revenue, was a winning project in the category of Strategic Policy Development during the 2023 awards ceremony.

We also host an internal awards scheme called “Réalt” to promote innovation. Three awards were presented under this scheme in 2023. In addition, we have established an Innovation Network Team which has been actively promoting Public Service Transformation.

Taxpayer Confidentiality

We fully respect our legal duty to protect the confidentiality of taxpayer information, and the **security of Revenue systems** and data is a fundamental priority for us. Across all our services and business processes, taxpayers’ personal data is treated with the highest standards of security and confidentiality, and security is designed in-to all services operated by or for Revenue. Security is emphasised to all staff and is part of the culture of the organisation.

We held two separate cyber security exercises in 2023, which were facilitated by external and independent vendors with expertise in this domain. These exercises reviewed our cyber security approach and identified opportunities for improvement which have been implemented. This is an important part of our strategy to respond to the new and evolving threat landscape.

We use the Centre for Internet Security framework for system hardening and assessment to create a tiered security benchmark for our internal and public facing systems that we can test against. This framework sits alongside a robust Information Security Management System that is **ISO27001 certified**. We successfully completed our most recent surveillance audits in April and October 2023.

Personal information displayed from our website is encrypted using a 256-bit Extended Validation SSL certificate, signed by a publicly trusted certificate authority. Taxpayers can verify that the page is secure by looking for a padlock icon in their browser.

Our support teams actively monitor and assess security advisories for systems and applications under their control. Additionally, we utilise third parties to carry out penetration testing across our external facing services on a regular basis.

All business services related to the collection of taxes and duties are required to maintain a high level of availability and resilience, together with agreed business continuity procedures. This is managed in accordance with, and certified to, ISO22301 standard. We successfully passed a surveillance audit in this regard in April 2023.

Our systems are tested to **ISO29119 standards** and, once delivered into production, are managed in accordance with the **ISO20000 standard**. This standard ensures proper procedures are in place to manage change control, service management, incident management and incident review.

Public Service Reform and Civil Service Renewal

We play an active role in the ongoing implementation of Civil Service Renewal and in Public Service Reform. Some achievements related to the high-level outcomes for the public service in 2023 include:

- participating in a working group established by the DPENDR to design an evaluation tool-kit to assess the impact of blended working on the workforce and organisations in the Civil and Public Service,
- continued support for Ireland’s National Data Infrastructure and the principles of Open Data in accordance with the “National Open Data Strategy”,
- participation in the working group to develop the “Civil Service Domestic Violence and Abuse Policy” that was launched in 2023, and
- contributing to the DPENDR led working group to develop the “Menopause and the Workplace Policy Framework for Civil Service Organisations”, which was launched in October 2023.

Governance

The Revenue Board comprises three Commissioners, appointed by the Taoiseach, one of whom is appointed by the Minister for Finance as Chairman. The Board has statutory responsibility to carry out its functions.

Our governance structures promote transparency and ensure accountability and are designed to enable us to achieve our strategic goals, deliver our business programmes in a cost-effective way, and meet all our regulatory requirements.

Statement of Strategy 2023-2025

Our SoS sets out how Revenue will work and operate into the future, the high-level objectives we will pursue for the three-year period ahead and reflects our vision to be a leading tax and customs administration, trusted by the community, and an employer of choice. The SoS also reflects our values – respect, professionalism, collaboration, agility and integrity.

In June 2023 we published our SoS 2023 -2025, which is the first SoS prepared in the post-pandemic environment. The changes in taxpayer behaviour and needs, and Government policies aimed at supporting individuals and businesses through the cost of living crisis, required us to identify the correct balance between our core operational priorities, and emerging needs in an unpredictable environment. Further important elements of context included changing ways of working, digitalisation opportunities, global tax reform and the report of the Commission on Taxation and Welfare.

This new SoS was developed through extensive consultation with both internal and external stakeholders, together with staff contributions which were gathered and developed through Senior Management Conferences, workshops, team meetings and an internal webpage.

The SoS lays out our high-level objectives for the three-year period 2023 – 2025 and is centred around our strategic pillars of service for compliance and confronting non-compliance. These pillars remain constant as we strengthen the performance of the organisation, refine our business models, embrace and build on emerging opportunities and anticipate and proactively respond to changes in our internal and external environment.

Our SoS is a key driver for all Divisions within Revenue, and was discussed at length during the townhall sessions conducted during 2023. These discussions ensure that staff at all levels of the organisation are aware of and understand our ambitions as an organisation for the next three years, and we look forward to learning from, and building on, the positive and engaging debate which took place during these sessions.

Our **Corporate Governance Framework**, which is published on our website, sets out the framework to ensure the correct alignment of our structure with business strategies and direction, with a clear focus on increased transparency and mitigation of risk. It dictates the shared values, philosophy, practices, and culture within Revenue which, along with our structures and working arrangements, determine how we deliver on our mission and ensure quality outcomes.

During 2023, our Risk Management Committee actively monitored our Corporate Risk Framework to ensure that appropriate actions were taken to mitigate risks that could impact on the achievement of our corporate objectives. The level of participation in our risk identification and assessment process has been increased to provide a more effective risk management framework and an enhanced linkage with divisional risk management.

Revenue is a member of the FTA's Enterprise Risk Management Community of Interest (ERM CoI). The OECD's FTA community focuses on the top risks facing tax administrations now and into the future. Revenue participated in the ERM CoI survey in 2023. While previous surveys identified a range of risks and explored the challenges faced in mitigating them, the 2023 ERM CoI survey examined how those responses have evolved. In addition, it identified any new or emerging risk areas and provided an insight into what the risk landscape may look like in three to five years' time. The survey results form the basis for its ERM COI's future planning.

The Board is committed to maintaining and supporting a quality Internal Audit function. This function is carried out by the Internal Audit Unit, which operates with the direct authority of the Board and under the general supervision and guidance of the Audit Committee. The unit operates in adherence to the Internal Audit Standards issued by the DPENDR to provide independent objective assurance that the systems, processes and procedures that underpin our activities are properly and effectively managed, or otherwise to recommend corrective measures as appropriate.

The internal audit programme is informed by our Internal Audit Universe, Corporate Risk Register, Annual Corporate Priorities and SoS. In 2023, 19 audits, comprising 13 internal audits and six follow-up audits, were completed.

The **Audit Committee (the Committee)** oversees the Internal Audit function in Revenue and advises the Board in relation to its operation and development. The Committee reports to the Chairman, as Accounting Officer, and assesses governance arrangements, providing advice and guidance in relation to the systems of risk management and internal controls. The Committee met five times in 2023.

The Audit Committee membership comprises:

- John Murphy (Chairman of the Audit Committee), former Secretary General of the Department of Jobs, Enterprise and Innovation,
- Helen Hall, Chief Executive of the Policing Authority,
- Dr. Paul Lyons, Adjunct Assistant Professor at Trinity Business School, Trinity College Dublin,
- Dr. Karen-Ann Dwyer, Assistant Professor in Accounting at Dublin City University Business School,
- Declan Rigney, Assistant Secretary of Revenue's Personal Taxes Policy and Legislation Division (until April 2023), and
- Maura Kiely, Revenue Solicitor in Revenue Solicitor's Division (from June 2023).

Protected Disclosures

We actively promote a supportive environment for our staff to raise concerns relating to potential wrongdoing in the workplace, and are fully committed to providing the necessary supports for any staff member who raises such concerns.

In 2023, four concerns were considered under the "Revenue Policy on Protected Disclosure Reporting in the Workplace". Following the completion of an assessment by Revenue's Protected Disclosures Group, appropriate follow up action was taken in relation to two concerns raised. The assessment by Revenue's Protected Disclosures Group of the other two concerns was on-going at year-end.

Our Director of Internal Audit is a prescribed person to receive external disclosures on matters relating to the assessment, collection and management of taxes and duties. In December 2023, we launched a new **online reporting form**, accessible through the Revenue website, to make it easier for workers to make a protected disclosure on matters falling within Revenue's remit. A total of 31 external disclosures were received by our Director of Internal Audit in 2023.

Through our membership of Transparency International Ireland's "Integrity at Work" programme, 24 members of staff received training on "Dealing with Protected Disclosures - Prescribed Persons" in 2023.

Ethics, Standards and Behaviour

All Revenue officials adhere to the principles, standards and values set out in the Revenue Code of Ethics and The Civil Service Code of Standards and Behaviour. In 2023, staff at AP level and above, as well as officials in certain designated positions, submitted a **Statement of Interests** under the Ethics in Public Office Acts 1995 and 2001.

In accordance with Section 6(4) of the Regulation of Lobbying Act 2015, the names, grades and brief details of the role and responsibilities of the Designated Public Officials in Revenue are published on our website.

We are committed to fulfilling our **data protection obligations** and process personal data in accordance with data protection legislation. We protect the integrity of data supplied to us by taxpayers and third parties. In 2023, we continued to increase awareness of, and improve compliance with, data protection among our staff. This included measures to be taken to protect data security in a remote working environment.

Freedom of Information

In 2023, we received 242 FOI requests (Table 28) and we continue to work with the DPENDR to ensure the efficient and effective operation of the FOI Act 2014 in Revenue.

The review of the Act commenced in September 2021 and is being managed by the DPENDR. As part of this review, Revenue distributed a **customer satisfaction survey** to FOI requesters and decision makers in 2022 and encouraged completion. Revenue also provided a detailed response to the follow up consultation document issued by the DPENDR. It is expected that a report, along with recommendations, will be presented by the DPENDR to the Government and published during 2024. As an FOI body under the Act, Revenue is fully engaging with the review process.

Complaints

Taxpayers who are dissatisfied with Revenue's handling of their tax affairs can have their case reviewed either internally by a senior Revenue Officer, or by an external reviewer. In 2023, one request for internal review was accepted, while 11 requests for external reviews were accepted (Table 29). The Ombudsman finalised 26 complaints relating to Revenue during 2023 (Table 30).

In late 2023, the PAS ran a competition on behalf of Revenue to create a panel of External Reviewers to complete reviews, which was subsequently established in February 2024. The External Reviewers have entered into contracts for services which will be for an initial period of three years, but may be extended to a maximum of five years by agreement.

Oireachtas Committees

The Chairman's appearance before the Public Accounts Committee (PAC) took place in January 2024.

Other Governance Matters

We are compliant with the Prompt Payment of Accounts Act 1997 and the European Communities (Late Payment in Commercial Transactions) Regulations 2002. Our Prompt Payment Returns are published on our website. Almost 84% of all payments were made within 15 days (Table 31).

We provided responses to 735 Parliamentary Questions and responded to 774 Representations from Public Representatives during 2023.

Senior Management Changes

Following TLAC competitions, the Minister for the DPENDR, Paschal Donohoe, T.D., made appointments to two Assistant Secretary Level positions in 2023:

- following his appointment on 24 April 2023, the Revenue Board assigned James Twohig to Personal Division, and
- following his appointment on 7 August 2023, the Revenue Board assigned Tom James to Personal Taxes Policy and Legislation Division.

On 14 November 2023, the Revenue Board announced the assignment of Eugene Creighton to International Tax Division, while he continues in his role as head of Large Corporates Division pending the appointment of a new Assistant Secretary.

Declan Rigney, Assistant Secretary, retired on 1 April 2023 and Eamonn O'Dea, Assistant Secretary, retired on 1 September 2023. We thank them both for their service to Revenue.

Financial Management

Each year Revenue prepares and submits the Account of the Receipt of Revenue of the State collected by the Revenue Commissioners and the Appropriation Account of the expenditure for the Office of the Revenue Commissioners to the Comptroller and Auditor General for audit. The audited "Account of the Receipt of the Revenue of the State" collected by Revenue for 2023 is presented to the Oireachtas at the same time as the Annual Report.

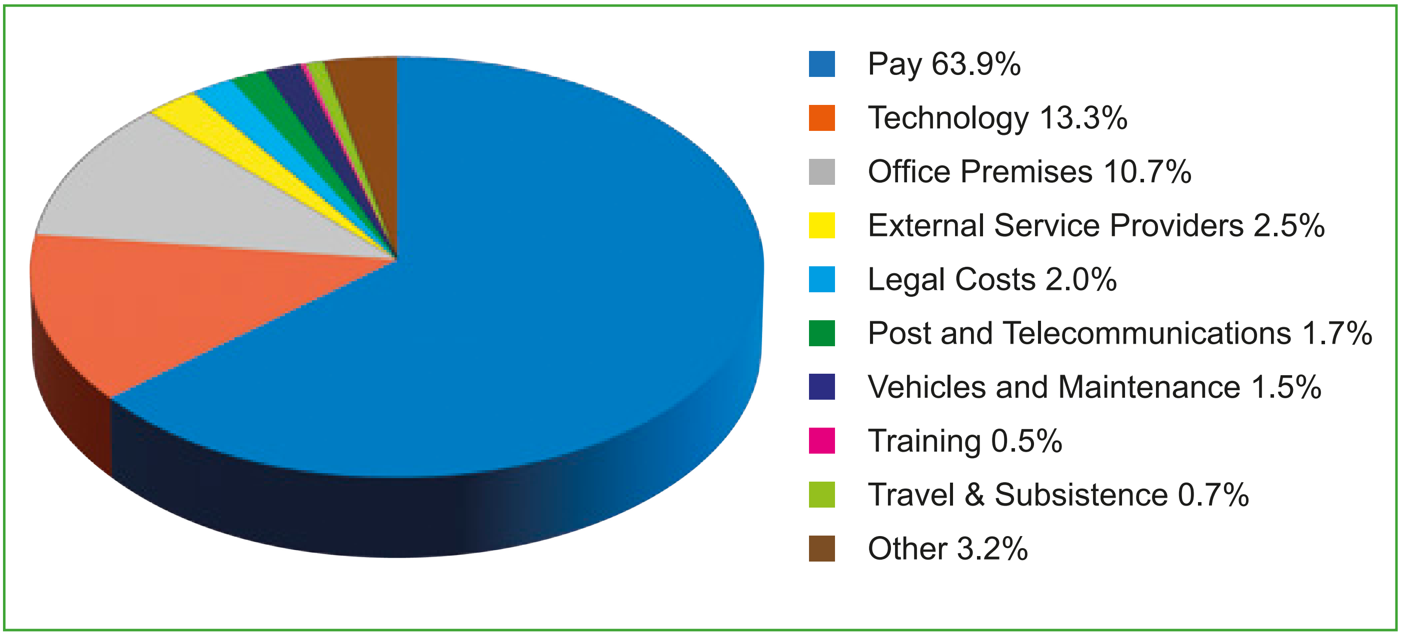
The Appropriation Account of the amount expended by Revenue in relation to salaries and expenses in the year ended 31 December 2023 has been submitted to the Comptroller and Auditor General within the statutory timeline. In accordance with the Comptroller and Auditor General (Amendment) Act 1993, the audited account will be published by September in the Report on the Accounts of the Public Services. The account will be published and available at www.audgen.gov.ie. As such, figures referred to below are provisional and will be finalised on completion of the audit of the Revenue Appropriation Account by the Comptroller and Auditor General.

Financial Performance 2023

In 2023, Revenue's expenditure on the administration and collection of taxes and duties and frontier management amounted to approximately €585 million. This expenditure was partly funded by Appropriations in Aid receipts of €62.5 million, received mainly in respect of services relating to PRSI, and a share of custom duties collected via the Centralised Clearance system.

A Supplementary Estimate of €52.3 million was required to meet the cost of permanent infrastructure being developed at Rosslare Europort by the Office of Public Works on behalf of Revenue, along with the 2023 costs of rents at Dublin Port and Rosslare. These costs arose on foot of the UK's exit from the EU and therefore qualified for funding from the Brexit Adjustment Reserve.

A provisional year end surplus of €3.6 million, including €1.3 million in excess Appropriations in Aid, arose.



Account of the Receipt of Revenue of the State collected by the Revenue Commissioners in the year ended 31 December 2023

Revenue
Cáin agus Custaim na hÉireann
Irish Tax and Customs

Account of the Receipt of Revenue of the State collected by the Revenue Commissioners in the year ended 31 December 2023

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Statement by Accounting Officer on Internal Financial Control

Responsibility for system of Internal Financial Control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Office. This responsibility is exercised in the context of the resources available to me and my other obligations as Head of Office. Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial control is a continuous process and the system and its effectiveness are kept under ongoing review.

The position in regard to the financial control environment, the framework of administrative procedures, management reporting and internal audit is as follows:

Financial Control Environment

I confirm that a control environment containing the following elements is in place:

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- The documentation of key business processes is being reviewed and developed to ensure that there is an overarching description linking key systems, processes and procedures relating to the accounts receipting and repayment system. It is anticipated that this review will be completed by the end of 2024.

Administrative Controls and Management Reporting

I confirm that a framework of administrative procedures and regular management reporting is in place including segregation of duties and a system of delegation and accountability and, in particular, that:

- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.
- A risk management system operates within the Office to identify potential risks and ensure an appropriate mitigation strategy is in place. Mitigations used to manage risk include:
    - Revenue’s governance structures.
    - Environmental scanning to ensure Revenue is aware of influences that affect risk.
    - Integrated strategic/business planning and risk management framework that includes an assessment of risk at organisational, Divisional and Branch level.
    - Implementation of a strong and integrated project management framework for all significant projects.
- There are systems aimed at ensuring the security of the ICT applications, particularly in relation to cyber threats and malicious attacks.

Internal Audit and Audit Committee

I confirm that the Office has an internal audit function with appropriately trained personnel, which operates in accordance with a formal written Internal Audit charter which I have approved. Its work is informed by analysis of the financial risks to which the Office is exposed and its internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Risk and Control Framework

This Office operates a Corporate risk management system which identifies and reports key risks and the actions being taken to address and, to the extent possible, mitigate those risks. A Corporate Risk Register is in place which identifies the key risks facing this Office. These risks are described, evaluated, and graded according to their likelihood and impact. The risk register details the actions needed to mitigate risks and these actions are integrated into Revenue's strategic and business planning process.

There is a quarterly review process for the Corporate Risk Register. Divisions report on the effectiveness of risk mitigating controls and residual risk levels following mitigation. Revisions to the register, including whether there should be any changes to the priority or ranking of individual risks, are then considered as part of a formal review by the Risk Management Committee (RMC). The RMC then presents the updated register for note to the Management Advisory Committee (MAC). This process provides that risk escalation is recognised, reviewed, reported, and included in the Corporate Risk Register. The RMC Chair presents a Corporate Risk Management Annual Report to the Board of the Revenue Commissioners which outlines the activities of the RMC throughout the preceding year and provides assurance of adherence to Revenue's risk management policies.

A Data Protection Officer with responsibility for overseeing Revenue's data protection strategy and implementation, including compliance with the General Data Protection Regulation (GDPR), is in place and is supported by a Data Protection Unit.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the MAC, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of Effectiveness

I confirm that this Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within this Office are responsible for the development and maintenance of the internal financial control framework.

Internal Financial Control Issues

No weaknesses in internal financial control were identified in relation to 2023 that resulted in, or may result in, a material loss.

Business Support Schemes

The commitment and engagement of Revenue's staff allowed Revenue to successfully maintain delivery of our core business programmes while continuing to deliver our additional role of administering Business Support Schemes. Revenue continued to utilise its advanced technology infrastructure and its strong operational and project management capabilities to manage the range of subsidy and support schemes introduced by the Government to support businesses and their employees. The most recent such scheme, the Temporary Business Energy Support Scheme (TBESS) to support businesses with increases in their electricity or natural gas (energy) costs, closed for applications in September 2023.

The administration of these schemes entailed the management of significant sums, with a net total of €148.2 million paid in respect of TBESS (funded by the Department of Enterprise, Trade and Employment). In 2023 there were net recoveries in respect of the Covid-19 related Employment Wage Subsidy Scheme (EWSS) and Temporary Wage Subsidy Scheme (TWSS) of €24.5 million and €9.3 million respectively. Both of these schemes were funded by the Department of Social Protection and are closed. Any balance owing to or from either Department will be accounted for in Revenue's 2023 Appropriation Account.

Audit and Compliance Interventions

2023 was the first full year of interventions conducted under the Compliance Intervention Framework, supported by a revised Code of Practice for Revenue Compliance Interventions, which came into effect on 1 May 2022. This new 3-level framework supports compliance by incorporating our traditional tax audit approach within a Compliance Intervention Framework that provides for a consistent, graduated response to risk and taxpayer compliance behaviour. These responses range from easily accessible opportunities to voluntarily correct errors up to criminal investigation for serious cases of fraud or evasion. Taxpayers who avail of opportunities to review their tax compliance position and voluntarily address any issues identified will experience the minimum level of penalty and generally not risk either publication or prosecution. On the other hand, the framework provides for an appropriately vigorous response to taxpayers who do not comply voluntarily or do not change non-compliant behaviour.

In response to Covid-19, Revenue had suspended audit and other compliance intervention activity on taxpayers' premises from March 2020. Where possible, Revenue continued to engage with business to progress interventions through our MyEnquiries portal or by telephone. Revenue developed guidelines for conducting compliance interventions remotely during Covid-19, taking into account the Government's published health advice. The latter part of 2022 saw an increased level of on-site activity but many interventions continued to be conducted remotely having regard to the lessons learned during the pandemic. In 2023, Revenue were in a position to resume on-site interventions for the full year. In 2023, 86% of Audits opened were conducted on-site. This compares with pre-pandemic figures of 83% in 2018 and 81% in 2019. While there were no restrictions on the conduct of on-site activity, there was sustained use of the remote option in appropriate cases with 50% of Risk Review interventions being conducted remotely.

Revenue completed a total of 291,756 compliance interventions in 2023 with a yield of €787 million.

Debt Collection and Warehousing

Revenue's focus continues to be on supporting businesses and individuals to meet their tax obligations as they recover from the impacts of the pandemic and the recent energy crisis. For taxpayers who are experiencing payment difficulties, Revenue works proactively with them to agree flexible Phased Payment Arrangements. With regards to warehoused debt, the extension announced in October 2022 ensures that businesses do not have to address the challenge of making arrangements to repay their warehoused debt until 1 May 2024. As a further support to business, the interest rate of 3% applicable to warehoused debt was reduced to 0% in February 2024. Revenue will work with businesses and give them every possible support in managing the payment of warehoused debt over a timeline that suits the individual circumstances of each business. During 2023, Revenue engaged directly with many businesses, starting with those with the highest warehoused debt, to encourage them to consider their payment options, including tailored phased payment arrangements. Revenue continues to engage directly with businesses at every opportunity to outline the payment options available and to encourage the setting up of payment plans as early as possible. In March 2024, Revenue wrote again to customers with warehoused debt, outlining the immediate action needed to address the payment of the debt in advance of 1 May 2024.

As at 31 December 2023, a total of €1.756 billion was warehoused for 57,811 taxpayers. 70% of the taxpayers concerned have outstanding liabilities of less than €5,000. The overall debt has decreased since December 2022 when almost €2.4 billion was warehoused for almost 69,000 customers. The reduction in both debt value and customer count is mainly due to payment of the debt.

The key condition for the Debt Warehousing scheme continues to be that current tax and duty liabilities are filed and paid on time. Where taxpayers find it difficult to meet their current obligations the advice as always is to engage with Revenue as soon as difficulties arise so that an agreed solution can be found. Revenue has a proven track record in supporting businesses with cash flow difficulties, by agreeing flexible payment plans that take account of the financial circumstances of each business.

Revenue returned to standard debt collection for all taxpayers in August 2022 and the periodic review process for tax clearance resumed fully in November 2022. The charging of interest on late payment, which was suspended in certain cases during the pandemic, recommenced in September 2023.

Customs Controls

In 2018 the EU Commission identified a Union-wide fraud pattern, consisting of the import of textiles and footwear from the People’s Republic of China at significantly understated values, that led to a loss of Traditional Own Resources (TOR) that commenced in September 2012. Using a statistical method, the Commission calculated Ireland’s TOR losses at €30.4 million or 0.69% of the losses incurred at EU28 level over the period September 2012 to December 2019. Ireland, through the Department of Finance made a payment of €30.4 million on reserve on 30th July 2021 following an invitation by the EU Commission to avoid the accumulation of late payment interest.

Following the conclusion of a legal case taken by the UK, the Commission confirmed in December 2022, that an agreement has been reached on the methodology to be used for assessing final liabilities. This methodology is being applied to the period from 16 June 2015 and not to the earlier period. As the estimated TOR loss for Ireland for the period 16 September 2012 to 15 June 2015 was €9.8 million net, that amount has now been repaid to Ireland. Work continues on the remaining period to December 2019. At this stage the primary risk focus is on eliminating legitimate low-value imports from the liability and it is proposed to use imports by Authorised Economic Operators (AEOs) to identify this cohort. In Ireland, imports by AEOs account for €19.2 million of the estimated loss and it is expected that this amount will also be repaid to Ireland. Imports by non-AEO operators only account for €1.4 million of the total €30.4 million losses covered by the reserve payment and the Commission has indicated that there may be further scope to eliminate legitimate low-value imports that form part of this liability. However, this aspect is not currently a priority for the Commission as its focus is on imports by AEOs.

Following an EU Commission inspection of TOR carried out in Ireland, the Commission stated that it does not agree that our risk-based automated refund system guarantees protection of the EU financial interest. On 2 March 2022 the Commission Services advised Ireland in writing that they have launched the internal procedure prior to potential infringement proceedings.

In their letter dated 16 June 2022, the Commission Services advised Ireland that they are considering this shortcoming under the infringement procedure of Article 258 of the Treaty on the Functioning of the European Union (TFEU). The Commission have not initiated any action under this procedure.

Excise Accounting

Arising from audit queries on excise accounting, and in particular the operation of the periodical reporting, Revenue established during 2023, due to a systems error in the transfer of data from the new import system to Revenue’s accounting systems, overall Excise revenue was under reported by €90.1 million over the period October 2020 to end 2022. This amount primarily relates to duties on alcohol but also includes a small amount of other excises. This error arose due to systems changes implemented in October 2020.

It is important to note that this was an aggregate reporting error only. All monies were reflected in individual customer records and transferred to the Exchequer. However, the €90.1m was incorrectly shown as held on deposit rather than brought to account as finalised collection. The under-reported amount has now been included in the 2023 Excise collection figures. Revenue has commenced the process of disaggregating the C&E Deposits control account into the various Excise Duty categories and to reconcile each of these with a customer listing. It is expected that this work will be completed in 2024 and any required adjustment in balance will be made then. The regular reconciliation of customer balances to control accounts will reduce the risk of data transfer errors and misreporting.

Niall Cody
Accounting Officer
Office of the Revenue Commissioners

15 April 2024

Ard Reachtaire Cuntas agus Ciste
Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Account of the receipt of revenue of the State collected by the Revenue Commissioners

Opinion on the account

I have audited the account of the receipt of revenue of the State collected by the Revenue Commissioners for the year 2023 as required under the provisions of Section 3 (7) of the Comptroller and Auditor General (Amendment) Act 1993. The account comprises:

- the account of the receipt and disposal of revenue collected
- the statement of balances, and
- the related notes and accounting policies.

In my opinion, the account properly presents the receipt and disposal of the revenue collected for the year ended 31 December 2023 and the residual balances at that date.

Basis of opinion

I conducted my audit of the account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Revenue Commissioners and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion. I also take assurance from my examinations of Revenue's collection systems.

Report on information other than the account, and on other matters

The Revenue Commissioners have presented certain other information together with the account. This comprises the annual report and the statement on internal financial control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy

Seamus McCarthy
Comptroller and Auditor General

16 April 2024

Appendix to the report

Responsibilities of the Revenue Commissioners

The Revenue Commissioners are responsible for

- the preparation of the annual account
- ensuring that the account properly presents the receipt and disposal of the revenue collected
- ensuring the regularity of transactions, and
- such internal control as they determine is necessary to enable the preparation of an account that is free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under Section 3 (7) of the Comptroller and Auditor General (Amendment) Act 1993 (the Act) to audit the account of the receipt of revenue of the State collected by the Revenue Commissioners and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the account whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I evaluate the overall presentation, structure and content of the account, including the disclosures, and whether the account properly presents the underlying transactions and events.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the account to be readily and properly audited, or
- the account is not in agreement with the accounting records.

Information other than the account

My opinion on the account does not cover the other information presented with the account, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the account, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to the management and operations of public bodies. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

Revenue collection systems

Under Section 3 (7) of the Act, I also carry out examinations on a cyclical basis in order

- to ascertain whether the systems, procedures and practices established by the Revenue Commissioners are adequate to secure an effective check on the assessment, collection and proper allocation of the revenue of the State
- to satisfy myself that the manner in which those systems, procedures and practices are being employed and applied is adequate.

As provided under Section 3 (10) of the Act, I report each year on the results of my systems examinations in my Report on the Accounts of the Public Services.

Accounting Policies

Introduction

This Account presents the collection and allocation of taxes and duties by the Revenue Commissioners and the transfer of the proceeds to the Exchequer. The Account also presents non-Exchequer receipts collected by the Revenue Commissioners for, or paid over to, other Government Departments, Agencies and EU Member States as detailed under Receipts and Repayments.

No administration or operational costs of the Office of the Revenue Commissioners are included in this Account. Funds for this purpose are voted by the Oireachtas and accounted for in the annual Appropriation Account for Vote 9 - Office of the Revenue Commissioners.

The Account has been prepared pursuant to Section 3(7) of the Comptroller and Auditor General (Amendment) Act, 1993.

Basis of Account

The Account has been prepared on a cash basis in accordance with the principles of Government Accounting. The Account shows the actual amounts received and paid in the year. Where further amounts are received in subsequent years or where amounts received in the current or earlier years are repaid, such items are recorded in the year of receipt or repayment.

Receipts and Repayments

Receipts and repayments are recognised on a cash basis except as noted below:

a. The gross receipts and repayment figures for each taxhead include offsets i.e. cases where the repayment is not directly paid to the taxpayer but offset against other outstanding taxes.

b. In order to apportion certain Income Tax receipts to the relevant taxhead, an estimated percentage is applied. This apportionment affects PAYE, PRSI, USC and LPT receipts. Once the relevant returns are filed a review of the estimate is conducted and the receipts re-apportioned as appropriate.

c. Customs duties are collected on an agency basis on behalf of the EU and are recognised on a gross receipts basis except for customs duties collected under an EU customs procedure Centralised Clearance (previously known as Single Authorisation for Simplified Procedures (SASP)). These receipts are shown net of the collection costs. See Note 1 *2.

d. Amounts received in respect of penalties and interest imposed by the Revenue Commissioners are brought to account with the related tax and duty settlements. Court fines and penalties are brought to account as Appropriations-in-Aid of Vote 9.

e. Customs and Excise payments are retained as deposits and recognised as receipts when the appropriate returns are filed, with the exception of excise licences, sugar, solid fuel carbon and betting which are on a cash receipts basis. Deposits held are accounted for in the Statement of Balances.

f. Included in Excise receipts are amounts collected by other agencies on behalf of the Revenue Commissioners as follows:

   - The Courts Service (Excise Licences).
   - Applus+ Car Testing Service Ltd (Vehicle Registration Tax).

   A charge is levied by Applus+ Car Testing Service Ltd for the collection of Vehicle Registration Tax. The charge is funded from Voted expenditure and accounted for in the annual Appropriation Account of Vote 9.

g. The title of VAT One Stop Shop (OSS) in the accounts refers to all/specific parts of the account disclosures on One Stop Shop schemes. The receipts comprise Irish VAT receipts disclosed in Note 1 and amounts collected on behalf of other EU Member States disclosed in Note 2.

h. Non-Exchequer receipts collected by the Revenue Commissioners for, or paid over to, other Government Departments, Agencies and EU Member States are as follows:

- Social Insurance Fund (Pay Related Social Insurance)
- Department of Health (Tobacco Levy)
- Risk Equalisation Fund (Health Insurance Levy)
- Environment Fund (Environmental Levy on Plastic Bags)
- Department of Enterprise, Trade and Employment (Employment and Training Levy)
- Commissioners of Irish Lights (Lighthouse Dues)
- Department of Finance (Nursing Home Support Scheme payments)
- Department of Finance (Temporary Solidarity Contribution)
- Central Bank of Ireland (Insurance Compensation Fund levy)
- EU Member States (VAT One Stop Shop scheme)
- Department of Housing, Local Government & Heritage (Local Property Tax)

A charge is levied by the Revenue Commissioners for the collection of PRSI Contributions, the Environmental Levy on Plastic Bags, Lighthouse Dues, Nursing Home Support Scheme payments and the Insurance Compensation Fund levy. Charges are levied on customers who apply for a VRT repayment under the Export Repayment Scheme. Amounts received in respect of these charges are accounted for as Appropriations-in-Aid of Vote 9.

Cash at bank and in hand

Cash at bank and in hand represents the total cash in both commercial and Central Bank accounts adjusted to take account of unpresented cheques and timing differences.

Amounts Awaiting Receipting and Allocation

a. Taxes and Duties are for the most part paid in the first instance into accounts held by Revenue in commercial banks. In most cases full accounting instructions are known at the time of payment and payments are receipted onto a customer record and transferred to the Exchequer. Unallocated Tax Deposits (UTD) includes payments transferred to the Exchequer as part of the Total Transfers in Note 6 for which customer records have yet to be updated. It also includes receipts which cannot at the year-end be allocated to either a taxhead or taxpayer record. In some instances, if sufficient information has not been received within 5 years, the amounts are recognised as a tax receipt and removed from the UTD balance reported in the Account. UTD also include payments made on account during tax audits and audit settlements as well as non-audit payments for which accounting instructions have not been completed.

b. Tax receipts awaiting transfer and allocation are amounts received to commercial accounts which have not been transferred to the Central Bank at the year end.

c. Amounts awaiting transfer to Vote 9, Office of the Revenue Commissioners are amounts received by the Revenue Commissioners and will be brought to account as Appropriations-in-Aid of Vote 9, Office of the Revenue Commissioners.

Deposits Held

a. Deposits held under The Criminal Justice Act 1994 relate to money seized under the Act and held on deposit pending court proceedings.
b. Deposits held with C&E collectors represent amounts received in lieu of Bank Guarantees or pending Bank Guarantees.
c. Deposits held for C&E liabilities represent amounts received for C&E transactions in advance of the relevant return being received. These amounts are designated as deposits in a control account until the appropriate return is filed and are then allocated as receipts. Because of this mechanism, refunds from the control account are not fully reflected in Note 3 to the account. Due to the manual nature of certain aspects of the management of these deposits, there are some limitations on the availability of the associated transactional level data. Any deposits on hand are surrendered to the Exchequer at 31 December as part of Excise Duty transfers in Note 6.

Balance Owing from Exchequer

The balance owing from the Exchequer represents amounts transferred to the Exchequer not yet recorded as receipts, net of amounts held over at 31 December to fund repayments to taxpayers from 01 January of the following year and amounts in the Exchequer due for payover to Other Government Departments not paid over at year end.

Account of the Receipt of Revenue of the State collected by the Revenue Commissioners in the year ended 31 December 2023

Account of the Receipt and Disposal of Revenue collected

	Notes	2023 €000	2022 €000
Gross Receipts			
Exchequer Receipts	1	101,657,790	95,412,325
Non Exchequer Receipts	2	26,286,352	22,391,796
Total Gross Receipts of Revenue Collected		**127,944,142**	**117,804,121**
Repayments			
Repayment of Exchequer Receipts	3	(14,417,798)	(12,995,574)
Repayment of Non Exchequer Receipts	4	(121,572)	(122,408)
Total Repayments		**(14,539,370)**	**(13,117,982)**
Net Receipts			
Exchequer Receipts	5	87,239,992	82,416,751
Non Exchequer Receipts	7	26,164,780	22,269,388
Total Net Receipts of Revenue Collected		**113,404,772**	**104,686,139**
Disposal of Net Receipts			
Receipts transferred to the Exchequer	6	(87,206,284)	(82,225,218)
Receipts transferred to other Departments/Agencies/EU Member States	7	(26,157,391)	(22,280,328)
Total Disposal of Net Receipts of Revenue Collected		**(113,363,675)**	**(104,505,546)**
Net Movement in the Year		41,097	180,593
Opening Balance on the Account of Receipt and Disposal of Revenue at 1 January		(239,947)	(420,540)
Closing Balance on the Account of Receipt and Disposal of Revenue at 31 December		**(198,850)**	**(239,947)**

The Accounting Policies and Notes 1 to 13 form part of this Account.

Niall Cody
Accounting Officer
Office of the Revenue Commissioners

Brian Boyle
Accountant General
Office of the Revenue Commissioners

15 April 2024

Statement of Balances

	Notes	2023 €000	2022 €000
Assets			
Cash at Bank and in Hand	8	248,150	310,502
Amounts due from Government Departments	9	3	565
Total Assets		**248,153**	**311,067**
Liabilities			
Amounts Awaiting Receipting and Allocation	10	(111,984)	(95,936)
Deposits Held	11	(335,019)	(455,078)
Total Liabilities		**(447,003)**	**(551,014)**
Net Liabilities		**(198,850)**	**(239,947)**
Represented by:			
Closing Balance on the Account of Receipt and Disposal of Revenue			
Balance owing from the Exchequer	6	(246,253)	(279,961)
Balance owing to other Departments/Agencies/EU Member States	7	47,403	40,014
		(198,850)	**(239,947)**

The Accounting Policies and Notes 1 to 13 form part of this Account.

Niall Cody
Accounting Officer
Office of the Revenue Commissioners

Brian Boyle
Accountant General
Office of the Revenue Commissioners

15 April 2024

Notes to the Account

Note 1. Exchequer Receipts collected	2023 €000		2022 €000
Income Tax	36,307,429		33,637,250
Value Added Tax	28,441,171	*1	26,722,765
Corporation Tax	26,481,506		24,606,227
Excise Duty	5,787,901	*2	5,530,365
Stamp Duties	1,852,790		1,908,970
Capital Gains Tax	1,558,965		1,776,367
Capital Acquisitions Tax	640,779		612,737
Customs Duty	586,100	*3	617,644
Other Property Related Tax	1,149	*4	-
	101,657,790		**95,412,325**

*1 This figure includes the following receipts relating to the VAT One Stop Shop scheme;

	2023 €000	2022 €000
VAT collected in the State proper to Ireland	132,813	100,537
VAT collected by other Member States proper to Ireland	432,034	348,035
	564,847	**448,572**

*2 The 2023 excise duty receipts figure includes €90.1m in respect of excise revenue that was not recognised over the period from 2020 to 2022. For further information on this adjustment, see the 'Excise Accounting' note disclosed in the Statement by the Accounting Officer on Internal Financial Control.

*3 Customs Duty receipts are reported net of collection costs of €20.6m (2022: €20.8m) allowed under Centralised clearance (previously SASP). €10.3m (2022: €10.4m) was transferred to other EU Member States and €10.3m (2022: €10.4m) was transferred to Vote 9 and recorded as Appropriations-in-Aid.

*4 Other Property Related Tax figure is the Vacant Homes Tax introduced by Section 96 of the Finance Act 2022. This is an annual self-assessed tax that applies to vacant residential properties in certain circumstances. The first chargeable period was from 1 November 2022 to 31 October 2023.

Notes to the Account

Note 2. Non-Exchequer Receipts collected on behalf of other Departments/Agencies/EU Member States

	2023 €000		2022 €000
Pay Related Social Insurance	16,797,774		15,094,416
VAT One Stop Shop Scheme	7,617,606		5,663,065
Risk Equalisation Fund (Health Insurance Levy)	798,440		800,952
Local Property Tax	561,323	*1	505,519
Tobacco Excise Receipts	167,605	*2	167,605
Temporary Solidarity Contribution	167,221	*3	-
Insurance Compensation Fund Levy	111,585		106,472
Nursing Home Support Scheme	55,939		43,792
Environmental Levy on Plastic Bags	1,428		2,491
Lighthouse Dues	7,419		7,449
Employment and Training Levy	12		35
	26,286,352		**22,391,796**

*1 The Local Property Tax (LPT) net collection figure of €556m (receipts of €561m less repayments of €5m), €1.7m included in current year charge requires further analysis to verify correct allocation, is estimated to be broken down as follows:

Net collection	**2023 €000**	**2022 €000**
Arrears Household Charge (HHC)	964	1,132
LPT arrears	46,670	50,983
Prepayments	73,599	75,002
Current year charge	434,895	372,977
	556,128	**500,094**

*2 Tobacco Excise Receipts of €167.6m are presented as Non-Exchequer receipts as they are paid direct to the Department of Health under Section 3 of the Appropriation Act 1999 as amended by the Appropriation Act 2005.

*3 Temporary Solidarity Contribution of €167.2m is presented as receipts of an annual levy charged in respect of relevant activities of an energy company for the chargeable periods 2022. This contribution was one part of the Council Regulation (EU) 2022/1854 of 6 October 2022 on an emergency intervention to address high energy prices, which is under the care and management of the Revenue Commissioners.

Notes to the Account

Note 3. Repayment of Exchequer Receipts

	2023 €000		2022 €000
Income Tax	(3,397,872)		(2,907,573)
Value Added Tax	(8,192,025)		(7,943,267)
Corporation Tax	(2,639,612)		(1,961,074)
Excise Duty	(61,617)	*1	(57,958)
Stamp Duties	(80,326)		(89,176)
Capital Gains Tax	(39,318)		(29,110)
Capital Acquisitions Tax	(7,024)		(7,416)
Other Property Related Tax	(4)		-
	(14,417,798)		**(12,995,574)**

*1 A breakdown of the individual taxes included within the Excise Duty category is disclosed in Note 13.

Note 4. Repayment of Non-Exchequer Receipts collected on behalf of other Departments/Agencies/EU Member States

	2023 €000	2022 €000
Pay Related Social Insurance	(113,795)	(113,130)
Local Property Tax	(5,195)	(5,425)
VAT One Stop Shop Scheme	(2,016)	(3,329)
Nursing Home Support Scheme	(517)	(326)
Environmental Levy on Plastic Bags	(49)	(198)
	(121,572)	**(122,408)**

Notes to the Account

Note 5. Net Exchequer Receipts

	Gross Receipts 2023 €000	Repayments 2023 €000	Net Receipts 2023 €000	Net Receipts 2022 €000
Income Tax	36,307,429	(3,397,872)	32,909,557	30,729,677
Value Added Tax	28,441,171	(8,192,025)	20,249,146	18,779,498
Corporation Tax	26,481,506	(2,639,612)	23,841,894	22,645,153
Excise Duty	5,787,901	(61,617)	5,726,284	5,472,407
Stamp Duties	1,852,790	(80,326)	1,772,464	1,819,794
Capital Gains Tax	1,558,965	(39,318)	1,519,647	1,747,257
Capital Acquisitions Tax	640,779	(7,024)	633,755	605,321
Customs Duty	586,100	-	586,100	617,644
Other Property Related Tax	1,149	(4)	1,145	-
	101,657,790	**(14,417,798)**	**87,239,992**	**82,416,751**

Note 6. Receipts Transferred to the Exchequer

	to/(from) 1.1.23 €000	Net Receipts €000	Total Transfers €000	to/(from) 31.12.23 €000	
Income Tax	(17,199)	32,909,557	(32,912,795)	(20,437)	
Value Added Tax	193,596	20,249,146	(20,346,772)	95,970	*1
Corporation Tax	480	23,841,894	(23,837,045)	5,329	
Excise Duty	(405,132)	5,726,284	(5,612,886)	(291,734)	
Stamp Duties	(10,349)	1,772,464	(1,760,430)	1,685	
Capital Gains Tax	(471)	1,519,647	(1,519,075)	101	
Capital Acquisitions Tax	52	633,755	(633,779)	28	
Customs Duty	(40,938)	586,100	(582,357)	(37,195)	
Other Property Related Tax	-	1,145	(1,145)	-	
	(279,961)	**87,239,992**	**(87,206,284)**	**(246,253)**	

*1 This figure includes €100m of receipts retained at 31 December to fund repayments to taxpayers from 01 January 2024.

Notes to the Account

Note 7. Receipts transferred to other Departments/Agencies/EU Member States

	due at 1.1.23 €000	Net Receipts €000	Total Transfers €000	due at 31.12.23 €000
Pay Related Social Insurance	16,762	16,683,979	(16,680,223)	20,518
VAT One Stop Shop Scheme	20,788	7,615,590	(7,615,559)	20,819
Risk Equalisation Fund (Health Insurance Levy)	-	798,440	(798,440)	-
Local Property Tax	2,156	556,128	(552,316)	5,968
Tobacco Excise Receipts	-	167,605	(167,605) *1	-
Temporary Solidarity Contribution	-	167,221	(167,221) *2	-
Insurance Compensation Fund Levy	444	111,585	(111,940)	89
Nursing Home Support Scheme	52	55,422	(55,467)	7
Environmental Levy on Plastic Bags	(189)	1,379	(1,188)	2
Lighthouse Dues	(1)	7,419	(7,419)	(1)
Employment and Training Levy	2	12	(13)	1
	40,014	**26,164,780**	**(26,157,391)**	**47,403**

*1 The amount of €167.6m was paid from the proceeds of Tobacco Excise Receipts to the Department of Health under Section 3 of the Appropriation Act 1999 as amended by the Appropriation Act 2005.

*2 Temporary Solidarity Contribution of €167.2m is presented as receipts of an annual levy charged in respect of relevant activities of an energy company for the chargeable periods 2022. This contribution was one part of the Council Regulation (EU) 2022/1854 of 6 October 2022 on an emergency intervention to address high energy prices, which is under the care and management of the Revenue Commissioners.

Note 8. Cash at Bank and in Hand

	2023 €000	2022 €000
Balance in Revenue Accounts held at Central Bank	237,433	301,522
Balance in Revenue Accounts held at Commercial Banks	22,569	22,657
Unpresented Cheques	(12,208)	(13,681)
Cash in Hand	356	4
	248,150	**310,502**

Note 9. Amounts due from Government Departments

Where a liability arises as a result of the importation of goods by Government Departments, the goods are released without immediate payment of duties or taxes and the Department is subsequently charged for the amount due.

Note 10. Amounts Awaiting Receipting and Allocation

	2023 €000	2022 €000
Unallocated Tax Deposits	(106,953)	(88,416)
Tax receipts awaiting transfer and allocation	(4,956)	(7,400)
Amounts awaiting transfer to Vote 9, Office of the Revenue Commissioners	(75)	(120)
	(111,984)	**(95,936)**

Notes to the Account

Note 11. Deposits Held

	2023 €000		2022 €000
Deposits held under Criminal Justice Act 1994	(1,669)		(2,270)
Deposits held with C&E Collectors	(16,856)		(15,191)
Deposits held for C&E liabilities due after 31 December	(316,494)	*1	(437,617)
	(335,019)		**(455,078)**

*1 The 2023 balance of 'Deposits held for C&E liabilities due after 31 December' reflects the recognition in 2023 of €90.1m of excise revenue that had not been recognised over the period from 2020 to 2022. For further information on this adjustment, see the 'Excise Accounting' note disclosed in the Statement by Accounting Officer on Internal Financial Control.

Note 12. Fraud and suspected fraud

Number of cases	2023	2022	2023 €000		2022 €000	
Fraud	1	-	7	*1	-	
Suspected Fraud	-	1	-		2	*2
	1	**1**	**7**		**2**	

*1 Number of fraud cases are those cases where an internal investigation has been completed, employee dismissed/ resigned and the fraud reported to An Garda Síochána.

*2 Number of suspected fraud cases are those cases which are still under investigation internally and a decision has yet to be made into whether the action amounts to fraud.

Note 13. Excise Duty

	Gross Receipts 2023 €000		Repayments 2023 €000	Net Receipts 2023 €000	Net Receipts 2022 €000
Mineral Oil Tax	1,610,147		(42,011)	1,568,136	1,550,706
Alcohol Products Tax	1,347,536		(22)	1,347,514	1,228,887
Carbon	951,663		(16,100)	935,563	789,747
Vehicle Registration Tax	879,432		(1,154)	878,278	756,538
Tobacco Products Tax	837,855		(4)	837,851	993,003
Other Excise Duties	161,268		(2,326)	158,942	153,526
Total Excise Duty	**5,787,901**	*1	**(61,617)**	**5,726,284**	**5,472,407**

*1 The 2023 excise duty receipts figure includes €90.1m in respect of excise revenue that was not recognised over the period from 2020 to 2022. For further information on this adjustment, see the 'Excise Accounting' note disclosed in the Statement by Accounting Officer on Internal Financial Control.

2023 Table Index

Table 1: Total Gross Exchequer and Non-Exchequer Receipts

Category	2023 €m	2022 €m
Exchequer Receipts		
IT	36,307	33,637
VAT	28,441	26,723
CT	26,482	24,606
Excise	5,788	5,530
Stamp Duties	1,853	1,909
CGT	1,559	1,776
CAT	641	613
Customs Duty	586	618
Other Property Related TAx	1	-
Non-Exchequer Receipts		
Gross Receipts Collected on behalf of other Departments/agencies	26,286	22,392
Total	**127,994**	**117,804**

Note: Any apparent discrepancies in totals are due to rounding of constituent figures.
Gross receipts collected on behalf of other Departments/agencies includes receipts such as PRSI and LPT.

Table 2: Total Net Receipts

Duties, Taxes and Levies	2023 €m	2022 €m	2023 +/- 2022 €m
PAYE IT	22,726	21,172	1,554
PAYE USC	4,771	4,288	483
Self-Assessed IT	2,655	2,612	43
Self-Assessed USC	672	607	65
Life Assurance Exit Tax	231	233	(2)
DIRT	45	14	31
PSWT	1,058	982	76
Non-Resident Landlord Withholding Tax	13	-	13
Dividend Withholding Tax	639	648	(9)
Back Duty/RCT	100	174	(74)
Total IT and USC	**32,910**	**30,730**	**2,180**
VAT on Imports	1,342	1,544	(202)
Internal VAT	18,907	17,236	1,671
Total VAT	**20,249**	**18,780**	**1,469**
Tobacco Products Tax	838	993	(155)
Alcohol Products Tax	1,347	1,229	188
Mineral Oil Tax	1,568	1,551	17
Carbon	936	790	146
VRT	878	756	122
Other Excise Duties	159	153	6
Total Excise Duties	**5,726**	**5,472**	**254**
CT	**23,842**	**22,645**	**1,197**
Stamp Duty on Shares	785	500	285
Stamp Duty on Property	674	963	(289)
Other Stamp Duties	313	357	(44)
Total Stamp Duties	**1,772**	**1,820**	**(48)**
CGT	**1,520**	**1,747**	**(227)**
CAT	**634**	**605**	**29**
Customs Duty	**586**	**618**	**(32)**
Other Property Related Tax	**1**	**-**	**1**
Total Net Exchequer Receipts	**87,240**	**82,417**	**4,823**
LPT	**556**	**500**	**56**
Total Net Exchequer Receipts including LPT	**87,796**	**82,917**	**4,879**

Note: Any apparent discrepancies in totals are due to rounding of constituent figures.

Table 3: Volume of Business

Activity	Number/€
PAYE Employments	4,362,633
Payroll Submissions	6,641,674
Self-Assessment IT Registrations	866,860
Company Registrations	259,731
VAT Registrations	282,575
Local Properties Returned	1,943,068
RCT Contracts Notified to Revenue	749,755
RCT Payments Notified to Revenue	2,000,379
Number of Electronic Payments made to Revenue	13,262,847
Value of Electronic Payments made to Revenue	€121.6 billion
Number of Electronic Repayments made to Taxpayers	1,965,816
Value of Electronic Repayments made to Taxpayers	€12.9 billion
Number of Electronic Returns Received	5,510,213
Telephone Calls Answered	1,745,466
Correspondence (incl. Online Enquiries) Dealt With	4,221,390

Note: PAYE Employments includes multiple employments and recipients of occupational pensions.

Table 4: Customer Service Standards & Results

Service	Commitment	Delivery
ROS for Business	Authentication process completed within 1 working day	100%
myAccount	100% of online registrations completed within 10 working days	93%
IT, CT and PAYE (Employer)	100% of online registrations completed within 3 working days	100%
VAT	100% of online registrations completed within 10 working days	82%
RCT	100% of online registrations completed within 10 working days	92%
ROS Returns and Declarations	100% processed within 2 working days	100%
ROS Refunds	100% processed within 5 working days	100%
Non-ROS returns, declarations and applications	100% within 20 working days	53%
Correspondence	100% within 30 working days	77%
Telephone Service	100% answered within 5 minutes	88%
My Enquiries	100% dealt with within 20 working days	80%
RTS	Reply to valid requests within 20 days	21%
Complaints	100% processed within 20 working days	100%
Application for Standards in Public Office Tax Clearance Certificates	100% processed within 5 working days	100%

Table 5: Average Percentage of Tax Collected Within the Due Month (by Tax)

Taxhead	2023
PAYE/PRSI	99%
VAT	98%
IT (non-PAYE)	98%
CGT	93%
CT	98%
RCT	99%

Table 6: Return/Payment Compliance by Case Size

Case Size	Due Month Compliance Rate 2023	Due Month +1 Compliance 2023
Large Cases	96%	99%
Medium Cases	92%	98%
Other Cases	82%	91%

Table 7: Collection Enforcement Programme

Enforcement	Number of Cases	Number of Referrals	Value of Referrals €m	Yield €m
Solicitor	4,398	5,439	143.4	27.1
Sheriff	29,365	40,186	351.2	169.1
Attachment	2,142	2,688	160.2	22.2
Total	**35,905**	**48,313**	**654.9**	**218.4**

Table 8: Debt Management

Activity	2023
Payments Requests/Estimates Issued	718,896
Final Demands Issued	476,038
Taxpayer PPAs in place at 31 December 2023	11,159
Referrals for Enforcement	48,313

Note: Applications for PPAs includes rejected applications

Table 9: Oversight of Corporate and Personal Insolvency

Activity	Number
Companies Wound-Up via Creditor Voluntary Liquidations	504
Creditor Meetings Attended	432
Revenue Petitions to High Court for Appointment of a Liquidator	25
Members Voluntary Liquidations	1,439
Receiverships	94
Examinerships	18
Bankruptcies	76
Revenue Petitioned Bankruptcies	5
Personal Insolvency Cases	340
SCARP	32

Table 10: Relevant Opinions Provided to Companies and Other Entities

Category of Opinion	Number
Permanent Establishment	1
Trading	1
Reconstruction and Amalgamations	5
Elections to Tonnage Tax Scheme	2
Withholding Taxes	32
Stamp Duty	23
Close Company Surcharges	7
CT	9
Total	**80**

Table 11: Mutual Agreement Procedures

	Opening Inventory 01/01/2023	Initiated	Completed	Closing Inventory 31/12/2023
Transfer Pricing Cases	77	29	16	90
Other Non-Transfer Pricing Cases	69	53	35	87
Total	**146**	**82**	**51**	**177**

Table 12: Advance Pricing Agreements

	Number
Opening Inventory 01/01/2023	54
Requests Received	16
Concluded	1
Withdrawn by Taxpayer	1
Closing Inventory 31/12/2023	68
APAs in Force as at 01/01/2023	4
APAs in Force as at 31/12/2023	4

Note: Substantial progress was made on four APAs during 2023, leading to their conclusion early in 2024.

Table 13: Volume of Customs Declarations Processed

Declaration Type	Number
Import Declarations	50,329,554
Export Declarations	3,674,730
Transit - Inbound	68,582
Transit - Outbound	141,745
Total	**54,214,611**

Table 14A: Audit and Compliance Intervention Activity – CIF

Intervention Type	Number Completed	Yield €m
Investigations	8	1.9
Total Level 3 Interventions	**8**	**1.9**
Audits	98	4.5
Risk Reviews	2,442	27.8
Total Level 2 Interventions	**2,540**	**32.3**
Level 1 Interventions (excluding Profile Interviews)	44,730	127.5
Profile Interviews	492	0.9
Total Level 1 Interventions	**45,222**	**128.4**
Appraisals (No Further Action)	**39,425**	**-**
Total Interventions	**87,195**	**162.6**

Note: Table 14A details all compliance interventions completed during 2023 under the CIF i.e. opened on or after 1 May 2022 and closed during 2023. The yield figures includes tax, interest and penalties.

Table 14B: Audit and Compliance Intervention Activity – Pre-CIF

Intervention Type	Number of Cases	Yield €m
Investigations	88	23.9
Audits	757	153.0
Total Audits/Investigations	**845**	**176.9**
Aspect Query	4,056	317.1
Profile Interview	140	58.2
Total Non-Audit Interventions	**4,196**	**375.3**
Appraisals (No Further Action)	1,542	-
Total Interventions	**6,583**	**552.2**

Note: Table 14B details all compliance interventions completed during 2023 that were opened prior to the introduction of the CIF i.e. opened prior to 1 May 2022 and closed during 2023. The yield figures includes tax, interest and penalties.

Table 14C: Audit and Compliance Intervention Activity – Non-CIF

Intervention Type	Number Completed	Yield €m
Customs Appraisals (No Further Action)	1,371	-
Customs Audits	195	2.5
Customs Post Clearance Checks	1,051	1.6
Other Customs Interventions	2,228	0.6
Other Non-CIF Interventions	2,037	61.2
Assurance Checks	191,139	6.9
Total Non-CIF Interventions	**198,022**	**72.8**

Note: Table 14C details all compliance interventions completed during 2023 that were not within the scope of the CID i.e. opened prior to 1 May 2022 and closed during 2023. The yield figures includes tax, interest and penalties.

Table 15: Summary of Selected Sectoral Intervention Results

Sector	Number Completed	Yield €m
Accounting, Bookkeeping and Auditing Activities	301	5.9
Construction	6,542	29.5
Doctors	228	5.2
Solicitors, Barristers and Other Legal Activities	201	4.6
Pubs	658	4.0
Rental	1,299	25.3
Restaurants and Fast Food Outlets	1,448	12.4
Retailers	4,773	30.0
Wholesalers	4,524	70.0
Total	**19,974**	**186.9**

Note: These results are included in the overall results in Tables 14A, 14B and 14C. This table presents a sample of sectors in alphabetical order. The yield figures include tax, interest and penalties.

Table 16: Publication

Period	Q1	Q2	Q3	Q4	Total
Amount of Settlements	€7.3m	€3.7m	€9.6m	€5.0m	**€25.6m**
Number of Settlements	19	14	24	16	**73**
Number Less Than or Equal to €100,000	1	-	2	-	**3**
Number Between €100,000 and €500,000	12	13	17	12	**54**
Number Between €500,000 and €1 million	6	1	3	4	**14**
Number greater than €1 million	-	-	2	-	**2**
Amount of Court Determined Penalties	€226,142	€293,207	€440,930	€198,911	**€1,159,190**
Number of Court Determined Penalties	3	3	1	3	**10**

Note: The settlement amount figures include tax, interest and penalties.

Table 17: Publications by Selected Sector

Sectors	Publications
Company and Former Company Directors	14
Construction and Related Trades/Property Developers	8
Cryptocurrency Trader	1
Farmer/Agricultural Services	1
Future Shares Trader	3
Hauliers	2
Insurance Sector	1
Computer/Business Consultant	2
Journalist	1
Landlord/Short Term Accommodation	6
Management Services	1
Manufacturing Sector	1
Medical and Related Services	6
Motor Dealers and Related Trades	4
Professionals/PAYE Employees/Retired	15
Publicans/Restaurateurs/Take Away Food	2
Retailers	2
Total	**70**

Note: This table presents a sample of sectors in alphabetical order. A single publication case may fall into more than one sector e.g. someone described as Company Director/Landlord will appear as Company Director and as a Landlord in the table.

Table 18: Drug Seizures

Type of Drug	Number of Seizures	Quantity Kgs	Value €m
Cannabis (Herbal and Resin)	2,513	3,491	66.8
Cocaine and Heroin	111	3,178	226.7
Amphetamines, Ecstasy and Other	6,593	2,416	8.5
Total	**9,217**	**9,085**	**302.0**

Table 19: Excisable Products Seized

Product	Number of Seizures	Quantity	Value €m
Cigarettes	5,164	69.5 million	55.7
Tobacco	1,673	10,191kgs	7.7
Alcohol (Beer, Spirits and Wine)	3,504	287,763 litres	1.5
Illicit Mineral Oil	3	1,800 litres	-
Vehicles	1,035	1,035	15.1

Note: *Vehicles seized for marked mineral oil offences, VRT offences and because of use in connection with alleged offences under customs or excise law.*

Table 20: Cash Seizures

	2023
Number of Seizures	35
Value	€2.8 million

Table 21: Cash Forfeiture Orders

	2023
Number of Cash Forfeiture Orders	26
Value	€343,217

Table 22: Prosecutions for Serious Evasion

	Number
Number Of Ongoing Investigations	20
Number Of Cases Referred to the DPP	9
Number Of Cases For Which the DPP Issued Directions	13
Number Of Cases Before The Courts	36
Number Of Convictions Obtained	21
Number Of Summary Criminal Convictions	190
Total Fines Imposed	€554,180

Table 23: Mutual Assistance Requests

Mutual Assistance Requests	Received	Sent	Closed	On Hand At 31 December 2023
From/To EU Member States	1,777	194	1,377	1,132
From/To Other Countries	304	168	417	153
Total	**2,081**	**362**	**1,794**	**1,285**
Europol Requests	1,142	49	1,191	-

Table 24: Training Days Delivered

Training Category	Training Days Delivered
Audit Programme Training	13,774
Customs Services/Technical Taxes	13,426
Technical Customs and Excise	6,083
Management/Soft Skills/Online Courses	1,072
Collection and Compliance	151
Health and Safety	1,935
UL Degree Training Days	540
Continuous Personal Professional Development	697
One Learning Training	1,864
Total	**39,542**

Note: figures have been rounded upwards, where relevant

Table 25: UL 3rd Level Qualifications Awarded

Award Category	Number of Awards
Diploma in Applied Taxation	45
BA (Hons) in Applied Taxation	17
Customs Certificates	36
Masters in Business Administration	4
Total	**102**

Table 26: ITI Professional Qualifications Awarded

Award Category	Number of Awards
Certificates	136
Tax Technician	95
Diploma in Tax	2
Chartered Tax Adviser	3
Total	**236**

Table 27: Percentage Breakdown of Female Staff in Each Grade

Grades	2023	2016
Board/Assistant Secretary	50%	13%
Principal Officer	63%	36%
Assistant Principal	56%	45%
Administrative Officer/Higher Executive Officer	56%	51%
Executive Officer/Staff Officer	63%	66%
Clerical Officer	65%	73%
Service Officer	9%	15%
Total	**61%**	**63%**

Table 28: FOI Requests

Category	Number
Received	242
Full Release	43
Partial Release	136
Refused	49
Dealt With Outside of FOI/Withdrawn/Transferred	11
Request for Internal Review	23
Appeal to the Information Commissioner	7

Table 29: Internal & External Reviews

Case Details	Internal	External	Total
Requests Brought Forward at 1 January 2023	1	3	4
Cases Admitted in Year	1	11	12
Total	**2**	**14**	**16**
Number Finalised in Year	2	12	14
Decision in Favour of Requester	-	1	1
Decision Against Requester	2	11	13
Decision Revised / Partly Revised	-	-	-
Discontinued	-	-	-
On Hand at 31 December 2023	**-**	**2**	**2**

Table 30: Complaints Relating to Revenue Completed by the Ombudsman

Outcome	Number of Complaints
Upheld	11
Partially Upheld	-
Not Upheld	11
Assistance Provided	3
Discontinued - Withdrawn	1
Discontinued - Premature	-
Outside Remit	-
Total	**26**

Table 31: Compliance with Prompt Payment of Accounts Act

Payment Made	Number	Value €	% of Total Payments Made
Within 15 Days	11,820	183,518,401	83.67
Within 16 - 30 Days	2,186	13,459,017	15.47
In Excess of 30 Days	121	262,282	0.86
Total	**14,127**	**197,239,700**	**100**
Additional Information	**Number**	**Value €**	
Late Payment Interest Paid in 2023	121	1,820	
Compensation Costs Paid in 2023	121	6,090	
Average Days Taken to Make Payment	10	_	

Appendix 1 - Donation of Heritage Items

Donation of Heritage Items

Section 1003 of the TCA 1997 provides for a credit against tax liabilities where a taxpayer donates certain heritage items to the national collections.

The following items were donated in 2023:

- Collection of 18th, 19th, and 20th Century Silver, valued at €850,000,
- Hughie O'Donoghue "Original Sins" Collection, valued at €600,000,
- Barry O' Donoghue Collection, valued at €580,000,
- Crofton Collection of Irish Silver, valued at €750,000,
- Two Alexander Calder works of art, valued at €155,000, and
- Mallaghan Collection, valued at €2,413,760.

The value shown is the market value of the items.

Donation of Heritage Property to the Irish Heritage Trust/Commissioners of Public Works in Ireland

Section 1003A of the TCA 1997 provides for a credit against tax liabilities where a taxpayer donates certain heritage property to the Irish Heritage Trust or the Commissioners of Public Works in Ireland.

No such items were donated under this scheme in 2023.

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