Evaluation of Budget 2016 Compliance Measures

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Evaluation of Budget 2016 Compliance Measures

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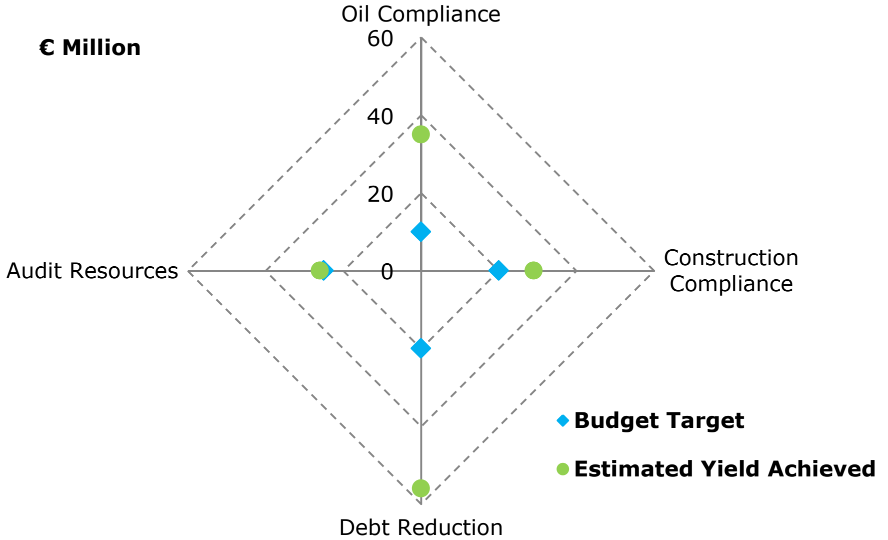
Executive Summary

Budget 2016 included a "compliance measures" item among the taxation policy changes. These measures were projected at the time of the Budget (October 2015) to yield an additional €75 million to the Exchequer in 2016.

This paper evaluates the yield from these measures. It is not possible to conclusively separate their impact from other actions taken by Revenue, behavioural changes by taxpayers and general economic activity. The analysis assesses the likely impact and indicates a range of outcomes that it is reasonable to attribute to the measures.

This analysis indicates the target of €75 million for 2016 has been exceeded. Conservative estimates show the measures in total yielded between €120 million and €150 million in the year. Analysis for individual components shows:

- €35 million uplift from higher oil clearances linked to Revenue compliance activities in oil, exceeding the €10 million Budget 2016 target.
- An uplift from Revenue's compliance initiatives in the construction sector contributes to increased revenues of €290 million. Even if only partially related (e.g., 10 per cent), the Budget 2016 target (€20 million) is exceeded.
- The reduction in debt available for collection by €99 million in 2016 is primarily attributed to enhanced debt analysis systems. A conservative approach suggests an estimate of €56 million, more than double the €20 million Budget 2016 target.
- The average yield (based on 2016 performance data) for 50 trained staff working on audit or other risk management interventions is €26.4 million or €25.8 million respectively. This indicates the Budget 2016 target (€25 million) is achieved.



Sources: Revenue analysis. Note: Conservative estimates of yield achieved shown in the above figure.

1 Background

Budget 2016 included a "compliance measures" item among the taxation policy changes:[1]

> *Compliance measures*
> *The Office of the Revenue Commissioners have received new funding for increased audit and investigation activities, which will lead to improved compliance. This is supplemented by a new debt analysis tool, which will reduce tax arrears.*

These measures were projected at the time of the Budget (October 2015) to yield an additional €75 million to the Exchequer in 2016.[2] The purpose of this paper is to evaluate the yield from these measures now that 2016 has passed and data for the year collected.

While the Budget documentation provided only the summary above, there were four measures included as part of the package, summarised in Table 1 along with the estimated yield for each as projected in October 2015.

Table 1 – Budget 2016 Compliance Measures Breakdown

Measure	Projected Yield (Full Year)
Addressing non-compliance in the oil market	+€10m
Addressing non-compliance in the construction sector	+€20m
Deploy enhanced debt analysis tool to reduce tax arrears	+€20m
Increase resource to confront non-compliance	+€25m

Source: Revenue.

The following four sections of this paper assess each of these measures individually to evaluate their outcome and whether the target additional yield was collected. The final section concludes on the overall impact of the combined measures.

It should be borne in mind when assessing the analysis in the following sections that for all four measures it is not possible to conclusively separate their impacts from other actions taken by Revenue, behavioural changes by taxpayers and general economic activity. The analysis attempts to assess potential impact and indicate a range of outcomes that it is reasonable to attribute at least in part to the measures.

[1] Budget 2016 taxation policy change summary available here.
[2] First year (2016) and full year yields both put at €75m.

2 Addressing Non-Compliance in the Oil Market

Addressing non-compliance in the oil market (+€10m yield)

A new marker to prevent laundering of marked gas oil (MGO) was introduced earlier in April 2015. This initiative will be complemented with new and extended compliance interventions in targeted areas. With the new marker and the availability of enhanced data sources, Revenue expect that improved compliance in the sector will deliver additional taxes and duties in 2016.

(The evaluation of the above in this paper draws heavily on analysis conducted of the oil market and published in April 2017[3])

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In 2016, €2.9 billion in Excise Duties, VAT and Carbon Tax on oils were paid to the Exchequer. Transport fuels, petrol and auto-diesel in particular, have remained consistently important sources of tax receipts throughout the economic downturn and in the recovery.

In recent years, and particularly since 2011, Revenue's strategy in the oil market has included the tightening of the fuel licensing regime, introduction of a supply chain reporting and monitoring system, introduction of a reckless trading provision, the strengthening of Revenue powers to refuse or revoke licences and, in April 2015, the introduction of a new fuel marker (Accutrace S10™) jointly with the UK. All of the above was backed up by robust enforcement action.

The oil market has been subject to significant analysis. Revenue published a research report on trends in the market from 2013 to 2014 that shows the early positive impacts of Revenue's recent compliance measures.[4] A random sampling programme on nearly one in ten fuel traders was conducted in January 2016 and found no traces of laundering. An updated sampling programme in January 2017 found the same. The Comptroller & Auditor General also examined Revenue's strategies to tackle laundering in 2016.

[3] Available at: http://www.revenue.ie/en/corporate/documents/research/oil-market-2017.pdf. Other oil related research is published at: http://www.revenue.ie/en/corporate/information-about-revenue/research/research-reports/oil-and-tobacco.aspx.

[4] A conservative estimate suggests additional oil clearances in these years could represent increased yields in a range of €150 to €200m in taxes and duties to the Exchequer.

Tax and duty receipts from fuels have been relatively stable in recent years but this masks significant changes in underlying factors. In addition to changes in demand for fuels, a factor leading to higher receipts is likely to be greater levels of compliant behaviour.

As noted, a new marker (Accutrace) to prevent laundering of Marked Gas Oil (MGO) was introduced in April 2015. This initiative was complemented with new and extended compliance interventions in targeted areas. With the new marker and the availability of enhanced data sources, Revenue committed as part of Budget 2016 that improved compliance in the sector would deliver the additional taxes and duties as outlined above.

Diesel clearances (volumes) rose 7 per cent in 2016 (compared to 2015), associated Excise receipts were €106 million (8 per cent) higher year on year. It is not possible to say conclusively what share of this increase may be due to Revenue’s compliance initiatives. But there are reasonable grounds to assume these initiatives underpin the increase.

The increase in diesel clearances in 2016 is approximately 225 million litres. A portion of this likely reflects growth in underlying activity that increased demand for diesel. Central Statistics Office (CSO) retail sales index figures show a 2 per cent increase in the sale of automotive fuel in volume terms. This would equate to around 62 million litres in diesel compared to 2015 levels.

This suggested underlying growth of 2 per cent is supported by the fact that clearances of MGO show a similar increase in 2016. As shown in earlier Revenue research, MGO clearances fluctuated significantly in the years around the introduction of the Return of Oil Movements system[5] and the new marker. Analysis suggests this may have been in part driven by diversion of product for laundering, which is now closed off due to Revenue’s closer monitoring of the supply chain and other successes. MGO clearances increased by 3 per cent in 2016, after being stable in 2015, this suggests legitimate growth in demand is driving the increase.

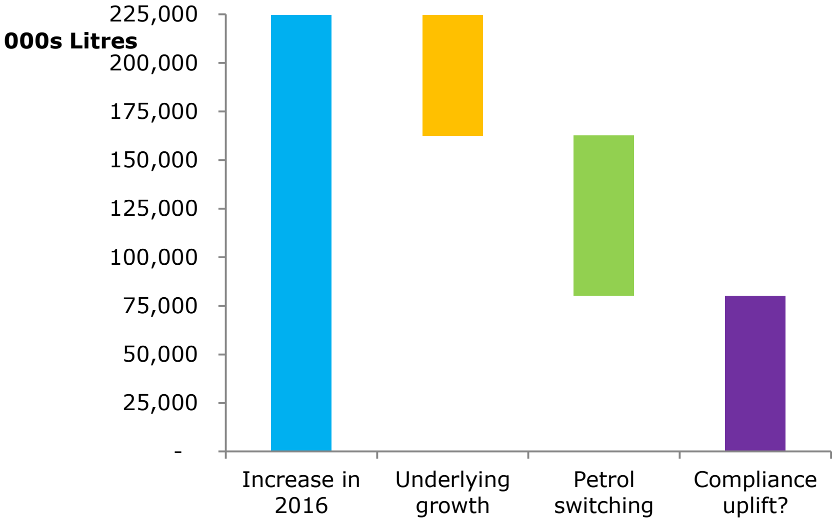
A second factor behind the increase in diesel clearances is the switch in driver preferences from petrol to diesel. Petrol clearances were 82 million litres lower in 2016 compared to 2015. A conservative assumption (due to fuel efficiency differences) would be to assume that this translated to a one-to-one increase in diesel clearances.

As summarised in Figure 1, this leaves an increase of around 80 million litres of diesel that may reflect an uplift from Revenue compliance activities. This amount represents an

[5] Known as the ROM1, these returns track the supply chain of oil from warehouse release to sale.

additional yield to the Exchequer of around €35 million in Excise and other taxes. It is important to note that this is based on analysis of 2016 data, as similar trends appear in earlier years it is likely that additional yield arose in those years too.

Figure 1 – Estimated Components of Diesel Clearance Growth (2016)



Source: Revenue analysis.

The analysis above is simplistic, it takes no detailed account of behavioural changes or other elasticity effects, but it is reasonable to assume a substantial proportion of the increase in diesel clearances is likely due to the continued successful implementation of Revenue's compliance strategy in oils. Despite the caveats, the Revenue compliance initiatives coincided with these significant changes in the oil market and a causal relationship is likely. Even if only a portion of the €35 million uplift is directly linked to Revenue activities, it still exceeds the €10 million target in Budget 2016.

In summary, analysis of 2016 data suggests that Budget 2016 target for additional yield from oil has been exceeded.

3 Addressing Non-Compliance in the Construction Sector

Addressing non-compliance in the construction sector (+€20m yield)

Revenue has allocated additional resources to implement a defined and targeted compliance programme in the sector. This will leverage off the electronic Relevant Contracts Tax (eRCT) system which obliges all principal contractors in the construction, forestry and meat processing sectors to engage electronically with Revenue. Continuing into next year, this is expected to delivered additional taxes and duties in 2016.

(The evaluation of the above in this paper draws heavily on Revenue analysis conducted during 2017 concerning compliance in the construction sector)

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The construction, real estate and property related sectors are historically significant sources of tax receipts for the Irish Exchequer. Recent years, with the recovery from the economic downturn, have seen increased activity, employment in the industry and overall contribution to GDP from construction. Expenditure on dwellings, roads and other construction is estimated at €15.7 billion in 2016, about 5.9 per cent of Irish GDP.

Revenue has introduced a range of measures designed to minimise opportunities for non-compliance in construction, including electronic Relevant Contracts Tax (eRCT), VAT reverse charge and the Home Renovation Incentive (HRI). These give assurance on the compliance of the businesses operating them. The value of 78,000 works registered with HRI exceeds €1.3 billion since the scheme’s inception in 2013/14. In 2016 alone, the value of contract notifications in eRCT was €38 billion (€14 billion in payment notifications). Analysis of eRCT data shows relatively little potential for leakage of payments.

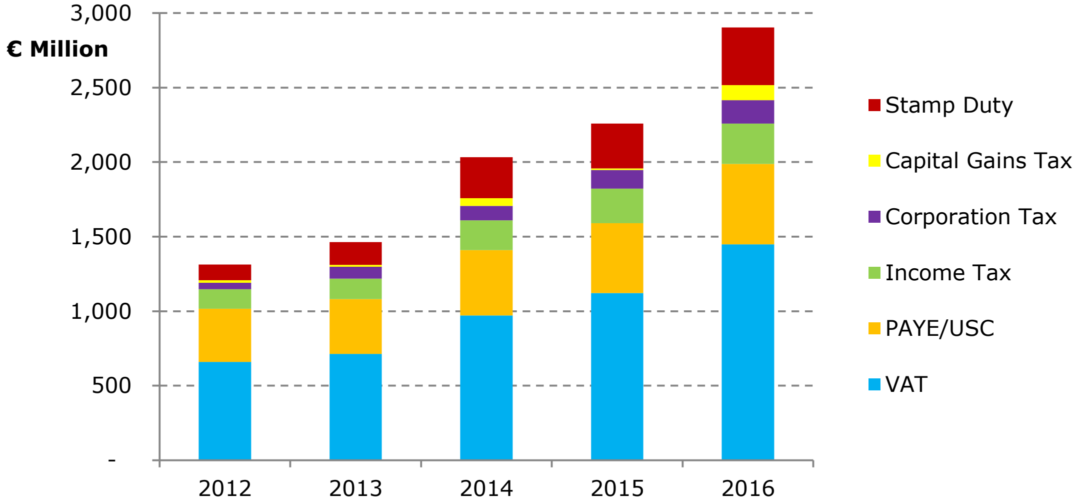
There has also been further investment by Revenue, through to the creation of a new 2^{nd} Tier district and dedicated nationwide resources for construction. This has led to more interventions carried out on the industry, more yield overall but lower average yield, more nil yielding audits and a fall in the overall risk ranking of construction cases.

A national programme has been set up since August 2015 aimed at tackling non-compliance in the construction sector. Almost 6,000 cases were appraised and, where appropriate, the subject of a compliance intervention. The programme includes site visits as well as a range of other interventions in accordance with the Code of Practice for

Revenue Audit and other Compliance Interventions. To end 2016, 1,850 interventions are closed with yield of €7.3 million, with work continuing on the remainder.

Significant tax arise from property sales (Stamp Duty and VAT) as well as on general activities of businesses operating in the construction and real estate sectors.[6] PAYE (and USC) are paid on behalf of employees. In 2016, these payments total €2.9 billion, up from €1.3 billion in 2012 (Figure 2). In absolute terms, most of the increase has been driven by higher VAT receipts (with estimated receipts from activities related to repair & maintenance of private dwellings showing the highest increase) but Stamp Duty receipts from property have nearly quadrupled over the period.

Figure 2 – Tax Receipts from Property Sales, Construction and Real Estate Activities



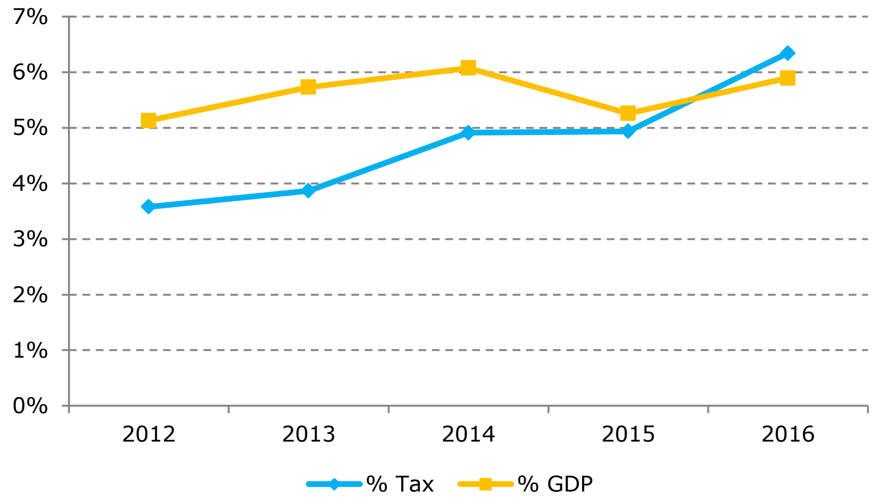
Sources: Revenue data. Notes: An element of estimation is required for VAT as VAT on new properties is not separately distinguished on returns; Stamp Duty here includes only duties on property; CGT here includes only amounts paid by businesses in the construction and real estate sectors.

While there is no target or expected figure for tax receipts from particular sectors or activities, a comparison of expenditure to GDP shares provides a reference point. Construction expenditure equates to 5.9 per cent GDP in 2016. Tax receipts from construction of €2.9 billion amount to 6.3 per cent of total receipts in 2016.

Figure 3 shows the same comparison from 2012. The relationship is relatively stable over time, with both increasing at similar rates as would be expected. The divergence in the series is caused by the drop in the GDP share in 2015, which reflects the significant upward revision of the national accounts (including GDP) by CSO for that year.

[6] Businesses are classified on Revenue's register based on NACE code, a European statistical categorisation. Real estate businesses here exclude those involves in renting properties.

Figure 3 – Tax and GDP Shares of Property and Construction



Sources: Revenue analysis. Note: 2015 GDP data impacted by national accounts revisions.

Estimated tax receipts from construction and related activities increased by 121 per cent from 2012 to 2016. The value of the construction components of GDP increased by 127 per cent over the same period.[7] This suggests a reasonably stable relationship between the two and is not indicative of any significant gap or missing tax revenues.

Budget 2016 accounted for additional tax receipts arising from a series of compliance initiatives by Revenue in the construction sector, projected to yield an additional €20 million. As noted above, Revenue implemented a focused and targeted national programme for construction in 2015-16 and allocated additional resources to implement it. These activities also leverage eRCT and the other systems to prevent non-compliance.

The total yield from construction compliance interventions in 2016 was €54.8 million, an increase of 7 per cent on 2015. As shown above, total tax payments from construction and related activities increased by €640 million (29 per cent) in 2016. While this also reflects underlying growth, it can be assumed that a share of the increase is probably from improvements in compliance behaviour (supported by further analysis of taxpayer behaviour in the sector) supported or driven by Revenue initiatives.

The components of the increase cannot be separately identified. However, as CSO indicators suggest construction activity increased by 16 per cent in 2016 (perhaps accounting for €350 million of the €640 million increase in receipts), a compliance uplift must contribute part of the remainder (€290 million). It can be reasonably assumed that the Budget 2016 target for additional tax of €20 million has been exceeded.

[7] The construction related components were not significantly affected by the 2015 national accounts revisions.

4 Deploy Enhanced Debt Analysis Tool to Reduce Tax Arrears

Deploy enhanced debt analysis tool to reduce tax arrears (+€20m yield)

A new debt analysis tool has been developed within Revenue and is now being deployed. This tool allows Revenue to better analyse debt available for collection and to identify cases for earlier intervention. This will be coupled with the redeployment of resources within Revenue and is expected to increase tax collection in 2016.

(The evaluation of the above in this paper draws on Revenue analysis conducted and published in Revenue's Annual Report 2016, published in April 2017[8])

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Debt management and reducing the debt owing to the Exchequer are critical objectives for Revenue. In early 2016, Revenue introduced a new data analysis system to support debt management operations.

Revenue's new debt management system facilitates more sophisticated compliance tracking and case base segmentation. An automated case summary facility significantly reduced the time required by a caseworker to profile a case for further action. The number of final demands (the prerequisite to enforcement activity) issued in 2016 increased by 17 per cent. From December 2016, the case base was restructured. Previously taxpayers were risk ranked on case size for individual tax heads and divided across teams by reference to case size and location. Customers are now segmented and managed based on a concept of Value to Revenue, calculated on a "look back" of up to four years of the taxpayer's history.

Caseworkers now have real time information on cases not meeting their tax payment and returns filing obligations or trending towards non-compliance over time. The availability of the most up to date information in respect of each case facilitates better risk analysis and wider intervention coverage of the case base, including the lower value cases that would not have previously received the same frequency of scrutiny. The system facilitates better insight into existing or emerging risks to timely compliance and earlier deployment of debt management resources to the areas of greatest risk.

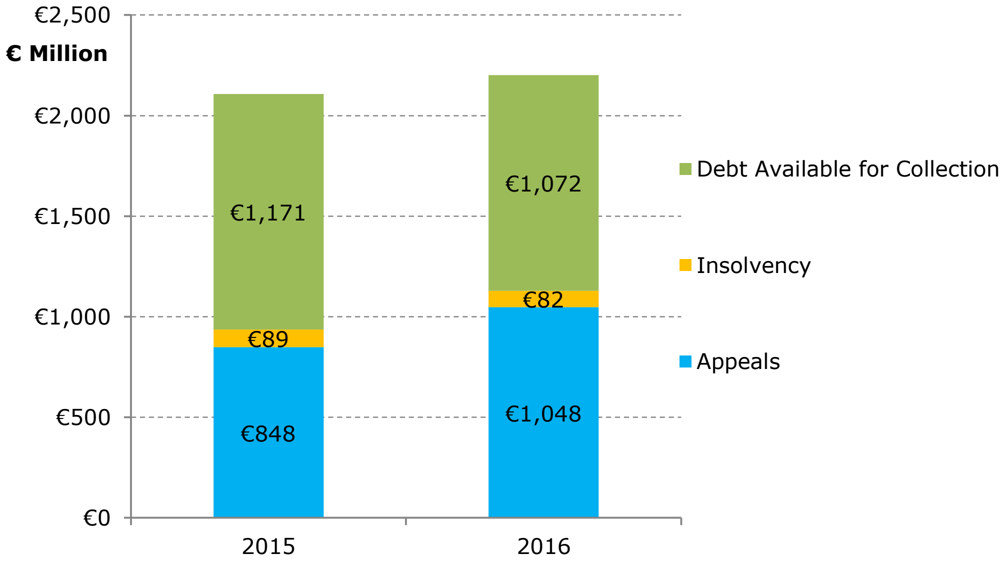
Revenue's caseworking strategy prioritises early engagement with the taxpayer and, where possible, agreeing a payment solution in preference to deploying debt

[8] Available at: http://www.revenue.ie/en/corporate/press-office/annual-report/2016/ar-2016.pdf.

collection/enforcement sanctions. The success of this approach is evidenced by the fact that Revenue agreed over 10,800 phased payment arrangements covering €103 million of debt in 2016, an increase of 28 per cent in numbers and 6 per cent in value terms over 2015. In circumstances where a phased payment solution cannot be agreed or where there is poor or non-engagement by the taxpayer the debt is referred to the sheriffs or external solicitors for collection or the debt may be subject to an attachment order. This approach yielded an additional €210.3 million for the Exchequer in 2016.

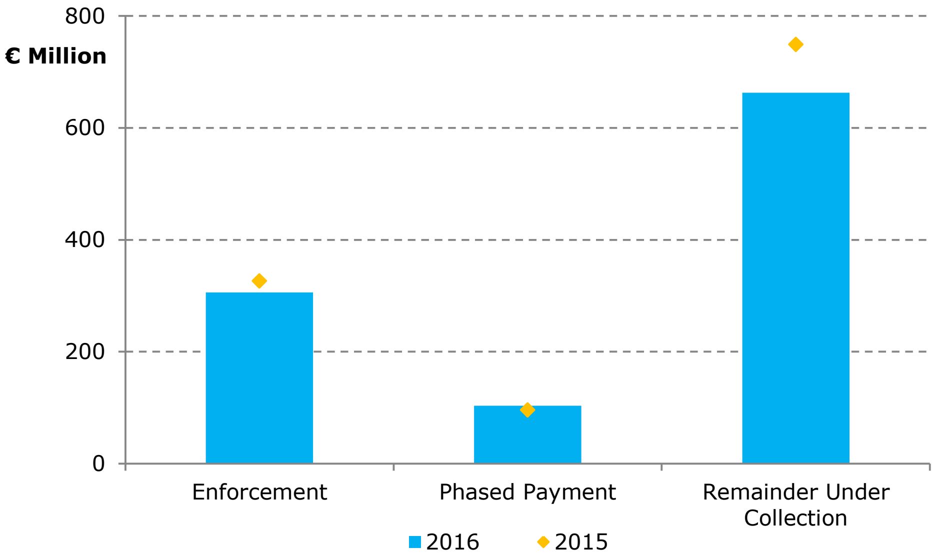
Revenue tracks a number of indicators of debt over time and these offer insights into the changing nature of business activities in Ireland as well as the performance of Revenue's debt management strategy. As Figure 4 shows, total debt increased from €2.1 billion in December 2015 to €2.2 billion in December of the following year. This is dominated by an increase of debt from appeals cases – this reflects reforms of the appeals process rather than underlying economic changes. Of more significance from a performance perspective is the €99 million reduction in debt available for collection (DAC). DAC reflects the arrears being pursued by Revenue at any given time. Figure 5 shows the breakdown of DAC in 2016 and as well as 2015 levels for comparisons.

Figure 4 – Total Debt



Sources: Revenue analysis. Note: December figures used for 2015 and 2016.

Figure 5 – Debt Available for Collection



Sources: Revenue analysis. Note: December figures used for 2015 and 2016.

The €99 million (8.5 per cent) decrease in DAC reflects the success of Revenue's debt management operations. It is likely that the DAC would have changed over the course of 2016, regardless of Revenue's activities. However, assessment of this change is difficult due to limited data on arrears on (non-tax) debt. One option is to consider credit (loans) advanced to businesses, which decreased by 3.6 per cent between December 2016 and the same month in the previous year.[9] If this is taken as a benchmark measure for the expected reduction in debt in 2016, there still remains a 4.9 percentage point of the decrease in DAC that exceeds this, or €56 million of the €99 million reduction. This represents a very conservative approach, given the significance of Revenue's changes in debt collection and past trends in DAC.

As noted above, these initiatives are part of an ongoing process (being introduced over a three year period 2016 to 2018). As such, their full impact will not take effect until this is complete. However, results in 2016 suggest the benefits are already being seen.

Revenue's debt management system developments have enabled debt managers to interrogate and analyse data to more accurately and quickly target interventions teams at the most risky cases. While the reduction in DAC of €99 million in 2016 is primarily attributed to the enhanced debt analysis, even a conservative approach would suggest a figure of €56 million, which exceeds the €20 million Budget 2016 yield target.

[9] According to Central Bank of Ireland data (credit advanced to Irish resident private sector enterprises and excluding financial intermediation and property related sectors).

5 Increase Resources to Confront Non-Compliance

Increase resource to confront non-compliance (+€25m yield)

Increasing Revenue staff resources by 50 (full time equivalent) trained staffing on audit and investigation activities will lead to a direct increase in tax and duty yield from compliance interventions. This is in line with historical estimates for the additional compliance revenue generated by auditors. This will cost €2.5m per annum.

(The evaluation of the above in this paper draws on Revenue analysis conducted for the Comprehensive Reviews of Expenditure in 2011 and 2014[10])

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Revenue's Comprehensive Review of Expenditure (CRE) 2014 estimated the potential additional yield from increases in audit or other compliance staffing resources. These estimates (Table 2) are based on historical data recording the compliance revenue generated by staff conducting audits or other types of risk management interventions.

Table 2 – Spend to Save and Efficiency Savings from Resource Increases

Increase	Number of Staff (full time equivalent)	Staff Cost	Year 1 Yield	Year 2 Yield
Audit Resource	100	€5m	€25m	€50m
Investigation Resource	20	€1.5m	€6m	€12m
Anti-Avoidance Resource	15	€1m	€5m	€10m
Oil/Tobacco/Alcohol Compliance Projects	100	€5m	€10m	€20m

Source: Revenue CRE 2014.

The recruitment of staff and their training and development is addressed as part of an overall workforce planning process in Revenue. The investment in the training and development of a Revenue auditor or investigator can take up to three years, depending on previous relevant experience. In addition, the loss of experienced personnel means that new staff, even when fully trained, may take time to replicate their productivity levels.

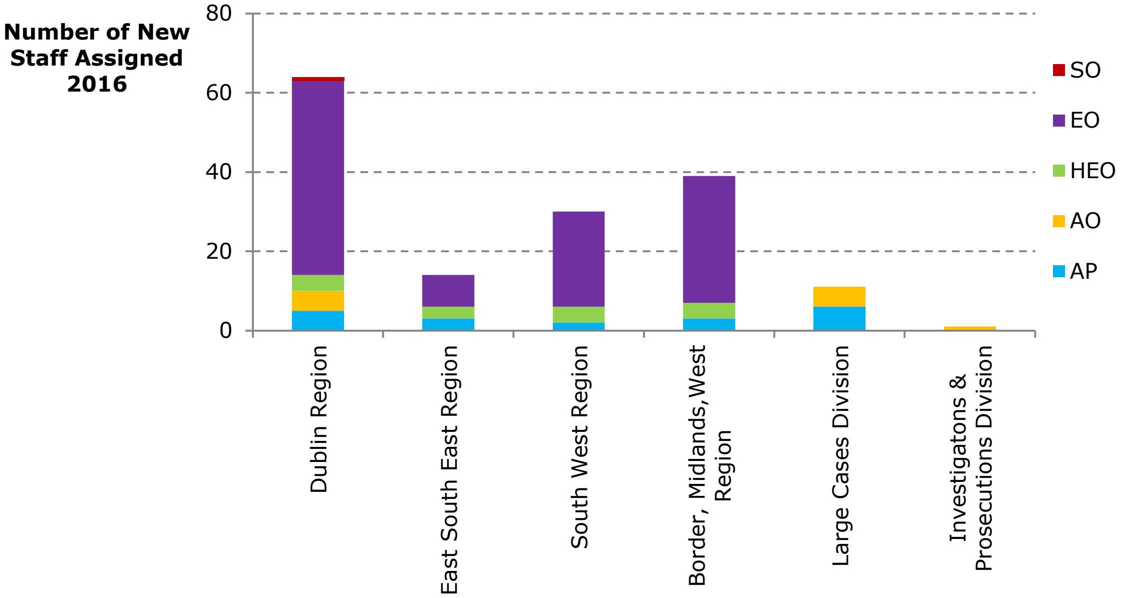
For these reasons, first year ("Year 1") yields are expected to be lower, as indicated in the table. The Budget 2016 measure, €25 million yield from 50 full time equivalents (FTEs), is based on "Year 2" levels.

During 2016, 545 staff were appointed in Revenue from internal, interdepartmental and open recruitment campaigns. Analysis of Revenue's Functional Capture Allocation data indicates that 159 were assigned to audit/intervention roles. Of this 159, 104 (65 per

[10] Available at: http://www.revenue.ie/en/corporate/information-about-revenue/research/reviews/index.aspx.

cent) were assigned to audit/intervention for the first time. Figure 6 shows the distribution by grade and by Revenue Region of staff assigned to audit.

Figure 6 – 2016 Assignments to Audit by Grade and Region

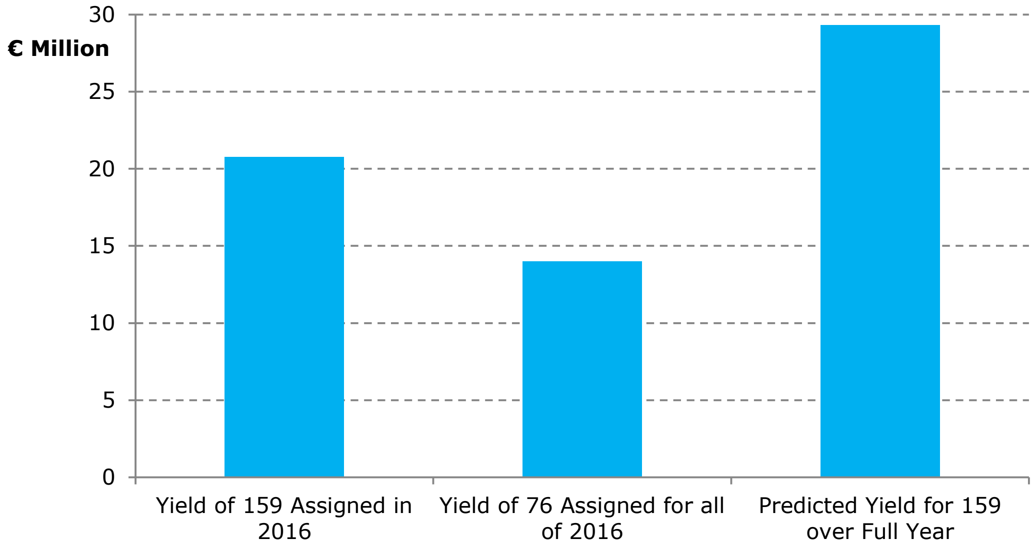


Sources: Revenue analysis. Note: 19 Assistant Principles (AP), 11 Administrative Officers (AO), 15 Higher Executive Officers (HEO), 113 Executive Officers (EO) and 1 Staff Officer (SO).

The appointments of these staff took place over the course of the year but not all worked in audit for the full year. There is a lag due to dates of recruitment or hiring. Therefore, the cost of hiring these staff was not incurred for the full year.

Assessment of the output of increased resources in compliance can be made from a number of perspectives using Revenue's Case Management system data. The total yield achieved by the 159 new appointees (to audit/intervention roles) in 2016 is €20.8 million, from 4,213 audits and other compliance interventions. Of the 159 staff assigned in 2016, 76 were in their positions for the full year. The yield from this group is €14 million, giving an average of €184,210 per auditor. Extrapolate that yield for the total group (159) is just over €29 million, had they all been in their posts for the full year. Figure 7 displays yield achieved, and predicted total yield, for this group, in 2016.

Figure 7 – 2016 Assignments to Audit, Yield Achieved and Predicted



Sources: Revenue analysis.

As noted in Table 2, the 2014 CRE estimates suggest 100 FTEs in audit would deliver €25 million in Year 1 and €50 million in Year 2. On a pro-rata basis, from the 159 newly assigned staff to audit in 2016, 100 would have produced €18.4 million. While this is slightly below the CRE estimate it should be noted that the latter is based on FTEs while the €18.4 million includes staff not working full time on audit/interventions.[11]

Revenue invests heavily in training of staff (over 31,000 training days, an increase of 30 per cent, were delivered in 2016). Staff members recruited for, or assigned to audit are supported to achieve qualifications up to degree level, which are accredited by the University of Limerick.

In 2016, 29 staff graduated with B.A (Hons.) Applied Taxation and 50 staff graduated with Diplomas in Applied Taxation. The average total yield for a staff member going through the degree programme was €140,819 in 2015. In 2016 their average yield increased by 44 per cent to €202,854. Total yield for this group rose from €2.4 million to €3.5 million.

The average yield for a staff member, engaged in audit/compliance work and taking part in the Diploma course was €121,710 in 2015. This increased by 65 per cent to €201,940 in 2016. Total yield for the group increased from €3.4 million to €5.7 million.

A major factor to be considered when reviewing these enhanced results is the time available to staff, post graduation. Both the Diploma and Degree are taught during

[11] It may also be the case that assessment of the 100 highest yielding, as opposed to a pro-rata basis, might be closer to the CRE based estimate. However, the approach taken here is more conservative.

working hours, impacting on the number and complexity of interventions staff can initiate, and complete whilst partaking in training. Therefore the increase in total yield, in part, must reflect more time given over to working on cases. However, even with the time factor taken into consideration, it is fair to conclude, from the results above, that achieving these technical qualifications has a direct impact on yield.

The analysis above suggests that Revenue staff assigned to audit in 2016 are achieving yields close to those expected based on the CRE estimates and that training programmes are successfully leading to higher yields from staff. Combining the estimated yield of €18.4 million from 50 of the newly assigned staff (to audit in 2016) with the uplift in yield from UL graduates (€1.5 million from degree graduates and €2.3 million from diploma graduates), is close to the €25 million yield target of the Budget 2016 measure.

However, this reflects new staff training. The Budget 2016 target is predicted on the yield from trained staff ("Year 2" estimates). For this it is necessary to look at overall performance data for 2016. The average audit yield in 2016 per FTE is €527,400. Caseworkers in Revenue work a mixture of audits and other types of risk management interventions. The average yield in 2016 for risk management interventions is €515,668 per FTE. The average yield for 50 trained staff (as envisaged in the Budget 2016 measure) working on audit or other risk management interventions is therefore €26.4 million or €25.8 million respectively depending on the mix of intervention types worked.

This, combined with the positive results from staff still being trained, suggests that the target (€25 million) for this Budget 2016 measure has been achieved.

The longer term benefits, which are not assessed here, are likely to demonstrate further positives as Revenue experience shows that compliance staff become more productive over time as they continue to develop their skills and build "on the job" experience. Recruitment and training is a critical element of the process being undertaken within Revenue to manage the loss of experienced staff through retirement. The analysis in this paper proves Revenue's strategy in this regard is delivering tangible results.

6 Conclusion

As noted in Section 1, given the nature of the measures involved it is not possible to conclusively separate the impact of the new compliance measures in 2016 from other actions taken by Revenue and general economic activity.

The analysis attempts to assess potential impact and indicate a range of outcomes that it is reasonable to attribute at least in part to the measures taken by Revenue. On this basis, the analysis supports the conclusion that the Budget 2016 target of €75 million has been significant exceeded. Conservative estimates show the measures in total yielded between €120 million and €150 million in the year.

For the individual measures discussed in this report:

- A €35 million uplift from increased oil clearances is likely be linked to Revenue activities, exceeding the €10 million target in Budget 2016.
- With a €640 million increase in receipts from construction in 2016, and underlying economic growth suggested as accounting for around €350 million of this, a compliance uplift from Revenue’s initiatives must contribute part of the remaining €290 million. Even if only partially related (e.g., 10 per cent of this), the Budget 2016 target for additional tax of €20 million has been exceeded.
- The reduction in debt available for collection by €99 million in 2016 is attributed to the enhanced debt analysis. A conservative approach suggests €56 million, which exceeds the €20 million yield target for the Budget 2016 measure.
- The average yield (based on 2016 performance data) for 50 trained staff working on audit or other risk management interventions is €26.4 million or €25.8 million respectively. Combined with the positive results from staff still in training, this indicates the Budget 2016 target (€25 million) for this measure has been achieved.

Overall this paper confirms that the estimates of yield by Revenue from the measures introduced in Budget 2016 have been delivered, as borne out by the subsequent analysis of the data now available for the year.

Furthermore, this should provide confidence to support the introduction of similar measures in future Budgets. Similar analysis of Budget 2017 measures may be undertaken during 2018 when suitable data are available.