

Cost of Tax Expenditures (Credits, Allowances and Reliefs) – Notes

The associated “Credits, Allowances and Reliefs” tables show the estimated cost in terms of revenue forgone of these measures.

All figures are based on tax due in respect of assessments for each year and not on tax receipts within that year. The costs included for Corporation Tax are by reference to accounting periods which ended in the year shown.

The numbers of claimants of each credit or relief are shown to the extent that they are available. The numbers included are the taxpayers who would be adversely affected by the withdrawal of the respective credit, allowance or relief.

Each tax credit or allowance is being dealt with separately and on the assumption that the rest of the tax system remains unchanged. It would be therefore inaccurate to calculate the effect of withdrawing all the credits, reliefs and allowances by simply totalling the figures.

The estimates shown in some cases are tentative and may be subject to revision in the light of later information.

Key

“<10” indicates that there are less than 10 (but more than zero) taxpayers availing of the particular credit, allowance or relief in that year; the exact number is not provided due to Revenue’s obligation to protect taxpayer confidentiality and Revenue’s statistical disclosure protocols.

“0” indicates that there are no (zero) taxpayers availing of the particular credit, allowance or relief in that year.

“*” indicates that the figures are particularly tentative and subject to a considerable margin of error.

“N/A” indicates that no data available for that particular year.

“A” indicates that information for a particular item has now been amalgamated with a related item for that particular year.

“C” indicates that the particular credit, allowance or relief has ceased.

“N” indicates that the particular credit, allowance or relief is a newer measure and had not commenced in the year in question.

“blank” indicates that information for that particular year is not yet available.

Notes

- (1) This cost includes the standard age exemption rate and the increased exemption allowed.
 - (2) The numbers of claimants refer to the number of policyholders, not the number of tax units. The figures include policyholders where employee subscriptions were funded by employers.
 - (3) Estimates of the cost for private pension provision are based on the available aggregate data for contributions to pension schemes from employers and employees.
 - (4) This cost is calculated on income which includes dividend income on which Income Tax deducted at source is repaid and other investment income, covenant payments and donations by the corporate, self-employed and PAYE sectors to approved bodies.
 - (5) The number of exemptions represents the total of claims received by the Department of Social Protection (DSP) in a year.
 - (6) The tax cost shown for Section 23 type reliefs is the estimated ultimate tax cost relating to the total allowable expenditure in respect of the claims made for the first time in the years shown. The cost is shown for Income Tax cases only.
 - (7) The breakdown by year refers to the year in which homeowners carried out qualifying works under the scheme, and the resulting value of the tax credits eligible to be claimed. The cost to the Exchequer will be realised in the years thereafter as the tax credits are claimed by homeowners.
 - (8) (9) These reliefs are in place in recognition of the need for corporate entities to be able to reorganise, restructure and amalgamate their businesses as part of their further development without incurring what would be technical Stamp Duty charges. Such reliefs are a common feature of tax systems in developed countries.
 - (10) Maternity Benefit payable by Department of Social Protection (DSP) from 1 July 2013 is liable to tax.
 - (11) The cost shown relates to Group Relief offset against trading income.
 - (12) From 2009, Health Expenses are separately shown for Nursing Homes and other Health Expenses.
 - (13) This is the maximum cost of the exemption.
 - (14) The numbers represent the total unique claimants for both Nursing Home and "Other" Health Expenses.
 - (15) Initial relief is allowed on thirty fortieths (30/40) of the EII investment in the year the investment is made. Relief in respect of the further ten fortieths (10/40) of the EII investment will be available in the fourth year after the EII investment was made. Costs include the second tranche where available. The figures recorded in relation to 2012 are the combined figures for both 2011 and 2012.
 - (16) LPT Exempt amounts are based on claims made in returns and will be subject to certain verification checks. In addition, the full effects of exemptions are not reflected in the statistics as, where an exemption was claimed, the property owner is not always required to value their property.
 - (17) LPT Deferred amounts, although foregone in a particular year, are still owed to the Exchequer at a later date.
 - (18) Tax cost is not available as the only information in respect of this relief is the disposal consideration rather than the actual taxable gain foregone.
 - (19) The tax cost includes the cost of relief to income tax, USC and PRSI, it does not include an account for CGT payable on the sale of shares'.
 - (20) The 'Donations to Approved Sporting Bodies (Schedule D and Corporation Tax filers)' is on a taxpayer unit basis, whereas the item 'Donations to Approved Sporting Bodies (PAYE)' is on an individual basis'.
 - (21) 'Allowable Expenses' excludes remote working expenses from 2020 onwards. Remote working expenses are available separately from this date.
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