

# Foreign Earnings Deduction Statistics 2021

February 2025

The statistics in this release are prepared by Revenue's Strategy, Evaluation & Reporting Branch based on analysis of taxpayer returns filed in relation to 2021. They should be considered as provisional and may be revised.

More detailed information regarding the Foreign Earnings Deduction is available on the Revenue website. Any queries of a statistical nature in relation to this release should be directed to [statistics@revenue.ie](mailto:statistics@revenue.ie)

## Introduction

### Overview of the Deduction

Irish resident taxpayers who spend time working abroad may be able to avail of a deduction (the Foreign Earnings Deduction or "FED") from their taxable income, subject to meeting certain conditions.<sup>1</sup> In 2021 to be eligible for the FED taxpayers must have worked in a relevant state for at least 30 qualifying days.<sup>2</sup> The FED runs from 2012 to 2025.

### Relevant State

In 2021 the list of relevant states for the FED was:

- Algeria
- Bahrain
- Brazil
- Chile
- China
- Colombia
- Democratic Republic of the Congo
- Egypt
- Ghana
- India
- Indonesia
- Japan
- Kenya
- Kuwait
- Malaysia
- Mexico
- Nigeria
- Oman
- Pakistan
- Qatar
- Republic of Korea
- Russia
- Saudi Arabia
- Senegal
- Singapore
- South Africa
- Tanzania
- Thailand
- United Arab Emirates
- Vietnam

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<sup>1</sup> <https://www.revenue.ie/en/personal-tax-credits-reliefs-and-exemptions/income-and-employment/foreign-earnings-deduction/index.aspx>

<sup>2</sup> You must work the number of qualifying days during a tax year or during a continuous 12 month period that spans two tax years.

## FED Statistics

### Claimants and Tax Cost

The number of taxpayer units claiming FED, and the total tax cost associated with these claims, is set out in the table below.

| Year | Number of Taxpayer Units | Tax Cost (€m) |
|------|--------------------------|---------------|
| 2012 | 108                      | 0.8           |
| 2013 | 135                      | 1.0           |
| 2014 | 144                      | 1.1           |
| 2015 | 472                      | 3.2           |
| 2016 | 413                      | 3.5           |
| 2017 | 591                      | 3.9           |
| 2018 | 817                      | 5.4           |
| 2019 | 720                      | 5.2           |
| 2020 | 258                      | 1.4           |
| 2021 | 190                      | 1.5           |

### Claimants by Sector

The number of taxpayer units claiming FED in 2021, and the tax cost associated with those claims, broken down by NACE sectoral classification standard, is set out in the following table.

| Sector  | Number of Taxpayer Units | Tax Cost (€m) |
|---|--------------------------|---------------|
| Wholesale and retail trade/Repair of motor vehicles and motorcycles | 14                       | 0.09          |
| Information and Communication                                       | 20                       | 0.18          |
| Financial and Insurance Activities                                  | 18                       | 0.12          |
| Real estate activities  | 21                       | 0.20          |
| Professional scientific and technical activities                    | 28                       | 0.21          |
| Public administration and defense compulsory social security        | 24                       | 0.18          |
| Manufacturing   | 15                       | 0.11          |
| Administrative and support service activities                       | 13                       | 0.12          |
| Other   | 37                       | 0.25          |
| <b>Total</b>  | <b>190</b>               | <b>1.46</b>   |

### Qualifying Days Claimed

From 2012 to 2014, claimants had to work at least 60 days in a qualifying state. In 2015, this was amended to 40 qualifying days and in 2017 it was altered to the current 30-day requirement. The table below sets out the average number of qualifying days, as declared on tax returns by FED claimants.

| Year | Average Number of Qualifying Days Claimed |
|------|---|
| 2014 | 90  |
| 2015 | 80  |
| 2016 | 80  |
| 2017 | 70  |
| 2018 | 70  |
| 2019 | 70  |
| 2020 | 80  |
| 2021 | 100                                       |

## Relevant Countries

The number of claimants applying for FED as a result of working abroad, broken down by relevant states, is provided in the table below. The list of relevant states has expanded greatly since the introduction of FED in 2012, where a state was not a relevant state in a given year the state is marked as 'N/A' in the table. Further, the years 2012 and 2013 are not included to avoid issues with Revenue's Standard Disclosure Controls (SDC) due to the smaller numbers of cases involved.<sup>3</sup>

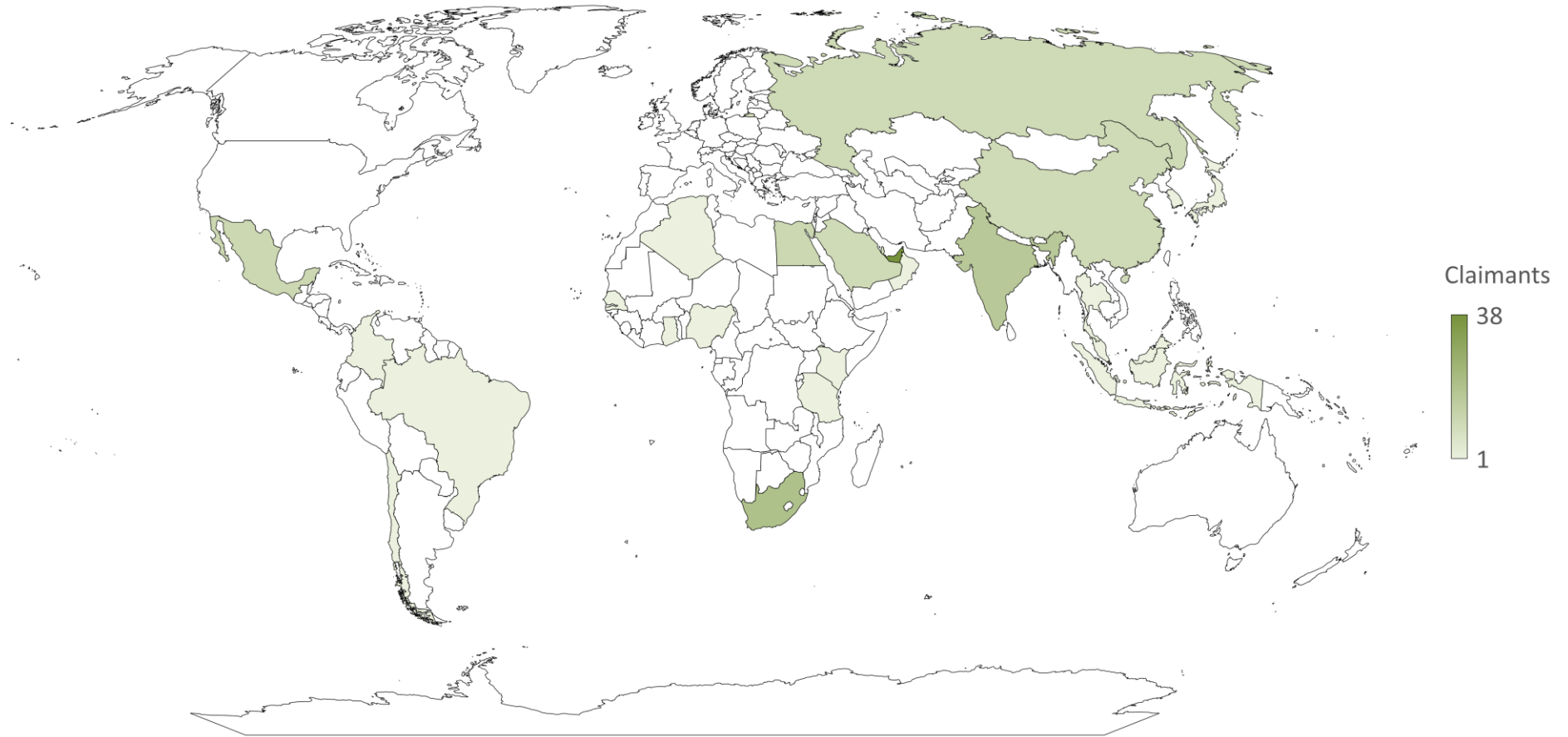
As claimants can claim for more than one state, the number of claimants in the table below does not reconcile with the number of claimants in the tables above. It should also be noted that, as stated, the list of relevant states below relate to eligible states for claims in 2021.

| State                            | Number of Claimants |            |              |            |            |            |            |           |
|----------------------------------|---------------------|------------|--------------|------------|------------|------------|------------|-----------|
|                                  | 2021                | 2020       | 2019         | 2018       | 2017       | 2016       | 2015       | 2014      |
| Algeria                          | *                   | *          | *            | *          | *          | *          | *          | *         |
| Bahrain                          | 0                   | 11         | 27           | 47         | 30         | 12         | 14         | N/A       |
| Brazil                           | *                   | 11         | 24           | 22         | 17         | 10         | *          | *         |
| Chile                            | *                   | *          | *            | 11         | *          | *          | *          | N/A       |
| China                            | 10                  | 28         | 149          | 119        | 109        | 76         | 85         | 30        |
| Colombia                         | *                   | *          | *            | *          | *          | N/A        | N/A        | N/A       |
| Democratic Republic of the Congo | 0                   | 0          | 0            | 0          | 0          | 0          | 0          | *         |
| Egypt                            | 11                  | 17         | 33           | 20         | 14         | *          | *          | *         |
| Ghana                            | *                   | *          | 14           | *          | *          | *          | *          | *         |
| India                            | 17                  | 25         | 82           | 83         | 67         | 54         | 32         | 10        |
| Indonesia                        | *                   | *          | 25           | 11         | 12         | 10         | 13         | N/A       |
| Japan                            | *                   | *          | 66           | 43         | 28         | 18         | 20         | N/A       |
| Kenya                            | *                   | *          | 34           | 26         | 13         | 13         | 11         | *         |
| Kuwait                           | 0                   | *          | 14           | 13         | *          | *          | *          | N/A       |
| Malaysia                         | *                   | 11         | 62           | 44         | 34         | 35         | 24         | N/A       |
| Mexico                           | 11                  | *          | 36           | 39         | 19         | 24         | 10         | N/A       |
| Nigeria                          | *                   | *          | 10           | *          | *          | *          | *          | *         |
| Oman                             | *                   | *          | 18           | 15         | 10         | *          | 10         | N/A       |
| Pakistan                         | 0                   | 0          | *            | *          | *          | N/A        | N/A        | N/A       |
| Qatar                            | 10                  | *          | 23           | 25         | 11         | *          | 12         | N/A       |
| Republic of Korea                | *                   | *          | 23           | 16         | 13         | 11         | *          | N/A       |
| Russia                           | 10                  | 13         | 47           | 26         | 27         | 20         | 20         | *         |
| Saudi Arabia                     | 10                  | 17         | 48           | 36         | 37         | 29         | 23         | N/A       |
| Senegal                          | *                   | 0          | *            | *          | *          | 0          | 0          | 0         |
| Singapore                        | *                   | 13         | 86           | 60         | 55         | 44         | 32         | N/A       |
| South Africa                     | 20                  | 23         | 78           | 61         | 55         | 34         | 30         | 22        |
| Tanzania                         | *                   | *          | *            | *          | *          | *          | *          | *         |
| Thailand                         | *                   | 0          | 31           | 30         | 22         | 13         | 19         | N/A       |
| United Arab Emirates             | 38                  | 48         | 141          | 111        | 89         | 66         | 50         | N/A       |
| Vietnam                          | 0                   | *          | 21           | 22         | 22         | *          | *          | N/A       |
| <b>Total</b>                     | <b>178</b>          | <b>281</b> | <b>1,125</b> | <b>920</b> | <b>724</b> | <b>538</b> | <b>463</b> | <b>91</b> |

The number of claimants, broken down by State, in 2021 is also shown in the following graphic.

<sup>3</sup> States with less than 10 claimants in a given year are represented with \* to avoid issues with Revenue's SDC: <https://www.revenue.ie/en/corporate/documents/statistics/about/statistical-disclosure-control.pdf>

# Foreign Earnings Deduction 2021



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States with less than 10 claimants in 2021 are represented by the lowest gradient of "1" to avoid issues with our Statistical Disclosure Control Protocol.