2022

100th Annual Report

Revenue
Cáin agus Custaim na hÉireann
Irish Tax and Customs
1923 - 2023

Annual Report 2022

One-hundredth Annual Report of the Revenue Commissioners for the year ended 31 December 2022, 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 2023

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	Professional	Collaboration	Agility	Integrity

Contents

Board's Review for 2022

This is the 100th Annual Report of the Office of the Revenue Commissioners. It records a year of strong performance during which we collected a record amount of tax and duty against the backdrop of ongoing economic and social disruptions associated with the continuing impact of the Covid-19 pandemic, the invasion of Ukraine by Russia, and a fundamentally changed trading environment between Ireland and Great Britain.

Notwithstanding the challenging, changing and uncertain economic environment, overall timely compliance rates for 2022 remained strong. This is a testimony to the importance of timely tax and duty compliance for society generally, and also reflects the positive engagement by businesses, individual taxpayers and tax practitioners and their contribution to a strong voluntary compliance culture, despite the challenges many faced.

Revenue collected total gross receipts of almost €118 billion, including €22 billion in non-Exchequer receipts collected on behalf of other Government Departments and Agencies. Net Exchequer receipts after repayments were €82.4 billion, an increase of 22% or €14.9 billion on 2021.

A key Corporate Priority in 2022 was the implementation of new flexible working arrangements to optimise our organisational performance, ensure organisational cohesiveness and build and support capacity. We implemented blended working arrangements and new ways of working and continued to invest in the skills and capability of our people.

Our core values of agility, integrity, respect, collaboration, and professionalism are embedded in our culture and underpinned our performance in 2022.

Collection

Overall timely compliance rates for 2022 remained strong reflecting the continued culture of strong voluntary and timely compliance.

Warehousing of tax debt assists businesses who experienced cash-flow and trading difficulties during the Covid-19 pandemic and energy crisis. In October 2022, we announced an important and significant extension to the Debt Warehousing Scheme (DWS) in light of the prevailing challenging economic situation for businesses. Under the scheme, most businesses with warehoused debt were due to enter into an arrangement to commence repaying that debt by the end of 2022. Adapting to the continued economic uncertainty, we extended that timeline to 1 May 2024. Businesses are still able to avail of the reduced 3% interest rate for debt warehoused periods from 1 January 2023, as opposed to the general interest rate of 10%, on condition that current returns and liabilities are filed and paid on time. As at 31 December 2022, €2.37 billion of tax debt was warehoused for 68,609 businesses, of which just over 7,000 have debt in excess of €50,000.

The key conditions of the DWS are that all tax returns must be filed so that the debt is quantified, and current taxes must be paid as they fall due. Revenue has consistently communicated these key requirements in all its warehousing communications and guidance documents to date.

Our debt collection approach reflects a segmented case management structure. This improves our ability to tailor our response based on taxpayer behaviour and provides greater flexibility in matching our debt management resources to counter tax collection risk.

During 2022, we commenced a phased return to standard debt collection for non-warehoused debt which had been partially suspended since the start of the pandemic in March 2020. Revenue recognise that taxpayers or businesses can sometimes experience temporary cashflow difficulties that impact on their ability to meet tax obligations on a timely basis. In such circumstances, we seek to work with the taxpayer to agree a mutually acceptable payment solution rather than deploying enforcement options. It is critical that businesses experiencing payment difficulties engage with us at the earliest opportunity.

Service for Compliance

We deliver on our core task of collecting taxes and duties through a service for compliance delivery model that is agile, responsive and takes account of the needs of taxpayers and tax agents. We continue to refine and deepen our segmented approach of service delivery in a manner that supports and facilitates high voluntary compliance levels.

Increasingly, taxpayers and their agents expect digital service offerings and greater flexibility in their access to services, whether digital or not. Our experience of service provision during the pandemic is that more taxpayer transactions have moved online. We have also seen the demand for 24/7 service increase. With this 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.

Our Online Phased Payment Arrangement facility continued to provide essential services to support viable businesses with tax payment difficulties throughout 2022. This service provides up to date information on liabilities and outstanding returns and guides the taxpayer through the application process to secure a Phased Payment Arrangement. In 2022, we processed 10,804 Phased Payment Submissions via the online facility.

Complementing our digital services, we aim to give excellent service to those unable to avail of our online services. Our National Appointment service offers both virtual and face-to-face appointments eliminating waiting times and allowing taxpayers to choose a time convenient for them to meet with a member of our staff.

A key element of our role is to proactively assist taxpayers in meeting their tax and duty obligations. We support taxpayers by giving them appropriate and timely information and guidance, and by making it as easy as possible to be voluntarily compliant. To assist businesses in understanding the Temporary Business Energy Support Scheme (TBESS) we held a live, interactive webinar on 14 December 2022 which provided a comprehensive and easy to understand explanation of the scheme, and a demonstration of how to register and claim on ROS. To assist PAYE taxpayers to claim their full entitlements and comply with their obligations, we wrote to over 400,000 individuals in 2022 who, according to their Preliminary End of Year Statement, may have either overpaid or underpaid tax in one or more of the tax years 2019 – 2021 inclusive.

In our role as Competent Authority in resolving disputes arising under Ireland’s network of Double Tax Agreements (DTAs), we continued to foster strong collaborative working relationships with treaty partners and received three awards from the OECD in recognition of the dedication and commitment of Ireland’s Competent Authority team.

We continued to contribute to the evaluation, development and implementation of national tax policy, as well as on European Union (EU) and OECD Inclusive Framework proposals to address the tax challenges of digitalisation and international taxation of companies. In 2022, we worked closely with the Department of Finance, not only in relation to the key supports we administer on behalf of the Government, but also on national tax policy, particularly in relation to the Finance Bill process, and the major international tax developments that were driven forward with unprecedented ambition by the OECD Inclusive Framework.

Confronting Non-Compliance

We support a voluntary compliance culture by delivering a real-time, risk-focused, effective and proportionate response to non-compliance, reflecting taxpayer behaviour.

The total yield from our audit and compliance interventions in 2022 was €813 million. Tax settlements amounting to €28 million were agreed with 36 taxpayers who were published as tax defaulters.

At the beginning of May 2022, a new Compliance Intervention Framework (CIF), supported by a revised Code of Practice for Revenue Compliance Interventions, came into effect. This 3-level framework was developed following extensive work during 2021, including engagement with key stakeholders such as tax agents and professionals and their representative bodies.

The framework supports compliance by further enhancing the value and importance of self-assessment and self-review as a means towards ensuring timely voluntary compliance. It also underpins our nearer to real-time engagement with taxpayers and minimises the cost of compliance for businesses and individuals that seek to pay the right tax at the right time. It incorporates our traditional tax audit approach within a CIF that provides for a consistent, graduated response to risk and taxpayer compliance behaviour.

During 2022, we continued our broad range of risk-focused interventions targeting fraud, illicit trade, smuggling and organised crime. We seized over 3,600 kgs of drugs worth over €46 million and made almost 7,000 seizures of illicit tobacco products valued at over €48 million. We also seized almost 600,000 litres of illicit alcohol valued at €3.9 million and seized 1,055 vehicles for various offences.

Customs

The increase in businesses' engagement with Revenue's Customs systems continued in 2022. This reflects the impact of the UK's exit from the EU on 1 January 2021, the broad and wide-ranging international dimension of the supply chain in respect of goods imported into Ireland and the growth of eCommerce.

We also worked collaboratively with colleagues in the Department of Agriculture, Food and the Marine and the Health Service Executive to optimise the efficient flow of goods through our ports and airports,and continued to build on the existing cross agency collaborative approach to address practical 'on the ground' challenges as they emerged or as quickly as possible thereafter.

Over the course of a record-breaking year, we processed almost 43 million customs declarations. Over 40 million of these declarations were import declarations, approximately 90% of which related to eCommerce.

Looking at freight vehicle movements from Great Britain into Ireland over the full year, 89% 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 continue to engage directly with businesses, economic operators, trade and representative bodies to support them in complying with the regulatory requirements associated with imports from and exports to all non-EU countries.

Delivering Government Supports

The economic and social disruptions caused by the Covid-19 pandemic continued into 2022. The impact of these disruptions was further compounded by Russia's invasion of Ukraine.

We further refined our service delivery model, to take account of the needs of taxpayers and the role of intermediaries. We worked with the Department of Social Protection to support Ukrainian nationals starting employment in Ireland.

We continued to play a significant role in supporting affected businesses through the delivery of critical Government supports.

We administered a number of key Covid-19 support schemes on behalf of the Government. Over the course of the year, €804.7 million in support was claimed under the Employment Wage Subsidy Scheme (EWSS) by almost 23,300 employers in respect of just under 326,500 employees. A total of €21.2 million in Covid Restrictions Support Scheme (CRSS) payments were claimed by 2,694 businesses in respect of 2,847 premises for 2022.

We also supported the Department of Finance in providing the legislative framework for and administering the TBESS. The scheme is a targeted support designed to assist businesses with the exceptional increase in energy costs arising from the invasion of Ukraine by Russia. Registration for TBESS has been available since 26 November 2022 and the claim portal opened on 5 December 2022. By the end of 2022, 8,849 businesses were registered for the scheme and €6.6 million of TBESS payments were approved in respect of 2,984 claims.

Local Property Tax

We continued to see high levels of activity throughout 2022 as property owners engaged with us to confirm ownership and set up payment arrangements ahead of the payment dates throughout the year. During the course of 2022, over 450,000 phone calls were made to our Local Property Tax (LPT) Helpline and almost 210,000 items of correspondence were received.

2022 was the first year that newly liable properties came within the charge to LPT on an annual basis. Owners of properties built during 2022 were required to submit an LPT Return and set up a payment arrangement for 2023. 18,856 properties have been confirmed as newly liable properties.

The return compliance rate for LPT for the valuation period 2022 - 2025 currently stands at 94%, with a payment compliance rate for 2022 of 97%.

Our People and Capability

Our people and their skills, flexibility, resilience and professionalism remain central to our achievements. The capability and hard work of our people, together with our agile structures and continued ability to harness innovation in technology and optimise the efficiency of our business practices and processes, enable us to carry out our role effectively.

A key Corporate Priority in 2022 was the implementation of new flexible working arrangements to optimise organisational cohesiveness and capacity, while enhancing the wellbeing and working lives of our people. The implementation of Blended Working arrangements in Revenue were an integral part of that process.

We foster a positive and fulfilling work environment through meaningful engagement and maintaining a strong focus on wellbeing, diversity and inclusivity. We also place the safety and wellbeing of our people at the heart of our approach, achieving our vision to be an employer of choice for both our existing staff and prospective new recruits.

At the end of 2022, we had over 6,851 permanent staff working in Revenue, equating to 6,635 full-time equivalents. We continue to invest in our people to develop their skillsets, and to support and enable them to perform to the highest levels through the provision of a wide range of skills and capability development opportunities. During the year, we appointed 841 staff across all grades from open recruitment, interdepartmental and Top-Level Appointments Committee (TLAC) competitions.

Looking Ahead

2023 marks a century of Revenue's dedication and commitment to serving Ireland, through the implementation and administration of effective tax and customs controls on behalf of the State. As we embark on our next century of operations, we will continue the efficient collection of taxes and duties due to the State, and we will continue to tailor and refine our model of service to support compliance, driven by the needs of taxpayers and tax agents, while leveraging further advances in technologies. We are firmly committed to a strong voluntary compliance culture and timely identification of and response to non-compliance. We will ensure that our approach to identification of, and response to, non-compliance and evasion or avoidance in all their forms is timely, robust and effective.

We will be carefully monitoring and managing return and payment compliance across all taxes. 2022 saw a return to normal debt management and enforcement activity after a break of over two years due to the Covid-19 crisis. It is critical that businesses who have temporary cash-flow difficulties engage with us as early as possible. We will be carefully managing businesses who have availed of the DWS, just over 7,000 of which have debt of €50,000 or more. We have extended the DWS deadline to 30 April 2024, however, to retain the significant benefits of the scheme current returns and payments must be kept up to date.

We are alert to, and proactive in addressing, the risks arising from the changes in the economic and business environments both nationally and globally. We remain acutely aware of the challenges facing the economy as regards continued security of supply chains, the cost of living crisis and Russia's invasion of Ukraine. We will continue to play our part in supporting the national response to these challenges.

In maximising timely compliance, we will continue to enhance our real-time engagement and response to risk. We will achieve this through the embedding of our CIF into our compliance management approach. The level of risk and taxpayer behaviour will determine our response and actions.

We will provide comprehensive guidance and support to property owners in advance of the first chargeable period for the Vacant Homes Tax (VHT) and the Residential Zoned Land Tax (RZLT). We are advancing the work on the technical and administrative measures required to administer these taxes.

We will also continue to support business and trade as they adjust to the UK Government's import requirements, and we will also continue to support the Department of Finance in relation to the evolving and complex international tax and customs reform agenda.

Like many organisations across the country and globally over the past three years, we have adapted to new ways of working. We implemented our blended working arrangements, in line with the *Blended Working Policy Framework for Civil Service Organisations*[1] and will continue to build on the efficiencies gained over the last three years and further leverage the use of enhanced technology solutions to enable a working environment that seamlessly facilitates a mix of on-site and virtual working.

The security of Revenue systems and data remains a fundamental priority for the organisation

1 https://www.gov.ie/en/publication/da010-blended-working-policy-framework-for-civil-service-organisations/

and is designed into all services operated by or for Revenue. Security is emphasised to all staff and is part of the culture of the organisation. However, we cannot, and do not, assume that we are immune from the risk of a cyber-attack and, therefore, continue to be vigilant and to invest in and upgrade our security infrastructure, resilience, and responsiveness.

Finally, we acknowledge the professionalism, dedication and commitment of all Revenue staff and thank them for their on-going hard work and excellence, without which our achievements in 2022 would not have been possible. We also acknowledge and thank those Revenue staff who retired in the past year, many of whom dedicated 40 or more years of service to the State, including Commissioner Michael Gladney who retired in April 2022.

Ruth Kennedy
Commissioner

Niall Cody
Chairman

Gerry Harrahill
Commissioner

2022 Organisational Structure

Commissioner Gerry Harrahill

- Customs Division
- Investigation, Prosecution & Frontier Management Division
- Large Cases - High Wealth Individuals Division
- Large Corporates Division
- Medium Enterprises Division
- Revenue Solicitor’s Division

Chairman Niall Cody

- Business Taxes Policy & Legislation Division
- Corporate Services Division
- Indirect Taxes Policy & Legislation Division
- International Tax Division
- Personal Taxes Policy & Legislation Division

Commissioner Ruth Kennedy

- Accountant General’s & Strategic Planning Division
- Business Division
- Collector General’s Division
- Information, Communications Technology and Logistics Division
- Personal Division

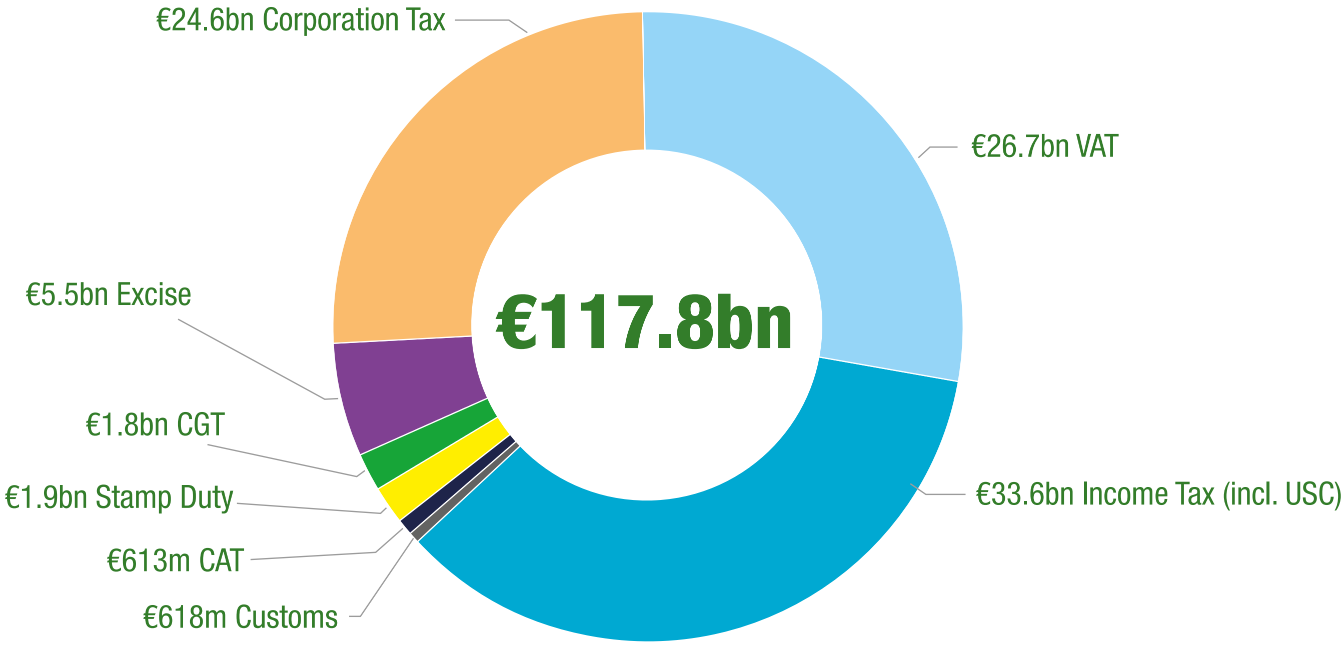
Revenue Board and Management Committee at Assistant Secretary level

Main Results 2022

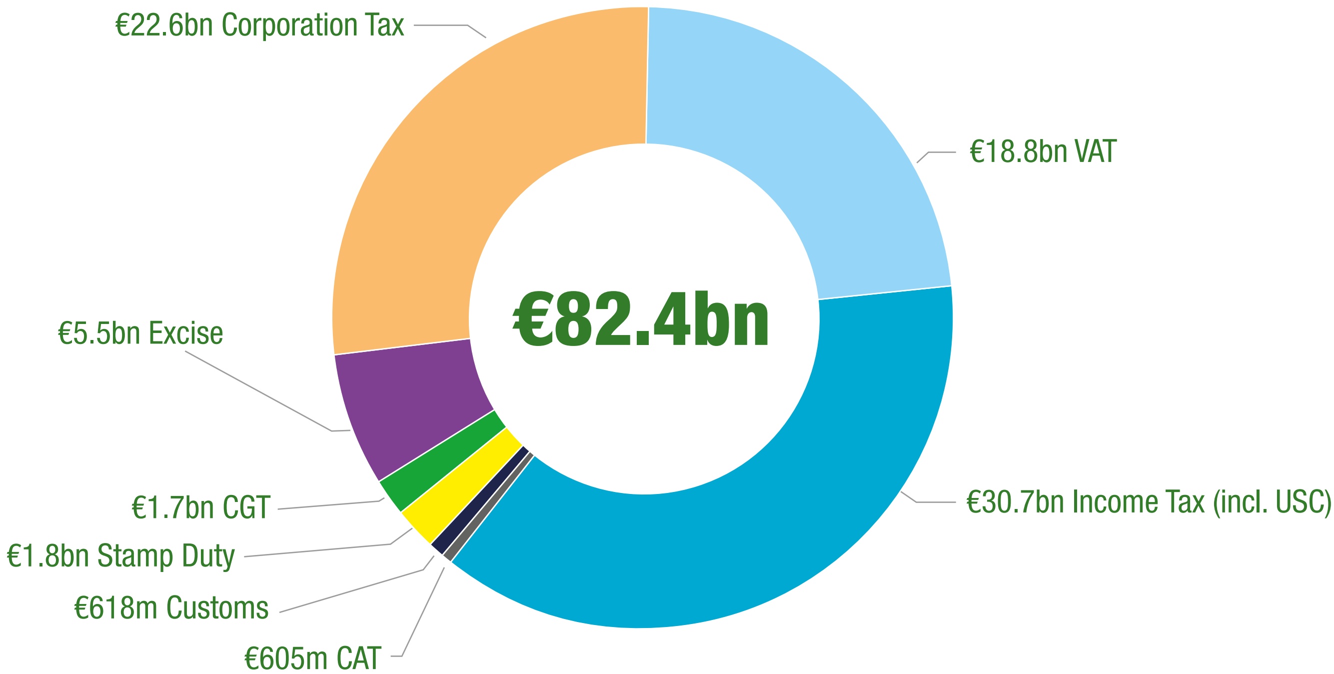
Total gross receipts of €117.8 billion collected, including €82.4 billion in net tax receipts and €22 billion in non-Exchequer receipts.

Cost of Revenue administration €491.7 million

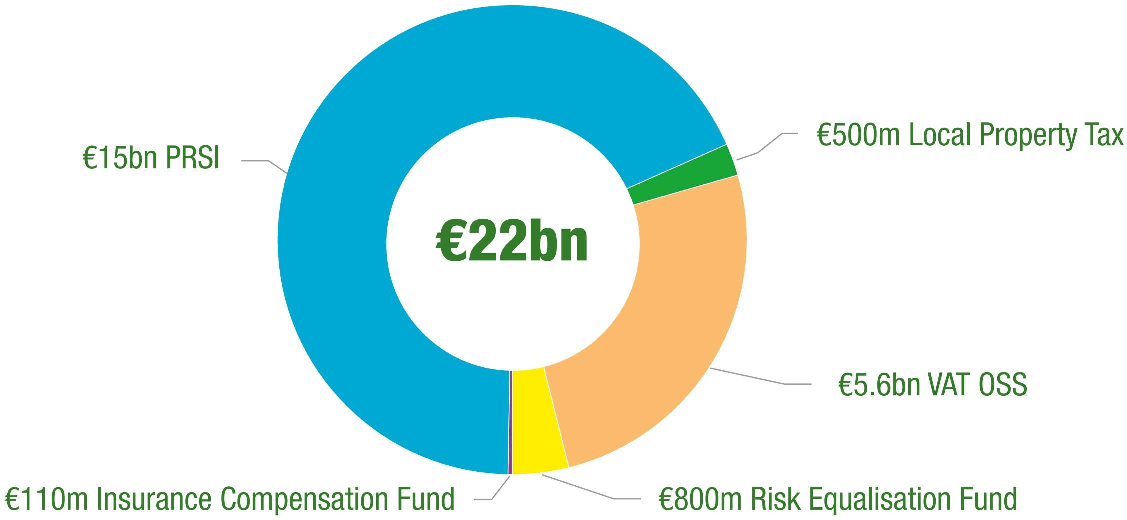
Gross Tax Receipts



Net Tax Receipts



Collection for other Departments & Agencies



23 million customer contacts in 2022, supporting compliance for 4 million employments, 0.2 million employers, 0.8 million businesses, 0.3 million VAT traders, 0.1 million Customs traders and 1.3 million property owners

Main Results 2022

Supporting Businesses and Protecting Incomes

EWSS

Over the course of the year, €804.7 million in support was claimed under EWSS by almost 23,300 employers in respect of 326,500 employees

TBESS

Temporary Business Energy Support Scheme - €6.6 million of supports approved in respect of 2,984 claims

CRSS

Covid Restrictions Support Scheme - €21.2 million in supports claimed by 2,694 businesses in respect of 2,847 business premises

Debt Warehousing

€2.37 billion in liabilities warehoused for 68,609 businesses supported

Customs Trends

42.9 million

Customs Declarations processed

€618 million

Customs Duty Collected

411,339

Inbound Lorries & Containers from GB

89%

Share of GB inbound movements 'Green Routed'

10,836

New Customs (EORI) registrations

Local Property Tax (LPT) Revaluation for 2022

Returns

1.3m owners have fully filed returns for 1.9m properties, 95% of returns filed online

Compliance

94% return compliance,
97% payment compliance

Payments

Collection in 2022 was €500m

Main Results 2022

Collection and Compliance

- €117.8 billion in Gross Receipts collected (Table 1)
- €22 billion in Gross Non-Exchequer receipts was collected on behalf of other agencies (Table 1)
- Net Exchequer receipts for 2022 were €82.4 billion, up 22% on 2021 receipts (Table 2)
- €491.7 million in administration costs, representing approximately 0.60% of gross receipts collected
- 99% timely return/payment compliance rates for large sized businesses and 97% for medium sized businesses, with very high compliance levels maintained overall (Table 6)
- Net LPT receipts of €500 million collected with 94% return compliance rate and 97% payment compliance rate

Delivering Government Supports

- EWSS - €804.7 million in subsidies claimed by 23,287 employers in respect of 326,449 employees
- Debt Warehousing - €2.37 billion in tax debt warehoused for 68,609 businesses
- VAT Repayments - €7.9 billion in VAT repayments issued
- TBESS - €6.6 million of TBESS payments were approved in respect of 2,984 claims

Managing Debt

- Debt available for collection was €1,270 million, up €279 million (28%) on 2021
- Debt available for collection as a percentage of gross receipts was 1.08%, up from 1.03% in 2021
- 9,899 businesses and individuals had Phased Payment Arrangements in place at the end of 2022, covering €192 million in debt

Service for Compliance

- 12.5 million electronic payments made to Revenue with a value of €111.9 billion (Table 3)
- 1.6 million electronic repayments made to taxpayers with a value of €11.4 billion (Table 3)
- 4.5 million electronic returns processed (Table 3)
- 1.7 million telephone calls answered (Table 3)
- 3.9 million items of correspondence (letters, secure email, online enquiry, etc.) (Table 3)
- 42.9 million customs declarations (import, export, transit) processed (Table 13)
- 3.6 million individual taxpayers were registered for myAccount at the end of 2022

- 16% of myAccount activity was initiated via the MyGovID portal

Payroll Reporting

- 6.8 million successful payroll submissions
- 167,801 employers (including pension providers) making submissions
- 3.2 million employees and pension recipients recorded through Revenue systems
- €112.4 billion gross pay and pensions reported
- €22.3 billion Income Tax paid through Revenue payroll reporting
- €4.3 billion USC paid through Revenue payroll reporting

Customs and Trade facilitation

- 411,339 freight vehicle movements into Ireland from Great Britain: 89% Green Routed, 9% Orange Routed, 2% Red Routed
- 75,879 calls to our Customs 24/7 Helpline
- 10,836 New Customs Registrations (Economic Operator Registration and Identification (EORI) numbers)

Confront Non-Compliance

- €813 million in yield from audit and compliance interventions (Table 14 & Table 14A)
- €16.1 million in yield, including interest and penalties, arising from 104 tax avoidance cases
- €28 million in tax settlements in respect of 36 taxpayers published in Iris Oifigiúil (Table 16)

Seizures

- 10,357 drug seizures valued at almost €46.6 million (Table 18)
- 51.6 million cigarettes and 11,803kgs of tobacco seized, valued at €39.5 million and €8.5 million respectively (Table 19)
- 600,000 litres of alcohol, valued at 3.9 million (Table 19)
- 1,055 vehicles (Table 19)
- 57,793 litres of illicit fuel (Table 19)
- 37 cash seizures amounting to €1,405,627 (Table 20)
- Cash forfeiture orders amounting to €1,024,338 granted by the Circuit Court in 24 cases (Table 21)

Prosecutions

- 9 criminal convictions for serious tax and duty evasion (Table 22)
- 162 convictions and fines amounting to €416,840 secured in respect of a range of summary offences (Table 22)

Playing Our Part Internationally

- 76 Double Taxation Agreements signed (74 in effect) and 26 Tax Information Exchange Agreements (TIEAs) in effect at the end of 2022
- 1,931 requests for mutual assistance received and 401 requests issued by Revenue (Table 23) under the provisions of Ireland's exchange of information agreements
- 103 Mutual Agreement Procedures (MAPs) completed following engagement with Competent Authorities of other jurisdictions to eliminate double taxation in relation to international tax disputes and 4 bilateral Advance Pricing Agreements (APAs) concluded in order to prevent transfer pricing disputes (Tables 11 and 12).

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 €117.8 billion in 2022, including €22 billion in non-Exchequer receipts collected on behalf of other Departments, Agencies and European Union (EU) Member States (Table 1).

Net Exchequer receipts of €82.4 billion were up by almost 22% or €14.9 billion on 2021, with the largest tax receipts arising from Income Tax (37% or €30.7 billion), Corporation Tax (27% or €22.6 billion) and VAT (23% or €18.8 billion) (Table 2).

Net Non-Exchequer receipts of €22 billion included almost €15 billion in respect of Pay Related Social Insurance (PRSI) and €5.6 billion in respect of VAT One Stop Shop Schemes. It also included €0.5 billion in respect of Local Property Tax (LPT), a tax administered and collected by Revenue with net receipts transferred to the Local Government Fund.

Overall timely compliance rates for 2022 remained strong (Table 5). Reflecting the continued culture of strong voluntary compliance, timely compliance rates in 2022 were over 99% for large cases, 97% for medium cases and 88% for all other cases (Table 6).

Total debt was €4.8 billion gross, and debt available for collection compared to 2021 increased by 28% to €1.3 billion gross. The value of debt written off as uncollectible was €87.7 million. We facilitated 9,899 businesses and individuals with Phased Payment Arrangements covering €192 million of debt.

Residential Zoned Land Tax

In October 2021, the Minister for Finance announced the introduction of the Residential Zoned Land Tax (RZLT) as part of a suite of measures contained in the Government's "Housing for All" strategy.

The RZLT is an annual, self-assessed tax, calculated at 3% of the market value of land within its scope. The tax is designed, subject to certain exclusions and exemptions, to prompt residential development by owners of land that is serviced and zoned for residential or mixed use (including residential use).

The tax was legislated for in Finance Act 2021 and will replace the Vacant Site Levy, which continues to be administered by local authorities. The implementation of RZLT will be completed in two phases.

Phase 1 – RZLT Maps

In order for landowners to know that they are liable to RZLT, all 31 local authorities in the State have been tasked with producing maps showing land that is within the scope of the tax. The key dates in this process are set out below.

- **1 November 2022**: draft RZLT maps were published by all local authorities
- **1 January 2023**: deadline for submissions from landowners and members of the public on the accuracy of the maps
- **1 April 2023**: landowners who made a submission were notified by local authorities as to whether their land is remaining on or being taken off the map
- **1 May 2023**: local authorities will publish supplemental maps, identifying any land within the scope of the tax on 1 April 2023, but which was not reflected on the earlier draft maps
- **1 August 2023**: local authorities will issue determinations in respect of any further submissions received from landowners regarding the inclusion of land on the supplemental map and the date on which land first satisfied the relevant criteria of the RZLT, where that date is after 1 January 2022
- **1 December 2023**: local authorities will prepare and publish final maps.

The final maps will reflect the outcome of each of the above stages in the process and any related appeals which landowners have made to An Bord Pleanála. The final maps will also reflect any changes in the zoning or service status of land within the local authority area up to one month before the publication of the final map.

Local authorities will update the maps for their functional areas on an annual basis, commencing in 2025.

Further information regarding the mapping process may be accessed at **www.gov.ie/rzlt**, which includes links to the websites of each of the 31 local authorities.

Phase 2 – Administration of RZLT by Revenue

We will commence administration of the RZLT in 2024 and are putting all necessary technical and administrative measures in place to ensure its effective operation.

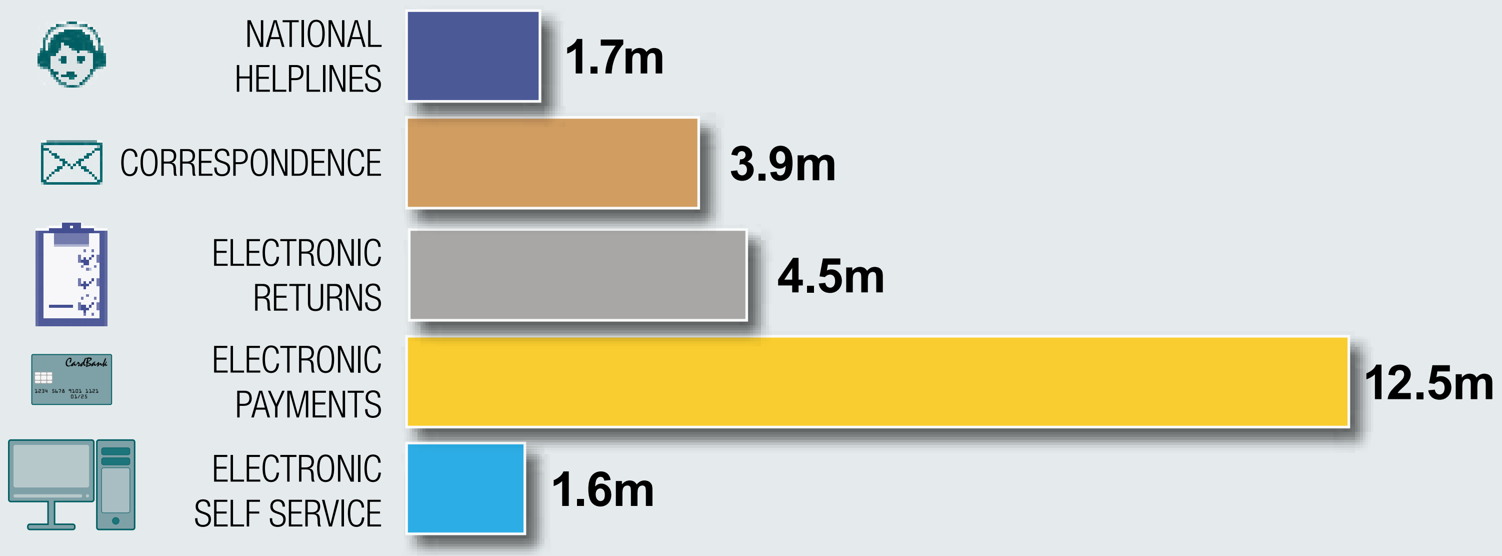
The tax in respect of land which was zoned for residential use and serviced before 1 January 2022 will become chargeable on 1 February 2024. The associated pay and file date will be 23 May 2024.

Where land is zoned for residential use and serviced after 1 January 2022, the tax will be first due in the third year after the year in which it comes within scope.

Clear and comprehensive information on the administration of the tax is available on our website and may be found at: **www.revenue.ie/en/property/residential-zoned-land/index.aspx**

Service For Compliance

Customer Contacts in 2022



myAccount

3.6m Individual taxpayers registered

Self-Assessment

Form 11

851,910 Registered for Income Tax

Customs Trade Facilitation

42.9m Customs Declarations processed

Debt Payment Arrangements

9,899 with value of **€192m**

Service For Compliance

We deliver on our core task of collecting taxes and duties through a service for compliance delivery model that is agile, responsive and takes account of the needs of taxpayers and tax agents. 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
- reducing the need for taxpayers to contact us.

Facilitating Voluntary Compliance

A key element of our role is to proactively assist taxpayers in meeting their tax and duty obligations. We support taxpayers by giving them appropriate and timely information and guidance, and by making it as easy as possible to be voluntarily compliant.

We understand from customer and agent feedback that pre-populated information makes it easier for taxpayers to complete tax returns. We therefore continued the process of **pre-populating annual tax returns** (Form 11, Form 12, CT1) using data from a range of sources. In the 2021 Form 11, we added prefilled information from third party returns filed by Letting Agents in relation to payments made in connection with property lettings (on the “Form 8-3”). The information added acts as a prompt to assist filers in completing the rental income panel of their return.

We use third-party information to **pre-populate tax returns**. In 2022, we pre-populated over 85,000 Income Tax returns with information on payments made by the Department of Agriculture, Food, and the Marine, over 97,000 with information on tenancies registered with the Residential Tenancies Board, and over 20,000 with information on Housing Assistance Payments made by local authorities.

Share-based remuneration (SBR) can be a tax-efficient mechanism for employers to attract and retain employees and has become a key element of remuneration packages provided by some employers.

As a result of compliance work that we have undertaken, we are aware that some employees may not have fully understood their obligations to pay and file certain taxes relating to SBR and we took action to address that.

Revenue wrote directly to all employers operating Share Schemes (approximately 1,200) during the year and asked that they circulate an informational note to their employees/share recipients, advising them of their obligations to pay and file RTSO, CGT and Dividends, and providing easy to follow employee guidance on how and when to pay and file the relevant taxes. This information also directed employees/share recipients to a short instructional video giving them step by step guidance in respect of their tax payment obligations.

Revenue offers a **National Appointment Service** to customers including an in-person appointment service in our public offices in Dublin, Cork, Galway, and Limerick. Making an appointment eliminates waiting times and allows taxpayers to choose a time convenient for them to meet with a member of our staff.

Recognising the need to continue to provide a face-to-face service to those taxpayers who needed it during public health restrictions, we introduced a virtual (video) appointment service in December 2020. A virtual appointment means that a taxpayer can arrange a video meeting with a member of our Service for Compliance team over an MS Teams call. A family member or friend of the taxpayer can join in on the video call to help the individual with his or her enquiry. Based on feedback from our customers, we continued to provide this service when public health restrictions were removed.

98% of enquiries received via the Appointment Line did not require an in-person appointment and the callers were directed to the most appropriate service channel based on their individual needs. 2% of callers required and were provided with an appointment.

Customers who cannot avail of a virtual appointment or an in-person appointment at one of the four public offices can be facilitated with an appointment in a local office on a case-by-case basis as the need arises. In 2022, 175 virtual appointments and 657 face-to-face appointments were provided.

At the end of the year, we make a **Preliminary End of Year Statement (PEOYS)** available to all PAYE employees. The PEOYS provides a preliminary calculation of an employee's Income Tax and Universal Social Charge (USC) for the year, and indicates whether their tax position is balanced, underpaid, or overpaid.

If an employee wishes to claim additional credits, reliefs, or expenses (such as health expenses or the rent tax credit) or declare other incomes, they must complete an Income Tax return for the year. We will then generate a Statement of Liability confirming the final tax position for that year.

In 2022, over 1.1 million Income Tax returns were processed in respect of taxpayers who filed their Income Tax return for 2021.

- 784,235 of these returns resulted in an overpayment of tax and €546 million has already been refunded to taxpayers' bank accounts in respect of these.
- 66,641 of these returns were balanced.
- 170,314 of these returns resulted in an underpayment of tax. The total underpayment is €44 million and this is being collected through a reduction in the taxpayers' tax credits from 2024.

To assist taxpayers to claim their full entitlements and comply with their obligations, we wrote to over 400,000 individuals in 2022 who, according to their PEOYS, may have either overpaid or underpaid tax in one or more of the tax years 2019 – 2021 inclusive. These letters advised the recipients to submit an Income Tax return to claim any additional tax credits or reliefs that they may be due and/or to declare any additional income they may have received.

To date we have received approximately 259,000 returns from over 140,000 of the customers that we wrote to in 2022 as part of this programme. €42 million has already been refunded to customers' bank accounts in respect of these returns.

We will be continuing to write to individuals in 2023 who, according to their PEOYS, may have either overpaid or underpaid tax in one or more of the tax years 2019 – 2022 inclusive.

In certain circumstances, taxpayers and their agents may formally contact us to seek an opinion or confirmation where there is a doubt in relation to the application of tax law for specific transactions or situations. The **Revenue Technical Service (RTS)** is the mechanism for this engagement.

During 2022, the number of opinions/confirmations requested through the RTS continued to increase. A total of 336 opinions/confirmations were issued.

In December 2021, we issued a reminder (eBrief No. 234 of 2021) of the maximum five-year validity period of Revenue opinions and advised that opinions provided between 1 January and 31 December 2016 were subject to review. Taxpayers wishing to continue to rely on such opinions, in respect of a transaction, period or part of a period, on or after 1 January 2022 were required to make an application for their renewal or extension on or before 31 March 2022. We received applications to renew or extend 2 such opinions.

As distinct from the full range of opinions/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. Corporation Tax, Business Income Tax, Stamp Duty, CGT). Where a Relevant Tax Opinion has a cross-border element, it is exchangeable under the Exchange of Information instruments. During 2022, we provided 99 Relevant Tax Opinions on complex technical issues to companies and other entities (Table 10).

Our **website**, *www.revenue.ie*, is a vital information source for taxpayers and tax agents. We provide extensive information that explains our services and sets out what are sometimes complex tax rules in as straightforward a way as possible.

Information is tailored to meet the diverse needs of our website users, catering for a very broad range of taxpayers and tax professionals. We 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. During 2022, we also continued to prioritise the accessibility of our website to the widest possible audience, regardless of technology or ability.

Our **Online Phased Payment Arrangement facility** continued to provide essential services to support viable businesses with tax payment difficulties throughout 2022. This service is available 24/7, provides up to date information on liabilities and outstanding returns and guides the taxpayer through the application process to secure a Phased Payment Arrangement. In 2022, we processed 10,804 Phased Payment Submissions via the online facility. Once approved, taxpayers have considerable flexibility to self-manage the payment schedule in line with changing business needs. At the end of 2022, a total of 9,899 Phased Payment Arrangements were being actively managed through the Debt Management Service (DMS) system.

For our large corporate groups, we promote and operate a policy of co-operative compliance through our **Co-operative Compliance Framework (CCF)**. The objective is to manage our relationships with large corporate businesses so that we work together to achieve the highest level of voluntary compliance across all taxes and duties. The CCF offers participating corporate businesses regular dialogue with us, helping 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.

As part of CCF, risk review meetings are held with participating businesses annually. At the end of 2022, there were 121 corporate groups working with us in CCF. Arising from risk review meetings and from other engagements under CCF, disclosures in the region of €96.18 million were received from these groups.

A comprehensive review of the CCF was finalised during 2022. The review, which is available on the Revenue website, involved the detailed analysis of statistics, procedures, and stakeholders' and our own case workers' experience of working the Framework.

The review resulted in a number of recommendations, aimed at ensuring the continued effectiveness of CCF for all approved participants and at improving participation rates. Revised guidance reflecting these recommendations was published in January 2023.

Service Delivery

Increasingly, taxpayers and their agents expect digital service offerings and greater flexibility in their access to services, whether digital or not. Our experience of service provision during the pandemic is that more taxpayer transactions have moved online. We have also seen the demand for 24/7 service increase.

With this 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. It is available 24/7, year-round and is fully accessible on all mobile and smart devices. It provides the quickest, and most convenient way for individuals to access their tax records and manage their tax obligations.

As announced in Budget 2022 the **Help To Buy** scheme (HTB) was extended until 2024. In 2022, 17,596 HTB applications were approved, 5,109 of which progressed to claim stage and are now fully approved. The total value of approved HTB claims in 2022 was €175 million, of which 73% were new properties bought from developers and 27% related to self builds.

We continue to carry out detailed **analysis of customer contacts** to identify areas where taxpayers may be experiencing difficulties in meeting their tax and duty obligations and take action to pro-actively assist them. We continue to provide additional supports to our self-assessed customers aged 65 and over, including the provision of tailored correspondence and information to assist them in their Pay & File obligations and remove any unnecessary burden. We further expanded our services to this customer cohort to include jointly assessed spouses in 2022. This involved issuing tailored letters to this cohort and their spouses setting out the Department of Social Protection and pension income figures for inclusion on their Income Tax Return. This removed the need for these customers to make contact with Revenue to obtain this information.

Stamp Duty insurance levies are now combined into one **Stamp Duty Insurance Levies (SDIL) Return** which is received electronically via ROS. This allows taxpayers to register on ROS for the SDIL tax head and submit returns. The system went live in April 2022.

In 2022, an online pay and file system was delivered for the various Stamp Duty Levies on Insurance Policies (namely the 1% levy on policies of life insurance, the 3% levy on non-life insurance policies and the €1 stamp duty payable on all insurance policies other than life policies) and for the contributions made by insurance companies to the Insurance Compensation Fund (this is a 2% levy on non-life policies of insurance which we collect on behalf of the Central Bank of Ireland). This IT development represents a significant service improvement for our customers and increases our ability to support voluntary compliance and also to undertake compliance interventions in this area.

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 we need to continually engage with taxpayers and other key stakeholders to understand their differing and evolving needs.

Examples of some of our engagement with external stakeholders throughout 2022 are as follows:

- We worked closely with the Department of Enterprise, Trade and Employment through our administration of the Temporary Business Energy Support Scheme (TBESS), which is funded by Department of Enterprise, Trade and Employment.
- We worked closely with the Department of Finance, Banking and Payments, Federation of Ireland and departing retail banks to identify the necessary actions and supports required to minimise the disruption for customers arising from the departure of two retail banks from the Irish Banking market.

In 2022, Revenue also streamlined the presentation of our myAccount login screens to increase customer awareness that the system can be accessed using the MyGovID login credentials. In 2022 over 80,000 or 16% of customers using myAccount registered or accessed it via MyGovID.

We work closely with the Department of Social Protection and exchange relevant information to ensure that taxable income is recorded and taxed in a streamlined and efficient manner. Additionally, citizens' social insurance records are populated with the relevant Pay Related Social Insurance (PRSI) contribution information, which ensures that their entitlements to benefits and pensions can be assessed as quickly as possible.

We also engage with agents, industry and business representatives through a range of initiatives and forums, to collaborate, support, advise, listen and learn. This engagement informs our service strategies, approach to contact channel management and systems design, with a view to sustaining high levels of voluntary compliance.

On an on-going basis, we engage and consult with a range of **practitioners and business representative bodies**. Through the *Tax Administration Liaison Committee (TALC)* we discuss practical changes to achieve a more effective and efficient administration of the tax system. For example, through the *TALC Audit Sub-Committee*, we engaged with practitioners on the introduction of the new Compliance Intervention Framework. This collaborative approach has allowed for constructive engagement on the practical and operational aspects of the new framework as it was developed and implemented.

We continue to be a constructive participant in the Personal Insolvency process and have representation on both the *Insolvency Service of Ireland (ISI) Consultative Forum and the Protocol Oversight Committee*.

We are also a constructive participant in both the Examinership and new Small Companies Administrative Rescue Process (SCARP). For the former, we are a notice party for all Examinerships, exploring the reasonable prospect of survival of the company and looking after the best interests of all creditors, including employees. For SCARP, we work closely with *Restructuring and Insolvency Ireland* to enhance engagement and understanding with Process Advisors.

We are represented on the *Company Law Review Group (CLRG)* and its *Corporate Insolvency Subcommittee*. This subcommittee is tasked with reviewing company law within the corporate insolvency regime to ensure it addresses all stakeholders' concerns and is fit for purpose.

The *Customs Consultative Committee (CCC)* 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 European Union (EU) level and met twice in 2022. The focus of the Committee in 2022 was on administrative and operational matters and challenges arising from the UK's departure from the EU as well as developments in our implementation of the Union Customs Code (UCC) IT Work Programme. Other matters discussed included the Carbon Border Adjustment Mechanism (CBAM) and the EU Customs Reform Package.

Supporting Tax and Customs Policy

We continue to work closely with the Department of Finance in contributing to the evaluation, development and implementation of national tax policy, as well as on EU and OECD Inclusive Framework proposals to address the tax challenges of digitalisation and international taxation of companies. This includes providing statistical and economic analysis and costings to the Department of Finance as well as to the Government and the Oireachtas.

The **Rent Tax Credit**, as provided for in section 473B TCA 1997 was introduced by Finance Act 2022. Broadly, this measure provides for a rent tax credit of up to €500, or €1,000 in jointly assessed cases. The credit is available in respect of qualifying rental payments for the 2022 to 2025 years of assessment inclusive.

Finance Act 2022 also provided for the automatic electronic reporting to Revenue by employers of certain "**reportable benefits**", that are not subject to tax under the PAYE system. Under this initial phase, the reportable benefits included are the remote working daily allowance of €3.20, travel and subsistence payments and the small benefit exemption. An implementation consultation process is underway and it is anticipated that reporting will commence at the start of 2024.

Finance Act 2022 introduced the taxation provisions for the new **Pan-European Personal Pension product (PEPP)**. The Act also abolished the benefit in kind charge on employer contributions to an employee's Personal Retirement Savings Account (PRSA), a recommendation of the Inter-Departmental Pensions Reform and Taxation Group (IDPRTG).

The Act also amended penalties for excise to align with the penalty provisions for other taxes introduced in 2021.

On rental income, Finance Act 2022, doubled the cap on expenditure for pre-letting expenses from €5,000 to €10,000 and halved the minimum vacancy period from 12 months to 6 months. The Act also introduced a new **"retrofitting" relief** to encourage landlords to improve the energy efficiencies of residential tenancies. In addition, the Act modernised provisions relating to rental income for non-resident landlords by allowing collection agents to deduct withholding tax and provide information on the tenancies to us.

With respect to globally mobile employees, Finance Act 2022 included provisions for the extension of the **Special Assignee Relief Programme (SARP)** and the **Foreign Earnings Deduction (FED)** to 2025.

The Act also contained a provision to ensure that assessments could be amended to give effect to a **Mutual Agreement Procedure (MAP)** with other countries.

In January 2021, the Government published an update to the **Corporation Tax Roadmap**[2] that was published in 2018. The update took stock of Ireland's progress on commitments given in the Corporation Tax Roadmap as well as global tax reform and set out a pathway for further actions to be taken. While many of the actions set out in the roadmap were delivered during

2 https://www.gov.ie/en/publication/678e5-irelands-corporation-tax-roadmap-january-2021-update/

2021, we supported the Department of Finance in progressing the following commitments during 2022:

- **Territoriality**: A public consultation launched by the Department of Finance concluded . As this would be a fundamental change to Irish corporation tax, analysis of the available options and their implications is being carried out by the Department of Finance in conjunction with Revenue. This work will continue into 2023.
- **Outbound payments**: A public consultation by the Department of Finance was completed in relation to the introduction of measures to apply to outbound payments from Ireland, including to jurisdictions on the EU list of non-co-operative jurisdictions for tax purposes and no or zero tax regimes. We will, in 2023, continue to support the Department of Finance on this matter with legislation to be brought forward in Finance Bill 2023 in order to deliver on milestones committed to in Ireland’s National Recovery and Resilience Plan.
- **Exchange of information**: The implementation of aspects of the 7th Directive on Administrative Co-operation (DAC7) which had not been transposed during 2021 and the implementation of the OECD’s Model Rules on automatic exchange of information requirements for sellers using digital platforms.

In October 2021, Ireland was among almost 140 jurisdictions that agreed, through the OECD/G20 inclusive Framework on Base Erosion and Profit Shifting (BEPS), a two-pillar solution to address tax challenges arising from the digitalisation of the economy.

Pillar One will see a reallocation of a portion of taxing rights on profits of large multinational corporations to market jurisdictions, i.e., countries where the end-consumers and users of products and services are based. It applies to multinational groups with turnover in excess of €20 billion annually and profitability greater than 10%. The threshold will be reduced to €10 billion after 7 years. Pillar Two will see the adoption of a new global minimum effective tax rate of 15% applying to multinational groups with global revenues in excess of €750 million.

During 2022, work continued at the OECD on finalising the two-pillar solution. Officials from Revenue were actively engaged in all aspects of these negotiations and in supporting the Department of Finance, and in preparation for the implementation of these complex rules in Irish tax legislation.

Finance Act 2022 introduced the first amendments to Irish tax legislation as a result of Pillar Two, the **Research and Development tax credit** was amended to reflect the expected international requirements. The quantum of the credit a company is entitled to receive has not changed, but changes to how and when a company receives the credit have been implemented.

Finance Act 2022 introduced the **TBESS**, which is administered by Revenue and provides support to tax compliant businesses carrying on a trade or profession, in respect of energy costs relating to the period from 1 September 2022 to 28 February 2023, where they meet certain eligibility criteria. The TBESS has since been extended to periods up to 31 May 2023 following approval, from the European Commission, of Ireland’s State aid application for enhancements to the scheme.

A **Defective Concrete Products levy** was also provided for in Finance Act 2022 as a revenue raising measure to contribute towards the funding of the Defective Concrete Blocks Grant Scheme which was introduced by the Minister for Housing, Local Government and Heritage. The levy will apply 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. The levy will come into effect from 1 September 2023.

A suite of **agricultural and fishery measures** were introduced in Finance (Covid-19 and Miscellaneous Provisions) Act 2022 and Finance Act 2022, including the introduction of accelerated allowances for capital expenditure on slurry storage and specific tax treatment for payments received under the Brexit voluntary permanent cessation scheme, which provides compensation payments to certain fishing vessel owners in exchange for the permanent withdrawal of vessels from the polyvalent and beam trawl segment of the Irish fishing fleet.

During 2022, we provided assistance to the Department of Environment, Climate and Communications in relation to 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 (TSC)**. The TSC, which 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, will be collected by Revenue.

Our Statement of Strategy identified supporting implementation of the **Commission on Taxation and Welfare (COTW)** as a priority area of focus. The COTW was tasked by Government to independently consider how best the taxation and welfare systems can support economic activity and promote increased employment and prosperity in Ireland. Four members of staff from Revenue were seconded to the Secretariat of the COTW, along with Civil Service colleagues from the Departments of Finance and Social Protection, to provide policy analysis and administrative input to the Commission members.

The work of the COTW concluded in 2022 with the publication of its final report, "Foundations for the Future", which set out its recommendations for reforming and strengthening the tax and welfare systems.

Ireland is committed to supporting an effective anti-money laundering and terrorist financing regime. Anti-Money Laundering legislation requires each EU Member State to establish a **Central Register of Beneficial Ownership of Trusts (CRBOT)**. The purpose of the CRBOT is to help prevent money laundering and terrorist financing by improving transparency on who ultimately owns and controls Irish trusts. The CRBOT is being managed by Revenue in the context of Ireland's obligations as an EU Member State under anti-money laundering legislation.

The beneficial owners of a trust must be registered on the CRBOT within six months of the establishment of a trust. A programme of compliance activities was undertaken in 2022 to check the quality of data submissions.

Ireland's VAT regime – like that of every EU member State – is set within the parameters of an agreed common framework which applies across the whole Union. We work closely with the Department of Finance in representing Ireland at EU-level discussions on VAT matters and support the Department in developing fair and effective policy and legislative measures at national level for assessing, collecting and controlling the tax.

Policy and legislative measures during 2022 involved 12 areas of amendments to VAT legislation including:

- introducing temporary application of the 9% reduced VAT rate to supplies of gas and electricity, and extending this until end February 2023
- moving a number of goods to the zero rate of VAT – newspapers (including electronic newspapers), defibrillators, some menstrual products (those not already at the zero rate), and certain hormone replacement therapy and nicotine replacement therapy medicines – and clarifying the application of the zero rate to milk
- clarifying the VAT exemption for medical and related services
- guarding against abuse of VAT registration by requiring that traders with domestic-only VAT registrations inform Revenue should they commence cross-border trade within the EU

- the annual adjustment to the level of the farmers' flat-rate addition
- confirming Revenue's power to exchange information held by financial institutions with other Member States when requested, as part of the EU's drive for administrative co-operation and combating fraud in the field of VAT
- ensuring that the VAT exemption for an independent group of persons ("cost sharing group") can apply to group members who carry out taxable activities in addition to their exempt or non-taxable activities
- several changes relevant to the services and financial services sector such as ensuring EU-registered funds are exempt from VAT similar to equivalent financial funds registered in the State, restricting the application of the VAT exemption involving section 110 companies, and ensuring the provision of certain agency services is not exempt from VAT in line with the EU VAT Directive.

During 2022, we progressed the development and management of Ireland's **tax treaty network**. This included ratification in the Finance Act 2022 of a Protocol to each of the respective limited scope Treaties with the Isle of Man and with Guernsey. Ireland has signed Double Tax Agreements (DTAs) with 76 countries, covering Income Tax, USC and CGT. Of the DTAs signed, 74 are currently in effect.

We also continued the process of agreeing synthesised texts with treaty partners to reflect modifications to our existing DTAs as provided by the anti-BEPS Multilateral Instrument. Following a public consultation and feedback process, Ireland's Tax Treaty Policy Statement was published in June 2022. The policy statement formalises the existing policy of maintaining and enhancing the network of double tax agreements in support of trade and investment, including through prioritising specific categories of potential partners. The statement also sets out a preferential policy for engagement with least developed countries that is mindful of the particular needs of those jurisdictions.

We act 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 2022, we resolved 103 such disputes, 37 of which related to attribution or allocation of profits between Ireland and the other country concerned (transfer pricing) and 66 of which related to other (non-transfer pricing) disputes. This work involved MAP negotiations, provided for under our network of DTAs and the EU Arbitration Convention (Table 11). In November 2022, Ireland received three MAP awards from the OECD.

We held negotiations on complex bilateral **Advance Pricing Agreements (APAs)** with the Competent Authorities of other countries with a view to determining, in advance of the period of account concerned, an agreed basis for cross-border transfer pricing between associated companies. The negotiation of 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 2022, we received 12 APA requests. Following negotiations with the Competent Authorities of other countries, 4 APAs were concluded and 6 APA requests were withdrawn by taxpayers (Table 12).

We continued to negotiate, agree, and implement new initiatives in relation to the **Automatic Exchange of Information (AEOI)**. The DAC7 Directive, which was agreed in 2021, will require digital platform operators to report income earned by sellers engaged in the sharing and gig economy. The Directive was fully transposed into Irish law in 2022. We will begin to receive reports from platform operators in January 2024 and will initiate annual exchanges of this information with relevant Member States in February 2024. The OECD Model Reporting Rules for Digital Platform Operators (DPI) were also legislated for in Finance Act 2022 and when commenced will allow us to exchange similar information with non-EU partner jurisdictions. In 2022 Ireland was a signatory to the DPI Multilateral Competent Authority Agreement.

The OECD Crypto Asset Reporting Framework (CARF) and amended Common Reporting Standard (CRS) were agreed in 2022. The reporting framework will require Crypto Asset Service Providers (CASPs) to provide details of all relevant crypto asset transactions by their users. The European Commission initiated proposals for a new Directive (DAC8) in late 2022 which will require both EU and non-EU based CASPs to report all relevant crypto asset transactions where they have reportable users in the European Union.

The **international tax agenda** continued to evolve rapidly in 2022. Revenue played an active part in developing international and EU tax policy over a broad range of tax and duty matters, working closely with the Department of Finance, OECD, European Commission and EU Council groups.

Our participation ensured that Ireland's perspective was well represented in important negotiations such as the agreement by EU Member States of the "Pillar Two" Directive (Council Directive (EU) 2022/2523) on minimum effective corporate taxation and the agreement by ministers in Council of a broader mandate for the Code of Conduct (Business Taxation) Group, which polices harmful tax practices.

OECD Mutual Agreement Procedure (MAP) Awards

In 2015, the OECD and G20 countries, along with other stakeholders, agreed a package of 15 actions and related solutions to tackle Base Erosion and Profit Shifting (BEPS), with Action 14 addressing "Making Dispute Resolution Mechanisms More Effective". Through adopting the Action 14 Minimum Standard, jurisdictions, including Ireland, committed to resolving treaty-related disputes in a timely, effective, and efficient manner.

Transfer Pricing Branch and Tax Treaties Branch in International Tax Division fulfil the Mutual Agreement Procedure ('MAP') Competent Authority function in Ireland, whereby taxpayers may request MAP assistance in resolving disputes arising from taxation not in accordance with the provisions of a tax treaty. As part of the BEPS Action 14 Minimum Standard, the OECD publishes annual MAP statistics under an OECD MAP Statistics Reporting Framework. MAP Statistics are important for the monitoring of the implementation of the BEPS minimum standard and providing an objective and global frame of reference about dispute resolution efforts and progress.

With the publication of the OECD MAP statistics for 2021 (covering 127 jurisdictions), MAP awards were provided to Competent Authorities of certain jurisdictions in recognition of their efforts during 2021 in resolving their MAP caseload in an efficient and timely manner.

During the 2022 award ceremony, Ireland received three MAP awards from the OECD for recognition of its work and efforts during 2021. This follows on from the OECD MAP awards for 2020 where Ireland received an award for the "most improved jurisdiction". The awards received by Ireland in the 2022 ceremony were for the best case-management of a large-sized inventory of cases, for the shortest average time to close MAP cases in respect of other non-transfer pricing disputes and also, along with the UK, for the best co-operation with another jurisdiction for other non-transfer pricing disputes during 2021. Ireland also ranked second internationally for having the smallest portion of pre-2016 cases in its 2021 closing inventory.

The Irish Competent Authority team works hard to resolve disputes under its tax treaties through MAP. Key to Ireland achieving these awards has been the strong collaborative working relationships with treaty partners, ensuring the Irish Competent Authority team is well resourced, and the dedication and commitment of the team to resolve MAP cases in a timely manner.

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. This has been evident throughout the past twelve months where policy discussions have focussed on the EU response to the Russian invasion of Ukraine, the EU green agenda, and reforming the Customs Union to ensure it is flexible and agile into the future to deal quickly with future challenges.

The EU took swift action following the Russian invasion of Ukraine. This included introducing an unprecedented number of sanctions packages as well as providing simplifications that reduced the administrative burden needed to send aid and donations to Ukraine. The sanctions measures included trade sanctions that prohibited the import from and export to Russia and Belarus of goods that could be used to support the war effort. Revenue contributed to the implementation of sanctions in Ireland and actively participated in related discussions at EU level.

The green agenda also featured prominently on the policy agenda with significant progress made on the development of legislation to give effect to the Carbon Border Adjustment Mechanism (CBAM) while proposals to prevent deforestation and forced labour were also advanced.

In addition to the discussions on sanctions and the green agenda, the main work in 2022 was focussed on the preparation of a **Customs Reform Package** which, when implemented, will impact on how Customs operates at an EU level. The Reform Package is the culmination of an ambitious work programme set out by European Commission President Ursula Von der Leyen to take the Customs Union to the next level. DG Taxud, the Directorate General with responsibility for Customs at EU level, will present the Reform Package to the College of Commissioners in 2023.

At a global level World Customs Organisation (WCO) discussions were focussed on modernisation. A modernisation plan is being developed with a focus on performance & impact management, WCO project management, WCO internal structures, WCO Regional Entities, donor funding policy & sustainable funding, and the relationship with stakeholders. Ireland continued to play an active role in the development of this modernisation plan.

Customs trends and co-operation

The increase in businesses engaging with Revenue's Customs systems continued in 2022. This trend reflects the impact of the UK's exit from the EU on 1 January 2021, the broad and wide-ranging international dimension of the supply chain in respect of goods imported into Ireland and the growth of eCommerce.

We continue to engage across a broad spectrum of stakeholders, to address the challenges posed by cross border eCommerce and have been active in providing assistance and support internationally. eCommerce accounted for approximately 90% of all import declarations in 2022 and we have been to the forefront in the global efforts to facilitate cross border eCommerce while ensuring the design and implementation of innovative methods to confront non-compliance and ensure a level playing field for economic operators in the EU.

In 2022, we processed over 40 million **import declarations** in respect of imported goods ranging from low value consignments (less than €150) to full trailer/container loads (Table 13). This compared to just over 27 million import declarations processed in 2021.

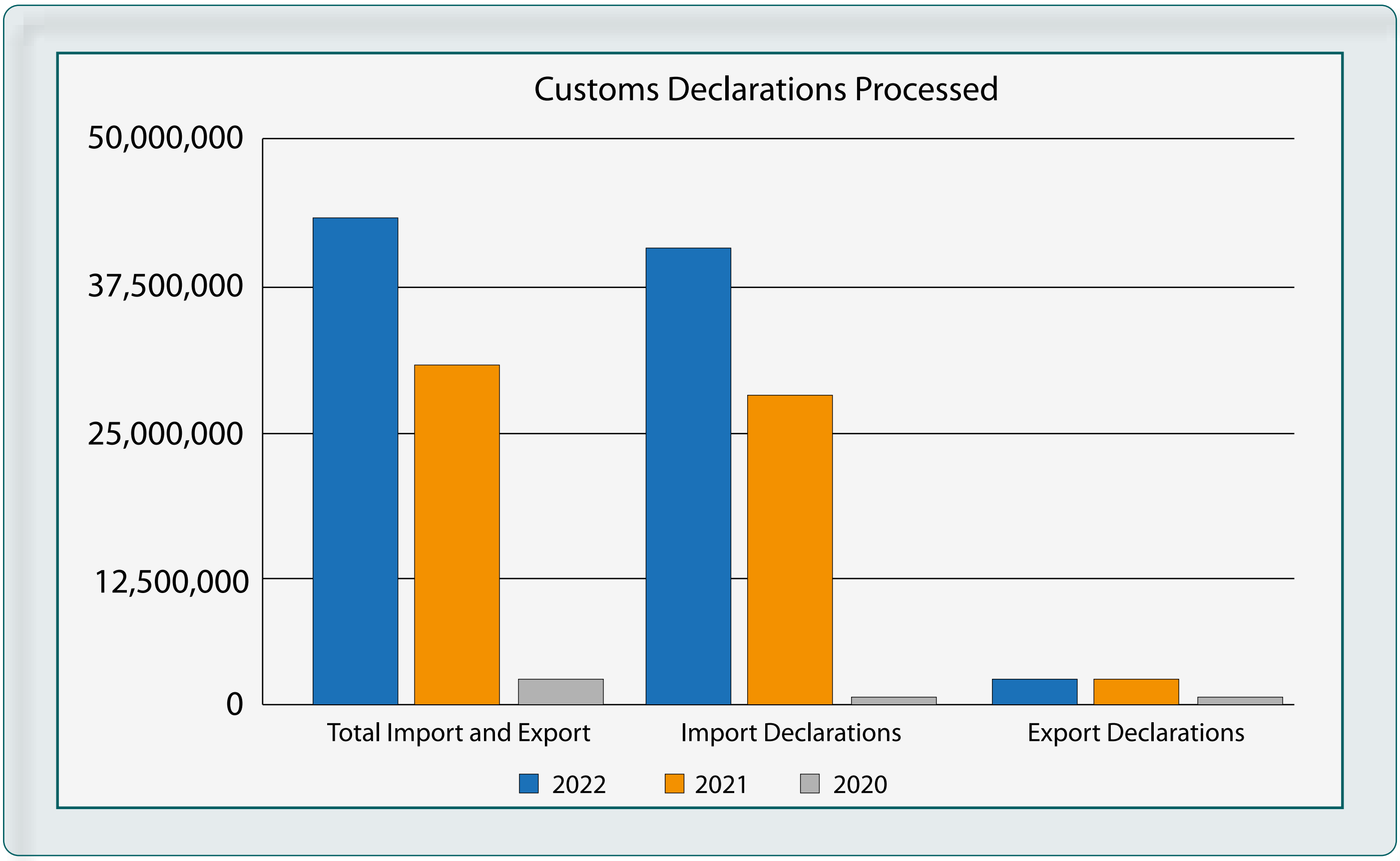
Looking across the full year, 89% of all freight vehicle movements from Great Britain into Ireland were green routed on arrival, meaning they passed freely through the relevant port without the need for any additional interaction with Revenue or any other State agency. 9% were orange routed, meaning 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.

With regard to implementation of sanctions in Ireland, we are a member of the Cross-Departmental International Sanctions Committee (CDISC) which was founded to facilitate the implementation and administration of international sanctions regimes in Ireland and is chaired by the Department of Foreign Affairs. Our role is to implement Customs controls on behalf of the Irish competent authorities. The three competent authorities for sanctions in Ireland are: The Department of Foreign Affairs, the Department of Enterprise, Trade and Employment and the

Central Bank of Ireland.

In relation to our specific role, we control goods at import or export on behalf of the competent authorities where there is a prohibition or restriction on the import or export of goods from sanctioned jurisdictions. We have 9 risk profiles in place to give effect to the 9 sanctions packages announced during 2022.

Profiles are used to identify consignments that may be subject to a sanctions measure. When a profile “hits”, it means that further investigation is required in order to determine whether the consignment is definitively subject to sanction measures. This could include engagement with the competent authority in relation to derogations, authorisations, verifying that a valid licence is in place or for expert advice on specific CN codes. In the case of goods imported from or exported to Ukraine, checks are required to ensure that goods are not destined for or originating from the non-government controlled regions of Ukraine (Luhansk, Donetsk, Zaphorizhzhia and Kherson). These controls have not led to any seizures or detentions.



Confronting Non-Compliance

Audit and Compliance Interventions

428,316 Interventions with a yield of **€813m**

Avoidance

104 Cases Settled with a yield of **€16.1m**

Prosecutions

9 Serious Evasion and Fraud Convictions

162 Summary Convictions

Publications on the Lists of Tax Defaulters

36 Cases Published

€28m in Settlements

Debt Enforcement

28,458 Cases with a yield of **€109.7m**

Confronting Non-Compliance

We support voluntary compliance through a risk-focused, effective, and proportionate response to non-compliance, reflecting taxpayer behaviour.

The vast majority of taxpayers are fully compliant with their tax and duty obligations, submit accurate returns and declarations and pay the right amount of tax at the right time.

We implement a real-time, data driven risk assessment approach to ensure timely compliance and are committed to tackling non-compliance in all its forms. We continue to strengthen our understanding of the tax and duty compliance behaviour of taxpayers and, where necessary, challenge aggressive tax planning. We leverage our data holdings and capacity for advanced analytics. Together, these measures enable us to identify and quantify risk and confront cases displaying non-compliance indicators. Additionally, this risk-based and timely compliance focused oversight minimises the burden on compliant taxpayers.

On 1 May 2022, a new **Compliance Intervention Framework (CIF)**, supported by a revised Code of Practice for Revenue Compliance Interventions[3], came into effect. This new 3-level framework supports compliance by further enhancing our real-time engagement with taxpayers and expanding real-time compliance management of our segmented case-base. It incorporates our traditional tax audit approach within a CIF 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, we progressively respond, with appropriate vigour, to taxpayers who do not comply voluntarily or change non-compliant behaviour.

In 2022, the yield from our audit and compliance interventions was €813 million (Tables 14 and 14A).

We seized over 3,600kgs of drugs with an estimated street value of almost €46.6 million. Additionally, we made 6,994 seizures of illicit tobacco products, valued at over €48 million, seized over 590,000 litres of illicit alcohol valued at €3.9 million and seized 1,055 vehicles, for various offences (Tables 18 and 19).

In 2022, Revenue prosecutions resulted in Court fines totalling €416,840 in 162 summary cases and 9 criminal convictions for serious tax and customs fraud. At the end of the year, there were a further 48 criminal cases before the Courts (Table 22).

Compliance Programmes

Our compliance framework is risk-based and embedded into our normal business programmes. This compliance management approach minimises the administrative burden on the compliant taxpayer and prioritises our compliance resources on the non-compliant taxpayer.

Throughout 2022, we engaged with taxpayers regarding audit and other compliance intervention activity in line with our guidelines for conducting compliance interventions in a blended working environment. Details of our sectoral compliance activity are set out in Table 15. Some of the areas of focus of our 2022 compliance activity are set out below.

3 https://www.revenue.ie/en/tax-professionals/documents/code-of-practice-revenue-compliance-interventions.pdf

Over the past number of years, the **construction sector** has posed significant risks to the tax system, as evidenced by the outcomes of our compliance programmes in this area. Given the level of risk involved as well as the continued increase in building activities we are seeing right across the country, the sector again featured prominently in our compliance programmes in 2022.

Construction sector related compliance activity yielded almost €24 million, representing approximately 2% of the total yield from all interventions. These interventions primarily focused on VAT, Relevant Contract Tax (RCT) and Employer (PAYE) risks, while we also continued to monitor the manner in which this sector availed of pandemic support schemes.

During 2022, we continued to finalise our programme of checks on all employers who had availed of the Temporary Wage Subsidy Scheme **(TWSS)**. These checks were carried out to ensure employers met the eligibility criteria of the scheme and, crucially, that the monies involved were properly paid to employees. Our checks confirmed a high level of compliance with the scheme.

We have seen an exceptional increase in **e-Commerce** worldwide due to a number of factors, including the Covid-19 pandemic, and continue to develop our business initiatives to enhance awareness among taxpayers of the associated risks and tax implications in this area. The VAT compliance of non-resident online traders who supply goods and digital services to Irish customers continues to be a particular area of ongoing interest. Key objectives of our work in this regard during 2022 included the verification of VAT declared by registered non-resident businesses.

In 2022, we sought to further improve our capability to manage the VAT risks presented by non-resident businesses by working closely with colleagues in other Member States and with the European Union (EU) Commission in the establishment of a robust intra-EU framework for cross-border eCommerce regulation and compliance. In particular, we worked to progress reporting obligations for cross-border payment service providers which will become effective from 1 January 2024 and will significantly enhance our ability to detect VAT risks.

We continue to pro-actively address the challenges of the international tax environment, including carrying out risk driven **transfer pricing** audits and other transfer pricing compliance interventions. In the period 2015 to end of 2022, we had initiated 51 transfer pricing compliance interventions, 25 of which have been finalised resulting in a yield of €676.1 million and a restriction in trading losses of €949 million (tax effect €118.6 million). Additionally, amended corporation tax assessments have been made as a result of transfer pricing compliance interventions with total underpaid corporation tax identified of approximately €81.6 million. The majority of the amended assessments are currently under appeal.

Section 1086A TCA 1997 provides that Revenue publishes **Lists of Tax Defaulters** 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. This is an important deterrent in our fight against tax non-compliance. In 2022, tax settlements amounting to €28 million were agreed with 36 taxpayers and were published in accordance with the legislation. Tables 16 and 17 provide details of publications in 2022 including a breakdown by quarter and the most common sectors published.

Revenue redeveloped the existing **PAYE Real-time Risk (RTR)** system in 2022 allowing us to respond rapidly to emerging risks. We will continue to enhance the RTR rules to ensure we deliver a risk-focused, effective, and proportionate response to non-compliance in the PAYE case base.

Use of Data, Intelligence and Analytics

We continue to strengthen our data analytics capability and intelligence to better identify and target risks in tax and duty evasion, fraud, organised crime, illicit trade and smuggling. This approach enables us to identify the incidence, scale, and significance of risk and target our resources to prevent or confront non-compliance.

A wide range of third parties, for example, merchant acquirers, Government bodies, financial institutions, and certain types of intermediaries have to provide information returns to Revenue. The data gathered in these **third-party returns** is matched to our records and used to cross-check taxpayer declarations and highlight discrepancies as well as identify non-filers, who may be carrying on trading activity, and/or inform Revenue's determination of specific compliance projects that will be undertaken.

We also make extensive use of third-party information, iXBRL data and other sources in our **data analytics projects**. In 2022, we used data analytics to identify and tackle Employment Wage Subsidy Scheme (EWSS) risks, to enhance our understanding of sectoral risks, and to continue learning from the outcomes of previous compliance projects. Data analytics was also central to our work to evaluate and improve the **performance of our risk systems** such as our Risk, Evaluation and Profiling (REAP) tool for tax and our Customs Risk Intervention Selection Programme (CRISP). We continue to use analytical techniques to evaluate the impact of our actions on taxpayer behaviour.

Various legal instruments provide for the **Automatic Exchange of information (AEOI)** between tax administrations. We use this information to detect and prevent tax evasion and tax avoidance and to ensure the correct application of Ireland's domestic tax legislation.

We have statutory arrangements and international agreements in place to automatically exchange financial account information, including bank account details and details of investments. In 2022, a total of 64 jurisdictions participated in the exchange of this data. This provides us with information on accounts held abroad by Irish customers, which is cross-referenced with tax returns, to ensure offshore assets and income are properly declared.

Under the EU AEOI initiative - Directive on Administrative Co-operation 6 (DAC6) - intermediaries are required to disclose to Revenue certain arrangements which could potentially be used for aggressive cross-border tax planning. These disclosures are then automatically exchanged with relevant Member States. DAC6 reporting commenced in 2021 with Ireland making quarterly exchanges during the year. A total of 202 returns were exchanged by Ireland for the year 2022.

Large multinational enterprise (MNE) groups are required to file a Country-by-Country (CbC) Report that provides a breakdown of revenue, profits, taxes and other indicators of economic activities, for each tax jurisdiction in which the MNE group does business. We use this information to inform high-level transfer pricing risk assessments and to evaluate other BEPS-related risks. In 2022, Ireland exchanged CbC data with 63 jurisdictions.

Consistent with our commitment to international tax transparency, and in line with EU and OECD initiatives to strengthen exchange of information between tax authorities in the area of tax rulings, we supplied details of 21 cross border opinions issued in 2022.

Mutual Assistance includes exchange of specifically requested information between EU Member States and other countries. We provide, and benefit from, mutual assistance through sharing financial and other information and collaborative investigations within statutory frameworks. In 2022, we received 1,931 mutual assistance requests from EU Member States and other countries, while we made 401 such requests (see Table 23).

Additionally, we received 27 Assistance Mutuelle (AM) communications from the European

Anti-Fraud Office (OLAF). Many of the requests received relate to a specific Customs risk concerning classification, valuation or origin.

During 2022, we received over 42,200 **Suspicious Transaction Reports (STRs)** from financial institutions and other designated bodies that are required, by law, to make such reports. This represents an increase of 10% when compared with 2022. STRs are an integral part of the overall risk profile for individual taxpayers. When STRs are received they are examined and risk assessed and used to identify and subsequently confront non-compliance.

A new case working system was delivered in 2022 for managing **Nursing Home loan repayments**. It provides auto upload and export of Health Service Executive files which strengthens Revenue‘s ability to comply with its obligations to the Health Service Executive. It supports effective case working so that those not repaying loans can be easily identified and prioritised.

Target and Disrupt Shadow Economy Activities

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.

Our **Joint Investigation Unit (JIU)** makes a significant contribution to our overall intervention strategy by targeting shadow economy activity. Our JIU officers conduct ‘standalone’ Revenue operations and also work very effectively with the Department of Social Protection Special Investigation Unit (SIU) officials and also, as circumstances require, with the Workplace Relations Commission (WRC), to address areas of mutual concern across a range of economic sectors. One such sector is construction.

The continued easing of restricted working arrangements, related to Covid-19, during 2022 facilitated an increase in our activity in the shadow economy during the year. Our JIU officers along with other Revenue staff conducted 407 Revenue ‘standalone’ construction site visits during the year. During these visits officers interviewed 872 contractors, sub-contractors, and employees to make them aware of their compliance and other statutory obligations. Additionally, our JIU officers carried out a further 714 construction site visits in conjunction with Department of Social Protection and interviewed a further 1,423 individuals. As a result of these activities, 76 individuals were registered as new employees for PAYE and an additional 7 sub-contractors were reclassified as employees.

In addition to construction site visits, our JIU officers along with other Revenue staff carried out a further 1,936 visits, 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 168 individuals as new employees for PAYE.

Throughout the year, our JIU officers continued to communicate with their Department of Social Protection counterparts to exchange information on potential welfare payment breaches. This included Pandemic Unemployment Payment (PUP) and Wage Subsidy Scheme payments, which ended during 2022. These requests and data exchanges were made under the well-established framework of the Memorandum of Understanding and Data Sharing Agreement that exists between both agencies.

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

In 2022, as part of our work in disrupting fraudulent VAT activity, we raised tax assessments giving rise to additional liabilities of €4 million while 6 VAT registrations were compulsorily cancelled where there were indications of fraudulent activity. We also wrote to 13 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*". [4]

We deploy a risk-based approach to our detection and intervention strategy to identify key players within the various strands of the illicit drugs supply chain. We work collaboratively with our national and international law enforcement partners to disrupt and dismantle core supply chains, including the seizure of product, and to develop and share intelligence.

Those involved in the illegal drugs trade use increasingly inventive and complex smuggling methods and concealment techniques and have the capability and resources to adapt their methodologies quickly. We continually monitor trends and developments in this regard and adopt a very flexible and agile response in terms of resource deployment and risk prioritisation.

We work closely with An Garda Síochána, particularly the Garda National Drugs and Organised Crime Bureau (GNDOCB), in joint investigations and operations. During 2022, we participated in 69 controlled deliveries of drugs which lead to 51 arrests, as well as 26 joint operations with the GNDOCB. We also work closely with the Health Products Regulatory Authority, the Irish Naval Service, and international bodies such as the Maritime Analysis Operations Centre-Narcotics (MAOC-N) in Lisbon, Europol, Interpol, the World Customs Organisation (WCO) and law enforcement agencies in other countries.

During 2022, we made over 10,300 drugs seizures, totalling 3,600kgs with an estimated value of €46.6 million (Table 18).

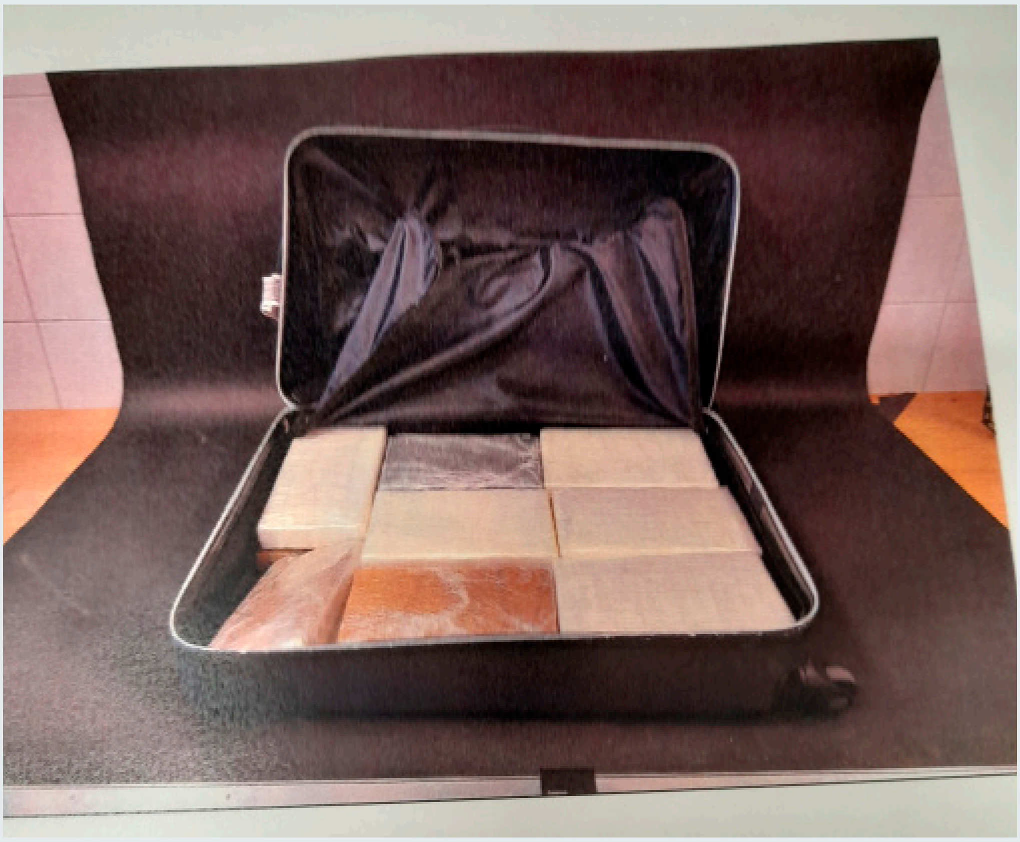
4 http://www.drugs.ie/downloadDocs/2017/ReducingHarmSupportingRecovery2017_2025.pdf

Drug Smuggling and the Importance of International Co-operation

In July 2022, 16kgs of cocaine with an estimated value of over €1 million was seized at Dublin Airport following a joint intelligence-led operation conducted by Revenue's Customs Service and the Garda National Drugs and Organised Crime Bureau (GNDOCB). The drugs were detected by German Customs in the luggage of a passenger en route from Sao Paulo, Brazil to Dublin via Frankfurt. An operation was put in place at Dublin Airport to identify those involved in the importation.

The passenger met with two Dublin Airport contract employees in the arrivals' hall. He transferred custody of the drugs to the airport employees in the toilets, who then exited via a staff exit seeking to avoid Customs controls. All three individuals were arrested.

This case highlights the importance of international co-operation in the role of combatting the transnational crime organisations involved in drug smuggling.



16kgs of cocaine detected at Dublin Airport in July 2022

Some other significant drugs seizures during 2022:

Seizure of 18 kgs of cocaine worth €1.3 million at Dublin Port: in October 2022, 18kgs of cocaine with an estimated value of €1.3 million was seized at Dublin Port following a joint intelligence-led operation conducted by our Customs Service and the GNDOCB.

The seizure was a result of an in-depth examination of a camper van that arrived in Dublin Port from the UK. The search was carried out with the assistance of our mobile x-ray scanner and detector dog, James. Specialist assistance was provided by the Garda Stolen Vehicle Investigation Unit. The search uncovered a sophisticated concealment which contained the drugs. Two individuals were arrested as part of this operation.

Detector dog James pictured with 18kgs of cocaine at Dublin Port

Seizure of 138kgs of cannabis worth €2.8 million at Rosslare Europort: in May 2022, 138kgs of cannabis with an estimated value of approximately €2.8 million was seized at Rosslare Europort following the examination of a Spanish registered vehicle that arrived carrying a consignment of fruit and vegetables. The examination was carried out with the assistance of our mobile x-ray scanner and the driver of the vehicle was arrested.

This seizure highlights the importance of Spain as a major source country for cannabis in this jurisdiction. Following on from this seizure, there were several similar detections made by Spanish colleagues in consignments of fruit and vegetables destined for Ireland.

These seizures are part of our ongoing operations targeting the shadow economy and smuggling, through international and national co-operation and our own Customs Drugs Watch programme.

In tackling the **illicit tobacco trade**, we target all stages of the supply chain, identifying and targeting the smuggling, production, distribution, and sale of illicit tobacco products. Our goal is to seize the illicit products and, where possible, prosecute those responsible. Our multi-faceted strategy includes:

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

Much of this type of criminal activity has a transnational and cross border dimension and, in addition to our ongoing co-operation with An Garda Síochána in this field, we work closely with our counterparts in other jurisdictions and bodies including the OLAF, Europol and the WCO.

In 2022, our targeted actions led to the seizure of over 51.6 million illicit cigarettes with a value of €39.5 million (Table 19). We also seized 11,803 kgs of tobacco with a value of €8.5 million. These seizures are a result of continued co-operation and intelligence-sharing with other national and international law enforcement agencies and our advanced profiling and detection methods.

Significant Tobacco Product Seizures

Seizure of 9 million cigarettes in Dublin Port in May 2022: As a result of routine profiling, and with the assistance of Revenue's mobile x-ray scanner and detector dog Waffle, Revenue officers seized 9 million cigarettes at Dublin Port.

The consignment of illegal cigarettes branded "Lambert & Butler" had an estimated retail value of €6.8 million, representing a potential loss to the Exchequer of approximately €5.3 million.

9 million cigarettes seized in Dublin Port with the assistance of detector dog, Waffle

Seizure of 4.3 million cigarettes in Rosslare Europort: In January 2022, as a result of routine profiling, Revenue officers seized 4.3 million cigarettes at Rosslare Europort. The cigarettes branded "Marine Blue" and "Marine Green" have an estimated retail value of €3.2 million, representing a potential loss to the Exchequer of more than €2.5 million.

The illegal cigarettes were discovered when Revenue officers stopped and searched a Dutch registered truck that had disembarked a ferry from Cherbourg, France. The search, which was carried out with the assistance of Revenue's mobile x-ray scanner, led to the discovery of the illegal cigarettes.

Golden Paw Hero Award

In November 2022, Revenue detector dog Flynn won the Law Enforcement category of the Golden Paw Dog Awards 2022. These awards aim to recognise Ireland's most courageous and brave canines.

Flynn with his award (left)
Detector Dog Flynn and Handler Lynda (above)

Revenue's dog handlers and detector dogs have an exciting role to play as an integral element of our enforcement approach to tackling the threat posed to legitimate business, consumers and the Exchequer by illicit trade and smuggling.

Our detection dog teams work in tandem with enforcement teams at all main ports, airports and mail centres, as well as freight forwarding premises, targeting the smuggling of illicit drugs, tobacco and cash. Their detections have led to successful convictions and disruption to the activities of criminal gangs.

Flynn, a 6-year-old English springer spaniel, has had a distinguished career with Revenue over the last 5 years and has made a significant contribution to Revenue's canine detector programme. He has been involved in many operations including the detection of prohibited drugs and cash into and out of the State, resulting in the seizure of over €15 million worth of drugs and almost €1 million of cash.

We are very proud of Flynn and all of our detector dogs and handlers.

In 2022, we saw an increase in the number of seizures of **illicit alcohol** at our main ports. This is as a result of co-operation and intelligence sharing between Ireland and other EU Member States, in relation to the movement of product between bonded warehouses within the EU. A total of over 590,722 litres of alcohol with an estimated value of €3.9 million was seized during the year. 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 2022, we detected 4 fuel laundries and continue to remain vigilant to emerging trends and risks in this area.

Under **cash seizure provisions** in the Proceeds of Crime (Amendment) Act 2005 (POCA), we detain cash amounts of €1,000 or more which are suspected to be the proceeds of, or intended for use in, criminal activity. When cash is detained, an application is made by us to the Courts requesting further time to investigate the source of the cash. The Courts, once satisfied with the application, may grant a detention order for any period up to three months and for a total duration of no longer than 24 months to allow us to carry out a comprehensive investigation with a view to having the money forfeited to the State, where appropriate. In 2022 we were granted detention orders in respect of 37 cases for investigation of cash amounts totalling €1,405,627 (Table 20).

In cases where links to criminality are established, we apply to the Courts for a forfeiture order. In 2022, the Courts granted forfeiture orders in respect of 24 criminal cash seizures amounting to €1,024,338 (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.

As a result of intelligence and risk profiling, during 2022, we detected almost 29,507 items of suspected counterfeit goods valued at almost €5.8 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 tax and duties. Ensuring a fair, transparent, and effective tax and customs system is therefore extremely important to us. To protect tax yields and preserve the fairness of the tax system, we pro-actively identify and challenge **tax avoidance schemes** and the use of tax legislation, reliefs and allowances in a way that was not intended. In 2022, we completed 104 tax avoidance cases with a yield of over €16.1 million in tax, interest, and penalties. Additionally, at the end of 2022, we were actively challenging 104 cases involving potential tax avoidance, relating to 17 transactions.

Challenging Tax Avoidance: Transfer of Assets Abroad

Using analytics and intelligence to assist Revenue in identifying transactions where aggressive tax avoidance strategies may have been used, the National Anti-Avoidance Branch of the Large Cases High Wealth Individuals Division have identified a number of transactions which they are examining under a "Transfer of Assets Abroad" project.

In outline, the transactions involve the sale of shares in an Irish company to a newly incorporated non-resident related company, which in turn sells the shares to an unrelated third-party purchaser. No CGT liability is claimed to arise on the initial sale of the shares in the Irish company on the basis of a share-for-share relief claim. The capital gain is crystalised in the new non-resident company on the basis that no related CGT liability arises. In addition, in some transactions, dividends are also paid to the new company. Revenue consider these transactions to represent unacceptable tax avoidance and are in the process of challenging them using targeted and specific anti-avoidance provisions within the relevant legislative section.

Identifying, targeting and confronting **offshore evasion** is an integral component of our overall compliance framework. A fundamental element of our work in respect of offshore assets is making the best use of the data at our disposal to identify and target non-compliance. This includes data received under international arrangements for the automatic exchange of information which is used to identify and pursue those who have attempted to use offshore accounts, structures or assets to evade or avoid their tax obligations.

In 2022, we concluded 13 interventions on cases which were selected using information received under the *Foreign Account Tax Compliance Act (FATCA)*. FATCA is an information sharing agreement between Ireland and the United States of America. These cases yielded approximately €790,000 in tax, interest and penalties. In 2022, we also completed a project to review information received under the *Directive on Administrative Co-operation 2 (DAC 2)* international exchange of information programme. The project involved 61 interventions and total settlements for the project exceeded €905,000. The review of information received under DAC 2 is now 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 that reflect the seriousness of the evasion involved.

In 2022 we referred 5 cases of suspected serious evasion to the Director of Public Prosecutions (DPP) for consideration of **criminal proceedings**, and collaborated with the Department of Social Protection in referring 5 further cases to An Garda Síochána. In the same period, the DPP directed that criminal proceedings be initiated in 3 cases.

Additionally, 9 convictions for serious **tax and duty evasion** were secured before the Courts:

- 6 convictions for serious tax offences. Custodial sentences ranging from 12 months to 4 years were imposed in 4 cases, 3 of these were fully suspended while 1 case resulted in a full custodial sentence of 2 years and 6 months. Total fines of €22,000 were imposed in 2 cases.
- 3 convictions for serious duty offences. Custodial sentences ranging from 18 months to 36 months were imposed in 3 cases, all of which were fully suspended.

At the end of 2022, there were 31 cases of serious evasion or fraud under investigation and a further 48 cases are currently before the courts (Table 22).

Debt Collection

Our debt collection approach reflects a segmented case management structure. This improves our ability to tailor our response based on taxpayer behaviour and provides greater flexibility in matching our debt management resources to counter tax collection risk.

The Debt Warehousing Scheme (DWS), which was initially set up to support those affected by the pandemic, has been extended to May 2024 to assist with the emerging energy costs crisis.

The key conditions of the DWS are that all tax returns must be filed so that the debt is quantified, and current taxes must be paid as they fall due. Revenue has consistently communicated these key requirements in all its warehousing communications and guidance documents to date.

As the economy began to recover from the impacts of the pandemic, we commenced a risk-based and targeted compliance campaign on customers with debt in the warehouse who had returns and/or current taxes outstanding. As part of this campaign we engaged extensively with relevant businesses and worked with them to identify workable solutions. This campaign commenced in May 2022 and concluded in September 2022, with almost 250,000 VAT returns filed. The warehouse was revoked for 30,000 customers who did not engage with Revenue during this campaign.

Benefits of Debt Warehouse Scheme

We continue to communicate the key benefits of the warehouse to our customers, which include:

- availing of interest savings with the 3% reduced rate (compared to the standard 10%),
- availing of the flexible payment arrangements in place to address current outstanding taxes, and
- deferral of payment of the warehoused debt until 1 May 2024.

Where a business fails to comply with the conditions of the warehouse and their warehouse is revoked there are a number of implications, with debt which had been warehoused becoming payable immediately. Where the debt remains unpaid, it will be subject to the Revenue's standard collection procedures. In addition, the businesses tax clearance will be rescinded, which may impact on the businesses ability to avail of Government financial supports such as the Temporary Business Energy Support Scheme (TBESS).

Illustrative example of interest cost savings in Debt Warehouse

Scenario ->

Warehoused Debt of €10,000 due since March 2020

Reduced Interest rate of 3% accruing since 1 January 2023

Commencement date for repayment of warehoused debt 1 May 2024

Customer A fully compliant with conditions of the warehouse

Customer B is not maintaining current taxes and is revoked from the warehouse in April 2023.

On 1 May 2024, both customers agree a Phased Payment Arrangement (PPA) of an 8 month duration to end 31 December 2024 for the repayment of warehouse debt

Interest cost saving for Customer A will be €1,400 as they continue to avail of warehousing benefits and the reduced interest rate of 3% for duration of PPA

Scenario	Tax Balance	Interest Rate	Interest Periods	Interest Charge	Total Interest Charge
Customer A - PPA with warehouse benefit	€10,000	0%	20/03/2020-31/12/2022	€0.00	€598
		3%	01/01/2023-31/12/2024	€598	
Customer B - PPA without warehouse benefit	€10,000	0%	20/03/2020-31/12/2022	€0.00	€1,999
		10%	01/01/2023-31/12/2024	€1,999	
				Difference	€1,400

Revenue recognises that taxpayers or businesses can sometimes experience temporary cashflow difficulties that impact on their ability to meet tax obligations on a timely basis. In such circumstances, Revenue seeks to work with the taxpayer to agree a mutually acceptable payment solution rather than deploying enforcement options. It is critical that businesses experiencing payment difficulties engage with Revenue at the earliest opportunity. Revenue will not initiate enforcement proceedings in situations where there is meaningful engagement and where the terms of any agreement are being adhered to.

Revenue constructively participates in the 'Small Companies Administrative Rescue Process' (SCARP) scheme. The aim of this scheme is to assist viable small and micro companies to restructure their debts and ensures that creditors get a better outcome than they would under liquidation. During 2022 we opted into 18 of the 20 SCARP cases that included Revenue debt.

Collaboration

We collaborate effectively with 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 work very closely with An Garda Síochána, the Criminal Assets Bureau, the Naval Service and the Defence Forces, providing mutual operational, intelligence and material support.
- We actively contribute to the national response in tackling organised crime, including the secondment of 17 staff members to the Criminal Assets Bureau (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 work closely with colleagues in the Department of Agriculture, Food and the Marine and the Health Service Executive to facilitate an efficient flow of goods through our ports and airports from third countries.
- We coordinate the enforcement and interception of prohibited and restricted goods and products on behalf of our colleagues in the Department of Agriculture, Food and the Marine, the Food Safety Authority of Ireland, the Department of Enterprise, Trade and Employment, the Health Products Regulatory Authority and the Competition and Consumer Protection Commission.
- We collaborate with the Dublin Society for the Prevention of Cruelty to Animals and other agencies in relation to the illegal trade of animals.
- We work with Dublin City Council in relation to tackling non-compliance in connection with environmental waste.
- We 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.
- We work in partnership with the Department of Agriculture Food and the Marine, the Food Safety Authority of Ireland and the Health Service Executive on the Geographical Indication Scheme for Irish Whiskey and Irish Poteen.
- We collaborate with the Private Security Authority (PSA) in exchanging information, in accordance with the Private Security Services Act, 2004, as amended, and the TCA 1997, to support the regulation of the private security industry.
- We work closely with the Office of the Director of Corporate Enforcement on corporate enforcement matters and there is a Revenue Liaison Officer established under a signed Memorandum of Undertaking.

Examples of our International Collaborations

- We work very closely with many international bodies and agencies and participate in the EU's Law Enforcement Working Party-Customs. We have seconded officers to EUROPOL in The Hague, the Irish Embassy in the UK, the MAOC-N which is based in Lisbon and the Irish Permanent Representation based in Brussels.
- We actively engage with the activities of the WCO directed towards addressing the threats posed by fraud and smuggling.

- We also work closely with His Majesty's Revenue and Customs (HMRC) and other law enforcement agencies in Northern Ireland. The cross jurisdictional Joint Agency Task Force, established under the Fresh Start Agreement, prioritises the area of fiscal fraud. Under this framework, we work with the Police Service of Northern Ireland, An Garda Síochána, HMRC, the CAB, and the National Crime Agency.
- 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 participate in the EU Commission's expert group on tax debt recovery through mutual assistance established by Council Directive 24/2010.
- We are active members of the OECD's Joint International Taskforce on Shared Intelligence and Collaboration (JITSIC) 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. JITSIC 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.

In 2022 Revenue advanced its objective of working collaboratively with less developed countries to increase the effectiveness of their tax and customs administration. This work was carried out in collaboration with the Department of Foreign Affairs and Trade (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. 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 administration capacity in the areas they prioritise. In support of this work, Revenue also actively participates in international networks such as the OECD's Capacity Building Network.

We participate in the OECD's International Compliance Assurance Programme (ICAP) and the EU's European Trust and Co-operation Approach (ETACA) 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.

Medal for Excellence Award – Maritime Analysis Operations Centre (Narcotics)

The Maritime Analysis Operations Centre (Narcotics), (MAOC (N)), is an international Law Enforcement Organisation based in Lisbon. It comprises Law Enforcement and Military personnel from seven European countries including Ireland. A Revenue officer and a member of An Garda Síochána are assigned full time as country liaison officers to MAOC (N) in Lisbon. The role of MAOC (N) is to prevent illegal maritime drug trafficking into Europe.

Each year, MAOC (N) presents an award, in the form of a medal, to individuals who have displayed extraordinary commitment to the fight against international drug trafficking.

At a MAOC (N) award ceremony in Lisbon on the 19 October 2022, John Collins, Cutter Commander, Revenue Maritime Unit, Investigation, Prosecution and Frontier Management Division was awarded a MAOC (N) Medal for Excellence. John played a key role in the identification of the MV Natalia which was interdicted by Spanish Authorities in 2021 resulting in the seizure of almost 20,000kgs of hashish.

The MAOC (N) Medal for Excellence is a very positive reflection of the international contribution that Revenue makes in the fight against international drug trafficking.

Image courtesy Spain National Police

Drugs seized onboard the MV Natalia

Delivering Government Supports

The economic and social disruptions caused by the Covid-19 pandemic continued into 2022. The impact of these disruptions was compounded by Russia's invasion of Ukraine, with businesses across many sectors impacted. We continued to play a significant role in supporting affected businesses through the delivery of critical Government supports.

We refined our service delivery model, to take account of the needs of taxpayers and the role of intermediaries, by developing a process to assist Ukrainian nationals starting employment in Ireland. These arrangements involved the use of information from the Department of Social Protection and the automatic registration of those refugees taking up work as PAYE employees. This mean that these individuals could start their employment immediately and reduced the need for them to contact our support services.

In addition, advice specifically for Ukrainian nationals starting a job in Ireland was developed for our website under "Life events and personal circumstances" and "Moving to or from Ireland". This guidance is available to view in English, Ukrainian and Russian.

We continued to administer a number of key Covid-19 support schemes on behalf of the Government, including the Employment Wage Subsidy Scheme (EWSS) and the Debt Warehousing Scheme (DWS). Our well established and strong working relationship with the Department of Finance enabled us to deliver both new business supports and changes to existing business supports, often at pace and in response to changing economic circumstances. We could not have done this without co-operation of key external stakeholders including payroll software developers, employers, payroll professionals, tax practitioners, accountancy bodies and business representative organisations.

In 2022, we completed our programme of compliance checks on all of the employers who received wage subsidies under the 2021 Temporary Wage Subsidy Scheme (TWSS) to confirm that they met the eligibility criteria and, crucially, that the monies involved were properly paid out to employees. These checks confirmed a high level of compliance with the scheme, with approximately 1,936 employers being required to repay subsidies either wholly or partly, representing approximately 2.8% of the total employers supported by the scheme.

The TWSS reconciliation exercise identified an aggregate liability of €308 million, the majority of which related to the transitional period of the scheme whereby employers were paid the equivalent of €410 per week for each eligible employee for the first 6-weeks of the scheme. This meant that many employers received a subsidy payment that exceeded the subsidy correctly due. As of 31 December 2022 €263 million of TWSS overpayments has been repaid, €40 million is included in the tax debt warehouse, €6.7 million is at appeal and a further €5 million is available for collection.

As part of Budget 2022, the Government agreed the future of the **EWSS**, including its graduated exit strategy which was legislated for in Finance Act 2021. Additionally, as a result of the introduction of new public health restrictions with effect from 20 December 2021, the scheme was re-opened. The purpose of this measure was to allow certain employers impacted by those restrictions, who did not qualify for the EWSS under the existing eligibility criteria, to apply for re-entry to the scheme from 1 January 2022. Over 460 employers re-entered the scheme as a result of this measure.

Gross EWSS payments of €804.7 million were claimed for 2022 by 23,287 employers in respect of 326,449 employees. In line with relevant legislation, we published a list of the names and addresses of all employers who registered for and received payments under EWSS in 2021 and 2022 on our website.

To safeguard the integrity of the EWSS, we undertook a multi-faceted approach to compliance checks. This included systematic and real-time checking of payroll submissions from employers availing of the scheme, and cross-referencing claim data against other data sources to identify anomalies or trends requiring attention. The real-time checking procedures included engagement with employers to ensure timely resolution of issues. Where appropriate, a risk intervention was conducted by way of follow up in accordance with The Code of Practice for Revenue Audit and Other Compliance Interventions or Code of Practice for Revenue Compliance Interventions.

In July 2022, we invited some 42,500 employers who had not previously provided complete eligibility documentation and who received subsidy payments to perform a final self-review of their EWSS eligibility for all periods of the scheme. Any overclaims identified by employers by 30 September 2022 were dealt with without the imposition of interest or penalties, and declared liabilities were included in the Debt Warehouse for those employers who qualified for the DWS.

By the end of 2022, €2.37 billion of tax debt had been warehoused for 68,609 businesses.

We also supported the Department of Finance in providing the legislative framework for and administering the **Temporary Business Energy Support Scheme (TBESS)**. The scheme is a targeted support designed to assist businesses with the exceptional increase in energy costs arising from Russia's invasion of Ukraine. The TBESS went live for registrations on our ROS e-Registrations portal on 26 November 2022, with the claims process following on the ROS e-Repayments portal on 5 December 2022. We commenced processing payments due to businesses following the enactment of the Finance Act 2022, with businesses receiving payments from 22 December 2022 onwards.

The scheme supports tax compliant businesses, who carry on a trade or profession, in respect of energy costs relating to the period from 1 September 2022 to 31 May 2023. The payment available for claim periods from 1 September 2022 to 28 February 2023 equals 40% of the increase in businesses' energy bills between the "claim period" (a calendar month from September 2022 to February 2023) and the "reference period" (the corresponding calendar month in the previous year). Payments for this period are generally subject to a monthly cap of €10,000 per trade or profession. The payment available for claim periods from 1 March 2023 to 31 May 2023 equals 50% of the increase in businesses' energy bills between the "claim period" and the "reference period" and are generally subject to a monthly cap of €15,000 per trade or profession.

By the end of 2022, 8,849 businesses were registered for the scheme and €6.6 million of TBESS payments were approved in respect of 2,984 claims.

To assist businesses in understanding the TBESS we held a live, interactive webinar on 14 December 2022 which provided a comprehensive and easy to understand explanation of the scheme, and a demonstration of how to register and claim on ROS. This webinar was recorded and is available to view on our website. In addition, there are comprehensive guidelines, an "Understanding Your Bill" guide and online calculator on the website to further assist businesses to avail of the scheme.

Making It Work

2022 Staff Numbers

841	Staff appointed
6,851	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 mental health.

Training & Development

63,778	Training Days
89	UL 3rd level qualifications awarded
142	ITI professional tax qualifications awarded

Gender Balance - Females at Management Levels

50%	Assistant Secretary
61%	Principal Officer
57%	Assistant Principal
55%	Administrative Officer / Higher Executive Officer

Overall **61%** of 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

Making it Work: Our People and Structures

We continue to invest in our people to develop their skillsets and our overall capability as an organisation. We place the safety and wellbeing of our people at the heart of our approach, achieving our vision to be an employer of choice for both our existing staff and prospective new recruits.

Our effectiveness in supporting compliance and tackling non-compliance is reliant not only on our on-going investment in technology, but also on our targeted recruitment, continued investment in our people and strong culture of effective governance and accountability, along with agility in our structures.

We are a large organisation with **just under 7,000 staff in over 30 locations nationwide**. We see it as essential to our effectiveness that both our structure and our people continue to be agile, resilient and responsive. The skills, capability and professionalism of our people, the flexibility of our structures, and our continued ability to harness innovation in technology and business practices, are critical factors underpinning our success in carrying out our role and achieving our goals.

Revenue fosters a positive and fulfilling work environment through meaningful engagement and maintaining a strong focus on wellbeing, diversity and inclusion. We also recognise the need to continuously build our capability, including the leadership, management, and technical skills needed today and for the evolving organisational challenges of the future.

It has never been more apparent than over the last two years that our agility enables us to adapt quickly to changing environments. 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.

Our People

The flexibility, resilience and professionalism of our people is paramount to everything we achieve. At the end of 2022, there were 6,851 permanent staff working in Revenue, equating to 6,635 full-time equivalents. We continually invest in our people so that we can respond effectively to existing and emerging challenges, changes in taxpayer behaviour and changes in the business and economic environment.

We use **targeted recruitment** to ensure that we build and retain internal capacity, talent, leadership and have the right people and skills. During 2022, we appointed 841 staff across all grades from open recruitment, interdepartmental and Top-Level Appointments Committee (TLAC) competitions.

These comprised: 1 Commissioner, 7 Principal Officers, 47 Assistant Principals, 10 Solicitors, 76 Administrative Officers, 19 Higher Executive Officers, 233 Executive Officers, 447 Clerical Officers and 1 Service Officer.

Against the backdrop of a continuously changing environment, emerging operational risks and the retirement of experienced staff, we continue to support and enable our people to perform to the highest levels through a range of **skills and capability development programmes**. This ensures our people, and our structures, remain adaptable and flexible.

We provide a comprehensive range of needs-based tax technical and customs training for staff and have a range of externally accredited programmes as well as in-house stand-alone training modules. The training includes technical training programmes to support service for compliance and address non-compliance. We also provide a comprehensive range of leadership, management, and soft skills training to develop and support the skills, capability, and professionalism of our staff.

In 2022, over **63,778 training days** were delivered to Revenue staff (Table 24). We are continuing to develop and expand a model of blended learning that includes self-managed eLearning, recorded training content, and virtual and in-person classes.

Revenue Training Branch (RTB) continues to develop and provide a range of training supports that span our broad organisational portfolio. For example, training on the new Compliance Intervention Framework was rolled out to almost 1,800 Revenue staff following its introduction in May 2022. Bespoke Corporation Tax, Capital Taxes, VAT and legislative guidance training material and workshops have also been developed in collaboration with internal subject matter experts and made available to the wider organisation. Throughout the year 154 students enrolled to complete our dedicated Customer Service Programme covering modules in Personal Taxes and Income Tax and Payroll, 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.

In 2022, 163 new recruits completed our Trade Facilitation Programme, while 118 new recruits received our enforcement training. In addition, 1,891 staff completed other customs, excise and enforcement training throughout 2022. In September 2022, specialist bespoke training in relation to International Container Examination was designed and delivered in partnership with the Dutch Customs Administration and RTB.

While Covid-19 necessitated the suspension of classroom-based training from the beginning of March 2020, and throughout 2021, we began to see the return to classroom-based training in 2022. We are continuing to leverage much of what we learned from a fully virtual approach over the past two years, to create an agile and flexible blended-learning model of training delivery. We are continuing to invest in eLearning, self-managed on-demand learning, hybrid supports including virtual classrooms, along with upskilling our staff in key development skills such as mentoring and coaching. The reintroduction of classroom-based training has been incremental throughout 2022 and has focused on programmes with a practical element, systems training and leadership development.

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 2022, UL awarded **89 third level qualifications** to Revenue students. The qualifications included Diploma in Applied Taxation, BA (Hons) in Applied Taxation, Customs Certificates and Masters in Business Administration (MBA). In addition, the ITI awarded 142 professional tax qualifications to Revenue staff. The qualifications included Diploma in Tax, as well as Revenue Certificates in Income Tax and Payroll Fundamentals, VAT and Other Indirect Taxes, Capital Taxes, and Corporation Tax (Tables 25 and 26).

Student Award Ceremonies and Graduations

In October 2022, Revenue staff attended the World Customs Organisation (WCO) Awards at a ceremony in the National Botanic Gardens, having successfully completed the University of Limerick (UL) accredited Certificate of Study in Customs, as part of the 2020/2021 group.

In November 2022, Revenue staff attended the Irish Tax Institute (ITI) awards ceremony in University College Dublini (UCD) having successfully completed the Income Tax and Payroll Certificate Qualification.

In January 2023, Revenue staff gathered at the UL to mark graduations from 2020 through to 2022 in programmes of study including the Diploma in Applied Tax Administrations, the BA (Hons) in Applied Taxation and the Executive Masters in Business Administration

We further adapted our **continuous personal and professional development (CPPD)** programme in 2022, 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. These courses are available to staff though both structured training programmes and via eLearning tutorials, ensuring staff can now avail of a just-in-time delivery model. 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.

The "***OneLearning*" Management System (LMS)** is a key component of Civil Service Renewal and underpins the Civil Service People Strategy and our own HR Strategy. Through Revenue's OneLearning LMS digital platform our staff have access to a comprehensive suite of training courses and the number of Revenue courses available on OneLearning more than doubled over the course of the year. An increasing range of Revenue's eLearning modules can also be accessed directly through this platform. From a desktop portal, staff can enrol in a range of learning and development options, including soft skills and ICT training. The system also facilitates the administration, tracking, and reporting of organisational training activity.

In line with the vision of *Civil Service Renewal 2024* to increase HR professionalisation in the Civil Service, our staff are encouraged to enhance their capability and skills in HR practice. In 2022, 11 staff members were presented with Certificates and 3 with Diplomas in Human Resources Practice awarded by the Institute of Public Administration (IPA) and by the Chartered Institute of Personnel and Development (CIPD).

A key Corporate Priority for Revenue in 2022 was the implementation of new flexible working arrangements to ensure organisational cohesiveness and capacity and to deliver strong organisational performance, while enhancing the wellbeing and working lives of our people. The implementation of **Blended Working** arrangements in Revenue formed an integral part of that process.

By continuing to build on the lessons learned and efficiencies gained over the last three years, we have leveraged our technology solutions to enhance delivery of our core business. This has provided us with an opportunity to create a working environment that facilitates a mix of on-site and virtual working.

Revenue's **Blended Working Policy** was launched on 5 September 2022. The policy allows Revenue to fully embrace the opportunities for our staff and customers that are offered by blended working arrangements and to build on the positive working experiences that the arrangements provided during the previous three years. The blended working arrangements are aligned with Revenue's business needs and the delivery of our Mission and Corporate Priorities.

Over 5,400 staff (79%) have been approved for blended working arrangements. Approximately 1,400 staff 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. A variety of blended working options are available to staff, which strike the required balance between organisational and business need and personal need. This approach to blended working has helped our staff to achieve better work-life balance and supports Revenue's objective to be 'an employer of choice'.

Brian Corban – Clerical Officer

Customs Division

Prior to joining Revenue in January 2022, I worked in the construction industry for 17 years, during which time I went back to college to complete a Degree in Construction Management as a mature student and became a Site Civil Engineer/Manager.

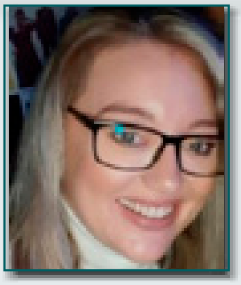
During the pandemic I started to rethink my career choice as I was newly married and had a young family. Working long hours and being away from home was not really going to work for me or my family. The Civil Service had been recommended to me by a colleague as a great family friendly place to work so I applied for the role of Clerical Officer.

I was assigned to the Authorisations and Reliefs unit of Customs Division in Nenagh, Co. Tipperary. The role itself is challenging and involves complex issues in respect of managing customs reliefs for trade between the UK and the EU and the increase in customs authorisations resulting from Brexit.

From my first day I was given great support from my colleagues, not only in my own unit but across the Division and organisation more widely. I have found that Customs Division is very conscious of the need for training courses, and I have benefitted from great on-the-job training as well as specific competency training through the OneLearning training portal. The old adage of 'every day being a school day' is particularly true in this Division.

I am enjoying my current role and have found the change from the private to the public sector to be a very positive experience. My new role enables me to challenge myself while having a greater work life balance and enables me to participate in my sporting interests in the evenings and weekend and have quality time with my family, something I could have never envisaged in my previous working life.

Kate McDermott – Executive Officer



Personal Division

I joined Revenue in February 2018 as a Clerical Officer in PAYE. Prior to this I worked in the hospitality sector and grew up in a family-owned business.

Before starting my employment with Revenue, I had a very limited knowledge of tax and was apprehensive of what would be expected of me. However, the training provided by Revenue Training Branch and the Institute of Taxation (ITI), together with mentoring provided by colleagues in Revenue House, quickly put my mind at ease and reassured me that I was on the right path.

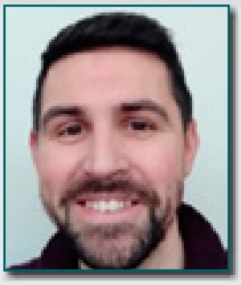
Like many of my colleagues, my role changed dramatically overnight as a result of the Covid-19 pandemic as we moved from office based to remote working. While the uncertainty and lockdowns were challenging, it was my responsibility to answer calls and calmly provide reassurance to a customer base who were worried about the taxation of their Covid-19 payments and how underpayments, if any, would be collected.

During this unprecedented time, I took the opportunity to enrol in the ITI Tax Technician course and have since received my full ITI Tax Technician qualification, balancing work, study and home life.

I have recently been promoted to Executive Officer in Personal Division in the Appeals Unit. I enjoy the challenge of my current role, as there is quite a lot of investigative work and I get to see a case through to finality. Every day sees a different case and I enjoy the challenge this variety brings.

I am focussed on a career within Revenue, and I can see many opportunities for myself in the future. The support for self-learning using the Training Branch online portal, training from our in-house team and help and guidance from colleagues and managers is amazing, and without this support my time in Revenue would have been a very different experience.

Robert Mackey – Higher Executive Officer



Corporate Services Division

I joined Revenue in October 2015 as a Clerical Officer, having applied for a competition via the Public Appointments Service, and was assigned to the Recruitment Unit in Corporate Services Division (CSD). Prior to commencing with Revenue, I was studying to become a Geography teacher whilst working part time in a local newsagent. Needless to say, I had no experience in recruitment or HR but thanks to the brilliant on-the-job training and support from my line manager and colleagues, I was able to upskill and broaden my knowledge on Civil Service HR.

Since joining, I have also benefited from and appreciated Revenue's strong commitment to investing in its staff and have been provided with numerous opportunities for self-development. Within my first two years I completed two HR certificates with the Chartered Institute of Personnel and Development and recently completed a Diploma in Human Resource Management with the Institute of Public Administration, supported by Revenue.

I have been fortunate enough to have been promoted twice since commencing and been able to remain in CSD with varying responsibilities which has allowed me to broaden my knowledge. In my current role, I lead a team with responsibility for managing Revenue's internal competitions amongst other duties. So far throughout my career, I have worked on numerous challenging and varied projects, and at each stage have benefited from the guidance and mentoring of fantastic colleagues. I know I will continue to be provided with opportunities to develop both personally and professionally with Revenue and look forward to a long and rewarding career in the organisation.

Ann Leonard – Assistant Principal Officer

Large Corporates Division

Prior to joining Revenue, I had worked in investment banks in the Corporate Actions area for over 10 years. The work was interesting but had become somewhat repetitive and routine, so I knew I needed a change of career. I wanted a role that would be challenging and varied and would complement my analytical approach to problem-solving. Tax seemed like the best option, so I enrolled in the Chartered Tax Advisor (CTA) course with the Irish Tax Institute.

In January 2020 I joined Revenue as an Executive Officer and undertook a comprehensive 4-month training programme. Although the Covid-19 pandemic curtailed our in-person training I had already spent almost 2 months in the training programme and had built up a great network that I could reach out to for help, or even just a bit of social interaction.

I was assigned to the Life Sciences Branch in the Large Corporates Division, which looks at the tax affairs for the largest taxpayers in Ireland that deal in pharma, biologics and medical devices. I was able to put my tax technical knowledge into practice immediately and was involved in several projects within my first year, notably, Brexit Outreach, Temporary Wage Subsidy Scheme and Country by Country Reporting.

An open competition for Assistant Principal Officer in Revenue was advertised 18 months after I joined the organisation and my managers and Principal Officer encouraged me to apply, given my private sector management experience, CTA qualification and growing Revenue knowledge. I was promoted in November 2021 and was able to stay within the Life Sciences Branch in an audit and compliance role.

My knowledge of the case base in our Branch has grown along with my understanding of tax, and the operation of Revenue. No two days are the same and while the work is challenging there is plenty of support from colleagues both within my Branch and across Revenue as a whole.

Ita Foster – Principal Officer

Indirect Taxes, Policy and Legislation Division

I joined Revenue as an Administrative Officer in 2005, having previously worked as a Clerical and Executive Officer in the Department of Justice, Equality and Law Reform for 6 years. While working in this Department, I was introduced to the opportunities for self-development and the possibilities for career progression within the Civil Service and was sponsored to complete Bachelors and Masters degrees in public management.

My first assignment in Revenue was VAT Policy and Legislation Branch, Indirect Taxes Policy and Legislation Division. Having never worked in tax before the work was daunting at first and sometimes challenging, but varied, exciting and always interesting. Some highlights from this assignment include being a member of the Property Review Project Team, drafting legislation for Finance Bills and transposing EU Regulations and Directives, representing Ireland's interests at EU meetings and being part of the Irish EU Presidency VAT team. I also got the opportunity to lead two projects, the Travel Agent's Margin Scheme and Electronic VAT Refunds System.

I continued to further my education and completed a Revenue sponsored Masters Degree of Economic Science in Policy Analysis and Advanced Diploma in Legislative Drafting. I also benefited hugely from working with Revenue colleagues who generously shared their experience and time.

In 2013, I was promoted to Assistant Principal Officer and assigned to Large Cases Division. During my time there I gained a lot of experience in the legal process and managed an extensive and challenging caseload while working effectively alongside legal professionals.

In 2016, I was promoted to Principal Officer and assigned to VAT Interpretation & Litigation Branch, Indirect Taxes Policy and Legislation Division. The scope of the work in this Branch is a dynamic mix of litigation, interpretation of VAT legislation, jurisprudence, and engagement with stakeholders. Collaboration and teamwork are key strengths of this Branch, and I am privileged to be able to work with exceptional colleagues who strive to make a difference and perform their roles with professionalism, integrity, and dedication.

Revenue's contribution to the national response to the Russian invasion of Ukraine

Following Russia's invasion of Ukraine the European Union (EU) passed the EU Temporary Protection Directive for people leaving Ukraine and seeking refuge in other jurisdictions. The Directive set out that EU Member States should provide certain humanitarian assistance to Ukrainian nationals, for example, access to accommodation, healthcare, social welfare, education and the labour market.

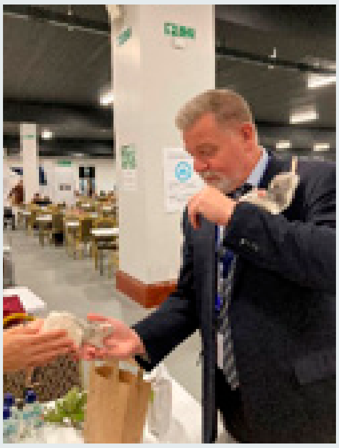
As part of Ireland's national response, the Department of Children, Equality, Disability, Integration and Youth (DCEDIY) established a Ukrainian Crisis Temporary Accommodation Team (UCTAT) to source and allocating temporary accommodation where needed. More than 20 Revenue staff were temporarily seconded to form part of this team during 2022. Four of those temporary secondments remain ongoing while 7 of those staff are in, or in the process of entering, formal secondment agreements.

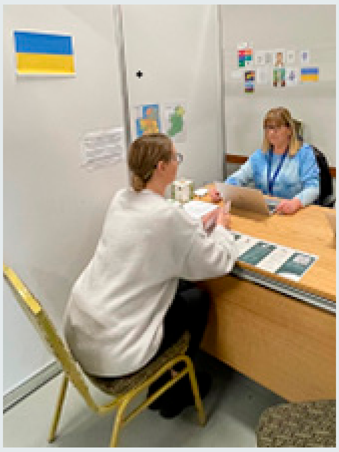
Some of those Revenue staff seconded to DCEDIY were assigned to the frontline operational areas such as the Citywest Transit hub. Individuals arriving in Ireland from Ukraine are generally transported to such hubs upon arrival into Ireland, where their needs are assessed. This process takes place over a matter of hours and almost everyone spends their first night on arrival in Ireland in their new temporary accommodation. This work is testament to the collaboration between Government Departments, agencies and Non-Government Organisations on site.

Revenue are proud of the work carried out by our staff who volunteered to take up their secondment to DCEDIY, and all others involved in providing humanitarian aid to those leaving Ukraine. Looking ahead, Revenue will continue to contribute to the national response to this crisis.

Drawings by Ukrainian children

The children's play area in Citywest hub





Revenue staff who volunteered to take up secondment positions in DCEDIY

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 & safety, data protection, taxpayer confidentiality, financial management and freedom of information, at the heart of how we work.

We support our people through meaningful staff engagement, 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. We work together in a partnership approach, maximising engagement and supporting involvement, innovation, and high performance to enable our continuous improvement.

Our *Central Partnership Committee* is chaired by the Chairman and attended by the full Board along with representatives from management, unions, and staff. During 2022, the Committee met on three occasions. This regular and positive engagement not only supports and enhances employee engagement, but also serves to underpin our Mission, Vision, Core Values, and the achievement of the objectives set out in our Statement of Strategy.

We embrace individuality and have built a strong culture of acceptance and **equality** among our staff, ensuring that **human rights** are respected in both internal and external environments, and 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 assignment within the organisation.

As an employer of almost 7,000 staff, we recognise, welcome and respect **diversity** in sexuality and gender identity and are committed to 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*. In 2022, we again supported our LGBT+ Staff Network with a number of events throughout the year and Pride month including:

- An “LGBT+ 101” online lunchtime presentation for all staff hosted by our LGBT+ Staff Network. Following the opening address by the Chairman, a guest speaker presented a workshop giving a universal introduction to the lesbian, gay, bisexual, transgender, and intersex community.
- An online lunchtime presentation for all staff of our Investigation, Prosecution and Frontier Management Division, giving a universal introduction to the lesbian, gay, bisexual, transgender, and intersex community.
- Participating in Dublin Pride Festival’s 2022 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, other Dublin offices including New Custom House in Dublin Port, and Revenue offices in counties Clare, Cork, Sligo, Tipperary, Waterford and Wexford.
- Supporting Pride 2022 on our main website page and twitter handle alongside our LGBT+ Staff Network logo.
- A number of in-person events throughout the year hosted by our LGBT+ Staff Network for all staff.

We have continued to use 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.

However, we recognise that diversity is not just about generation, physical characteristics, or gender. Through our recruitment programmes, we are continuing to build a diverse workforce that reflects a contemporary and evolving Irish society, cementing our commitment to equality. Listening to, and learning from, diverse experiences and perspectives from a collective workforce with a range of social, ethnic, cultural, and educational backgrounds helps develop us to be better at what we do. Additionally, a workforce that more closely reflects the society we serve increases trust in what we do and how we do it.

We actively support initiatives to improve **gender balance** at all levels across the organisation and have made significant advances in this regard over the last six years (Table 27).

As a result of the ongoing collaboration between Corporate Services Division, Branch Divisional offices, the LGBT+ Staff Network, and National Wellbeing Network, we have a well-established framework to promote and support equality, diversity, and inclusion in the workplace.

In October 2022, we held our second annual **Equality, Diversity and Inclusion week**. The purpose of this week was to provide an opportunity for staff across the organisation to reflect on the importance of equality, diversity, and inclusion in Revenue. 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. Events included guest speakers, input from the LGBT+ Network, as well as the publication of a newsletter highlighting the supports available to staff, including information on Revenue's Access Officers, Disability Liaison Officers, and our LGBT+ Network. It also featured articles by colleagues from various diverse backgrounds, outlining their experience of working in Revenue.

Gender and Pay in Revenue

The Gender Pay Gap Information Act 2021 currently requires employers with over 250 employees to report on an annual basis information related to the remuneration of their workforce in order to identify and address any differences attributable to gender.

Revenue has proactively publicly reported on our gender pay gap since 2020, in advance of the legislation. We published our most recent Gender Pay Gap Report in December 2022. The Report estimated the gender pay gap and assessed the factors which have contributed to it, and how Revenue's policies aim to support the elimination of the gap. It is important to point out that the analysis in the Report complements research we published in 2020 that shows there were no unidentified explanations, such as wage discrimination, that contribute to Revenue's gender pay gap.

Revenue's average hourly pay gap is 4.9% in 2022. This reflects the case that men were paid an hourly rate of €26.21 on average compared to €24.91 for women.

Our analysis indicates that a higher share of men (and the hours worked) in more senior positions relative to women is a key driver of the gender pay gap. A trend highlighted in our analysis, however, is the increasing share of women in senior management positions. 55% of these positions are now held by women compared to 50% in 2019, a factor which contributes to a narrowing of the gender pay gap.

	2016	2022
Senior Management Positions	**32%**	**56%**
Assistant Secretary / Board Member	13%	50%
Principal Officer	36%	61%
Assistant Principal	45%	57%

The gender pay gap for part time workers is 2.1%. The Report highlights, however, a significant gender imbalance in terms of the share of women who choose to work part-time. The share of women working part-time has shifted over the pandemic years decreasing from 26% in 2019 to 20% in 2022. In this context, Revenue believes its new policy on blended working arrangements represents an important intervention in supporting increased female participation in the workplace in the future.

The Government launched the Climate Action Plan in 2021, which set out defined targets for the reduction of carbon emissions. As part of that plan, Revenue developed its Climate Action Roadmap 2022-2030. This roadmap outlines Revenue's plan for an increased environmental focus and greatly improved sustainability across the organisation to address the challenges of climate change and to reduce our carbon footprint. This will be largely achieved through optimisation of Revenue's power consumption which will include modernisation of our real estate, innovation in the ICT space and transformation of the Revenue fleet of vehicles. As required under the Government Plan, the roadmap was submitted to the SEAI in December 2022.

Revenue ran a number of public procurement competitions during 2022 using the Office of Government Procurement (OGP) frameworks. Revenue awarded 44 contracts for the supply of various goods and services of which 20 included 'green' or reduced environmental impact criteria. Revenue's objective is to include green criteria into all procurement competitions in line with Government policy.

In accordance with Circular 1/2020[5] issued by the Department of Public Expenditure, NDP Delivery and Reform in relation to procedures for offsetting the carbon emissions associated with official air travel, Revenue had a financial obligation of €3,585 in 2022. This financial obligation is derived from a carbon emissions total of almost 192,770 lbs with a relevant carbon tax cost per tonne of €41.

Going forward, we will further promote awareness of ‘green’ Public Procurement with the objective of increasing the number of future contracts that incorporate environmental provisions through guidance, procurement planning and internal policy.

Innovation

We optimise the use of technology and continue to invest in our IT capability. This approach enables us to develop progressive and innovative business solutions that help drive efficiency and quality. Our priority and focus is to ensure that we have both the IT platform and capability to enable our key business programmes to operate effectively and to modernise further taxes and duties through process automation, digitalisation and personalisation of services.

The ROS Helpdesk Team launched a Chatbot ahead of the busy Pay and File period in November 2022. The main focus of the Chatbot was to help with the ROS login process. It is based on a cloud-based conversational **Artificial Intelligence (AI)** service utilising a secure API connection to the ROS database with all end user data handled securely on Revenue systems. The chatbot launched on 18 October 2022 and saw usage of up to 600 sessions per day over the busy period.

Revenue has leveraged **Robotic Process Automation (RPA)** to automate repetitive, manual tasks within some of our business processes resulting in quicker response times, particularly during peak periods. In 2022, this was used to good effect to proactively identify and resolve issues for PAYE customers before they were raised. Additionally, RPA has been used to process large volumes of new customer registrations. This facilitates quicker access to employment, social welfare, medical care, etc. 45,713 registrations were processed up to 28 December 2022. RPA was also a key tool in processing bank ‘switcher’ forms with the automatic updating of bank account details for customers who were required to move their accounts to a new bank, following the exit of two banks from the Irish market in 2022.

In 2022, Revenue progressed the deployment of **AI and Natural Language Processing (NLP)** technologies to auto-classify MyEnquiries queries. The intent was to simplify the customer experience and to remove the need for the taxpayer to self-categorise their enquiry. The accuracy level of self-categorisation by taxpayers was 70% and this approach has increased the accuracy to 97%. On average, the auto classification has reduced overall routing time to subject matter experts by more than 24 hours.

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. This hosting service provides estimated savings of at least €2.5 million per annum to the organisations hosted.

In 2022, the Revenue Print and Mail area within the Data Centre have printed and posted over 1 million Covid-19 vaccination certs to members of the public on behalf of the Health Service Executive. We are also continuing to provide printing and mailing services to a number of organisations (approx. 0.5 – 1 million items per month). For 2022, these services provided a combined total saving in excess of €1.6 million for these organisations.

Revenue staff participated in a number of projects nominated for the 8th Annual Civil Service Excellence and Innovation Awards. This reflects the exceptional work of Revenue staff and

5 https://www.gov.ie/en/circular/6d8829-procedures-for-offsetting-the-emissions-associated-with-official-air/

recognises the excellence and innovation shown by Revenue.

Our collaboration with the Department of Finance and the Department of Social Protection won the Support for the ‘Strategic Policy Development’ category.

Hugh Cronin, Gary Hynds, Sinéad Ryan, Deirdre Ní Alluráin, Colin O’Connor

Jacqui O’Callaghan, Anne Dullea, David Tuohy, Davena Lyons, Sarah Waters

Cleo O'Beirne, Kieran Moroney, Irene Murphy and Ciara Chambers

Taxpayer Confidentiality

We fully respect our legal duty to protect the confidentiality of taxpayer information. Across all our services and business processes, taxpayers' personal data is treated with the highest standards of security and confidentiality.

The security of Revenue systems and data is a fundamental priority for the organisation. 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. Revenue reviewed the findings identified in the PWC report on the Health Service Executive ransomware attack of 2021. Using the 28 criteria in the report, Revenue applied capability and control criteria to a range of our systems to generate an assessed status against each criterion. This assessment has then served to identify where resources and effort need to be applied in order to affect the most efficient increase in security.

Revenue uses the Centre for Internet Security (CIS) 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 (ISMS) that is **ISO27001 certified**. We successfully completed our surveillance audits on 8 March and 29 September 2022.

Personal information displayed from our website is encrypted using a 256-bit Extended Validation (EV) 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 ICT 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**. Revenue successfully passed a surveillance audit in this regard in July 2022.

Revenue 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. Revenue achieved ISO20000 certification in March 2022 and re-certification for ISO29119 in October 2022.

As part of our ongoing efforts to continue to provide protection to users of our public facing systems, in 2022 Revenue mandated **Two Factor Authentication (2FA)** to our myAccount online service. When logging into myAccount, users now require a one-time password which is sent to the taxpayer via text message to their validated mobile number. This protects taxpayers from the majority of automated, credential harvesting attacks, while also serving as an alert should someone try to access their account in the event of stolen credentials.

Public Service Reform & 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 2022 include:

- Active participation in the interdepartmental group that delivered the Blended Working framework and Blended Working application portal for the Civil Service.
- Launch of our new Compliance Intervention Framework (CIF) to underpin our support for voluntary compliance and our response to non-compliance and management of risk.
- Launch of the Temporary Business Energy Support Scheme (TBESS), which will assist qualifying businesses with their energy costs from September 2022 to May 2023 inclusive.
- Progressed the deployment of AI and Natural Language Processing (NLP) technologies to auto-classify MyEnquiries queries to simplify the customer experience and remove the need for the taxpayer to self-categorise their enquiry.
- The ROS Helpdesk launched a Chatbot in November 2022. The main focus of the Chatbot was to help with the ROS login process.
- Continued support for Ireland's National Data Infrastructure (NDI) and the principles of Open Data in accordance with the National Open Data strategy.

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.

Our *Corporate Governance Framework*[6] is updated regularly and published on our website. It 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.

Our *Statement of Strategy 2021 - 2023*[7] was published in December 2020.

During 2022, 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. The Risk Management Committee provided input to the Forum on Tax Administration (FTA) Enterprise Risk Management Community of Interest throughout 2022. This OECD FTA community focuses on the top risks facing tax administrations now and into the future.

The Board is committed to maintaining and supporting a quality **Internal Audit** function. This function is carried out by the Internal Audit Unit (IAU) operating with the direct authority of the Board and under the general supervision and guidance of the Audit Committee. The IAU operates in adherence to the Internal Audit Standards issued by the Department of Public Expenditure, NDP Delivery and Reform 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 Statement of Strategy. In 2022, 24 audits, comprising 11 internal audits and 13 follow-up audits, were completed.

The **Audit 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 2022.

Audit Committee Membership

John Murphy, Chairman of the Audit Committee, former Secretary General of the Department of Jobs, Enterprise and Innovation

Helen Hall, Chief Executive, Policing Authority

Dr. Paul Lyons, Adjunct Assistant Professor, Trinity Business School, Trinity College Dublin

6 https://www.revenue.ie/en/corporate/documents/governance/governance-framework.pdf
7 https://www.revenue.ie/en/corporate/documents/governance/sos-2021-2023.pdf

Declan Rigney, Assistant Secretary, Personal Taxes Policy and Legislation Division, Revenue (from April 2021).

Dr. Karen-Ann Dwyer, Assistant Professor in Accounting, Dublin City University Business School.

Protected Disclosures

We promote a supportive environment for our staff to raise concerns relating to wrongdoing or potential wrongdoing in the workplace and provide the necessary supports for staff who raise genuine concerns.

One such concern was raised in 2022 under the "*Revenue Policy on Protected Disclosure Reporting in the Workplace*"[8]. This concern was assessed by Revenue's Protected Disclosures Group and appropriate follow-up action taken.

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. Thirteen external disclosures were received by the Director of Internal Audit in 2022.

Revenue is a member of Transparency International Ireland's "*Integrity at Work*" programme and we are committed to fostering an ethical workplace. In 2022, 14 members of staff received training on "Responding to Disclosure".

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 2022, staff at Assistant Principal 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 our taxpayers and third parties. In 2022, 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.

The role of our **Programme Management Office (PMO)** is to enable effective and accountable management of IT enabled business projects and to seek opportunities for continuous improvement. Project Boards and Steering Committees guide and support the delivery of projects ensuring timely decision-making and the management and mitigation of issues and risks as they arise.

Freedom of Information (FOI)

In 2022, we received 218 FOI requests (Table 28) and we continue to work with the Department of Public Expenditure, NDP Delivery and Reform to ensure the efficient and effective operation of the Freedom of Information Act 2014 in Revenue.

The review of the Freedom of Information Act 2014 commenced in September 2021 and is

8 https://www.revenue.ie/en/corporate/statutory-obligations/protected-disclosures/protected-disclosure.pdf

being managed by the **Department of Public Expenditure, NDP Delivery and Reform**. As part of this review, Revenue distributed the 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 Department of Public Expenditure, NDP Delivery and Reform. A report, along with recommendations, will be presented by Department of Public Expenditure, NDP Delivery and Reform to the Government and published during 2023. 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 2022, two requests for internal review were accepted, while 17 requests for external reviews were accepted (Table 29). The Ombudsman finalised 23 complaints relating to Revenue (Table 30).

Oireachtas Committees

In 2022, the Chairman and other Revenue officials appeared before the Public Accounts Committee and the Joint and Select Committees on Finance, Public Expenditure and Reform, and Taoiseach.

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 (Table 31). Our Prompt Payment Returns are published on our website. Just over 83% of all payments were made within 15 days.

We provided responses to 855 Parliamentary Questions and responded to 527 Representations from Public Representatives.

Senior Management Changes

Michael Gladney, Commissioner, retired on the 15 April 2022.

Following a Top Level Appointments Commission (TLAC) competition, the Taoiseach Micheál Martin T.D. appointed Ruth Kennedy as Commissioner and she took up her position on 28 July 2022.

Revenue Management Committee at Assistant Secretary Level

John Barron

Information, Communications Technology & Logistics Division

Responsible for the provision of secure, reliable and quality information and communications technology services and innovation, adaptability and new advances in technology. Also responsible for the management and delivery of logistical services central to running Revenue

Brian Boyle

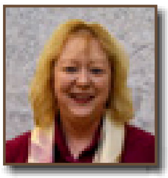
Accountant General's & Strategic Planning Division

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. Also responsible for financial and information management, banking functions, communications and knowledge management functions.

Noel Brett

Business Division

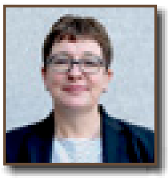
Responsible for the management and development of service, compliance and audit functions for entities registered for VAT, RCT, Customs and Excise. Also responsible for excise license entities with trade or professional income, Proprietary Directors and Subsidiaries/Parent of Business Division companies.



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

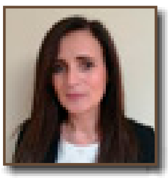
Customs Division

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 Union Customs Code and representing Revenue's and Ireland's interests at various international fora.

Eugene Creighton

Large Corporates Division

Responsible for the management and development of service, compliance and audit functions for the largest business customers 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 corporate tax avoidance transactions including abusive transfer pricing.



Jeanette Doonan

Business Taxes Policy and Legislation Division

Responsible for the policy, legislation and interpretation functions for CGT, corporation tax, incentives, financial services and other business taxes.

Orla Fitzpatrick

Medium Enterprise Division

Responsible for the management and development of service, compliance and audit functions for medium enterprises and Proprietary Directors, Subsidiaries/ Parent of Medium Enterprise 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 indirect tax policy and legislation at national and EU level and for facilitating the efficient and effective administration of VAT and the various Excise duties.

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. Also responsible for debt enforcement action against those who fail to comply.

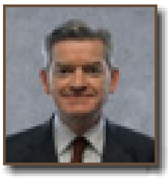
Personal Division

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, sporting bodies. Also responsible for the co-ordination of Irish Language services.

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.



Eamonn O'Dea

International Tax Division

Responsible for international engagement (bilateral, EU and OECD-related) on direct taxation policy and on operational matters that include transfer pricing-related negotiation and exchange of information with other tax authorities. Also responsible for monitoring and updating Ireland's tax treaty network.

Declan Rigney

Personal Taxes Policy and Legislation Division

Responsible for the development of personal tax and capital taxes policy at national and EU level and for managing policy, legislation and interpretation functions for personal and capital taxes (excluding CGT).

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, Pension/Insurance schemes and Retirement funds. Also responsible for challenging tax avoidance transactions using 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.

Financial Management

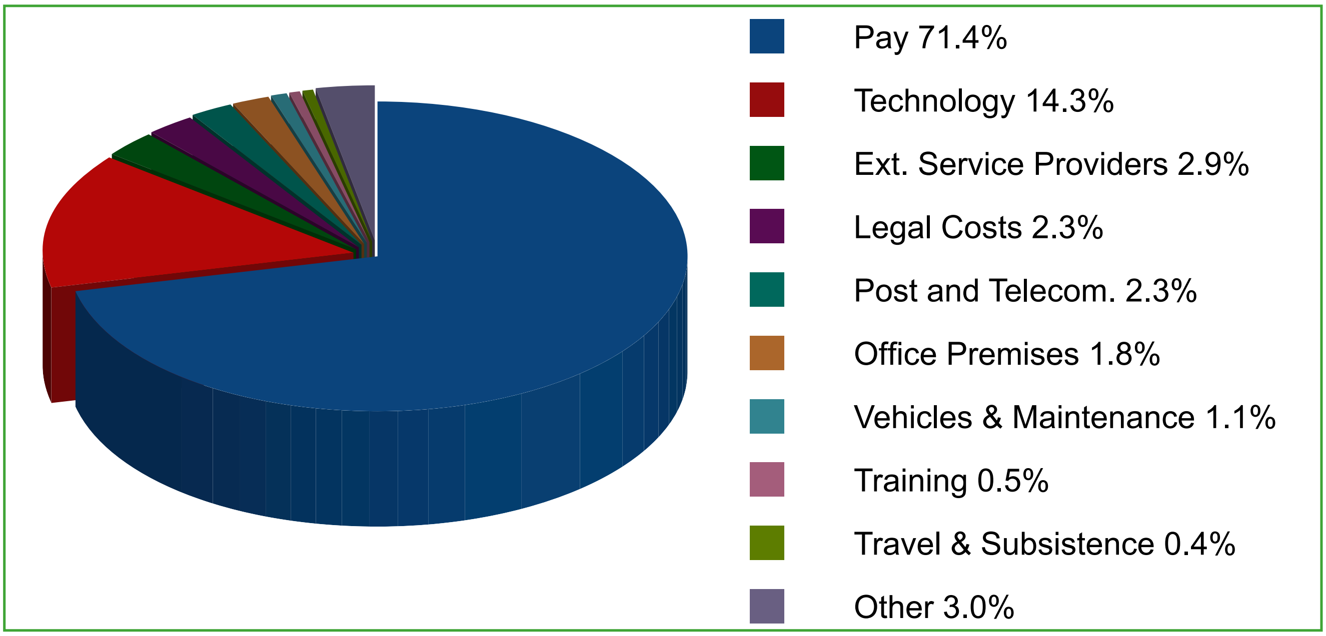
Each year Revenue prepares and submits the Account of the Receipt of Revenue of the State collected by the Revenue Commissioners and the Appropriation Account of the expenditure for the Office of the Revenue Commissioners to the Comptroller and Auditor General for audit.

The audited “Account of the Receipt of the Revenue of the State” collected by Revenue for 2022 is presented to the Oireachtas at the same time as the Annual Report. The gross and net Exchequer and Non-Exchequer receipts figures are available at Tables 1 and 2 respectively in this report.

The Appropriation Account of the amount expended by Revenue in relation to salaries and expenses in the year ended 31 December 2022 has been submitted to the Comptroller and Auditor 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

In 2022, Revenue’s expenditure on the administration and collection of taxes and duties and frontier management amounted to approximately €491.7 million. This expenditure was partly funded by Appropriations in Aid receipts of €64.2 million, received mainly in respect of services relating to PRSI, and a share of custom duties collected via the Centralised Clearance system. A provisional year end surplus of just over €14 million arises principally due to surplus Appropriations in aid receipts.



Account of the Receipt of Revenue of the State collected by the Revenue Commissioners in the year ended 31 December 2022

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 2022

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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 controls 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.

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, to 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 notice by 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 2022 that resulted in, or may result in, a material loss.

Emerging from the Covid-19 Pandemic

In February 2022 the Government agreed to end almost all remaining Covid-19 restrictions. The Blended Working Policy Framework for the Civil Service was introduced in March 2022 and, based on this, Revenue's blended working policy was introduced in September 2022. Approximately 5,400 of Revenue's 6,850 staff (Full time equivalent 6,676 at 31 December 2022) had agreed a formal blended working arrangement by the end of the year. The remaining staff include those in work areas such as frontier management where blended working is not feasible and staff who have chosen to attend the office on a full-time basis. Revenue reviewed its control environment to take account of the impact of Covid-19 and is satisfied that the risk and control framework is sufficiently robust to respond to any increased level of risk.

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 Business Resumption Support Scheme (BRSS) closed for applications in November 2021 with the Covid Restrictions Support Scheme (CRSS) closed in January 2022. The Covid Employment Wage Subsidy Scheme (EWSS) ended for employers in May 2022. The Temporary Business Energy Support Scheme (TBESS) was introduced in December 2022 to support businesses with increases in their electricity or natural gas (energy) costs.

These schemes ensured that critical support payments were provided to employers, employees, and businesses.

The administration of these schemes entailed the management of significant sums, with a net total of €770.6 million paid in respect of EWSS in 2022 (funded by the Department of Social Protection) and €5.5 million paid in respect of TBESS (funded by the Department of Enterprise, Trade and Employment). Net recoveries for the Temporary Wage Subsidy Scheme (TWSS) amounted to €26.3 million in 2022. Any balance owing to or from either Department will be accounted for in Revenue's 2022 Appropriation Account.

Audit and Compliance Interventions

In response to Covid-19, Revenue 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. While an increased level of on-site activity occurred during the latter part of 2022, many interventions continued to be conducted remotely having regard to the lessons learned during the pandemic.

On 1 May 2022, a new Compliance Intervention Framework, supported by a revised Code of Practice for Revenue Compliance Interventions, came into effect. 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 change non-compliant behaviour.

Revenue completed a total of 428,316 compliance interventions in 2022 with a yield of €813 million.

Throughout 2022, Revenue undertook a multi-faceted approach to compliance checks to safeguard the integrity of the Business support schemes. This includes systematic real time checking of claims from businesses availing of schemes and cross-referencing claims against other Revenue data sources to identify anomalies or trends requiring attention.

These processes served not only to identify risks of abuse of schemes, but also to ensure businesses claimed their correct entitlement.

Debt Collection and Warehousing

In early 2022, Revenue commenced a phased return to standard debt collection of non-warehoused debt with the final phase completed in August 2022. Revenue's focus continues to be on supporting businesses and individuals to meet their current tax obligations as they recover from the impacts of the pandemic. For taxpayers who are experiencing payment difficulties, Revenue works proactively with them to agree flexible Phased Payment Arrangements to allow for the repayment of debt over a period of time. With regards to warehoused debt, in October 2022, Revenue announced an important and significant extension to the scheme in light of the challenging economic situation for businesses. Most businesses with warehoused debt were due to enter an arrangement with Revenue to commence repaying that debt by the end of 2022. Revenue has extended that timeline to 1 May 2024. The extension to 1 May 2024 should particularly support the financial status of small businesses, and assist with the repayment of tax debt, including any warehoused debt, over a workable period. As at 31 December 2022, over 68,000 individual customers are availing of the Debt Warehousing facility with €2.371 billion currently warehoused.

While interest on late payments continued to be charged as part of Phased Payment Arrangements, Insolvency arrangements and on a case-by-case basis where required during Covid restrictions, it was suspended in other cases. The approach to a full resumption of interest on all other late payments will be considered in 2023.

Revenue commenced a phased return to normal periodic reviews for tax clearance from May 2022 for the entire case base of taxpayers that had tax clearance at that time. The process was resumed on an incremental basis in view of the very large number of cases involved and was completed on the 21st November 2022.

Customs Controls

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 value that led to a systematic loss of traditional own resources (TOR) over several years. 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. 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 relating to the estimated loss of traditional own resources.

Following the conclusion of a legal case taken by the UK, which also considered the methodology used by the EU commission to assess EU28 liabilities, the Commission confirmed at the EU Advisory Committee on Own Resources meeting on 01 December 2022, that an agreement has been reached with the UK and on the methodology to be used for assessing final liabilities. The Commission will start work on reassessing the amounts due from the Member States, with requests for further information expected by Revenue in quarter two, 2023. It should be noted that the Commission stated in their letter of 7 May 2021 that Ireland had covered considerably more than 0.69% of the total losses via its GNI-based contributions, compensating TOR losses incurred in other Member States. The net contributions by Ireland to the EU budget will therefore be reduced and this TOR loss may already be covered through our GNI contributions.

Following an EU Commission inspection of Traditional Own Resources (TOR) carried out in Ireland, the Commission stated that the automated refund system does not guarantee 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's next correspondence, when received, will be reviewed.

Niall Cody
Accounting Officer
Office of the Revenue Commissioners

17 April 2023

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 2022 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, including a summary of significant accounting policies.

In my opinion, the account properly presents the receipt and disposal of the revenue collected for the year ended 31 December 2022 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

17 April 2023

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 and Miscellaneous Revenue for Fee Stamps in respect of Registry of Deeds, Arbitration Fees and Companies' Registration Fees)
   - Insurance Compensation Fund (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 2022

Account of the Receipt and Disposal of Revenue collected

	Notes	2022 €000	2021 €000
Gross Receipts			
Exchequer Receipts	1	95,412,325	79,055,502
Non Exchequer Receipts	2	22,391,796	17,540,811
Total Gross Receipts of Revenue Collected		**117,804,121**	**96,596,313**
Repayments			
Repayment of Exchequer Receipts	3	(12,995,574)	(11,527,636)
Repayment of Non Exchequer Receipts	4	(122,408)	(142,687)
Total Repayments		**(13,117,982)**	**(11,670,323)**
Net Receipts			
Exchequer Receipts	5	82,416,751	67,527,866
Non Exchequer Receipts	7	22,269,388	17,398,124
Total Net Receipts of Revenue Collected		**104,686,139**	**84,925,990**
Disposal of Net Receipts			
Receipts transferred to the Exchequer	6	(82,225,218)	(67,502,847)
Receipts transferred to other Departments/Agencies/EU Member States	7	(22,280,328)	(17,387,027)
Total Disposal of Net Receipts of Revenue Collected		**(104,505,546)**	**(84,889,874)**
Net Movement in the year		180,593	36,116
Opening Balance on the Account of Receipt and Disposal of Revenue at 1 January		(420,540)	(456,656)
Closing Balance on the Account of Receipt and Disposal of Revenue at 31 December		**(239,947)**	**(420,540)**

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

17 April 2023

Statement of Balances

	Notes	2022 €000	2021 €000
Assets			
Cash at Bank and in Hand	8	310,502	122,655
Amounts due from Government Departments	9	565	21
Total Assets		**311,067**	**122,676**
Liabilities			
Amounts Awaiting Receipting and Allocation	10	(95,936)	(99,076)
Deposits Held	11	(455,078)	(444,140)
Total Liabilities		**(551,014)**	**(543,216)**
Net Liabilities		**(239,947)**	**(420,540)**
Represented by:			
Closing Balance on the Account of Receipt and Disposal of Revenue			
Balance owing from the Exchequer	6	(279,961)	(471,494)
Balance owing to other Departments/Agencies/EU Member States	7	40,014	50,954
		(239,947)	**(420,540)**

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

17 April 2023

Notes to the Account

Note 1. Exchequer Receipts collected

	2022 €000		2021 €000
Income Tax	33,637,250		29,389,379
Value Added Tax	26,722,765	*1	21,556,664
Corporation Tax	24,606,227		17,517,022
Excise Duty	5,530,365	*2	5,852,591
Stamp Duties	1,908,970		1,959,138
Capital Gains Tax	1,776,367		1,674,275
Capital Acquisitions Tax	612,737		586,732
Customs Duty	617,644	*3	519,701
	95,412,325		**79,055,502**

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

	2022 €000	2021 €000
VAT collected in the State proper to Ireland	100,537	55,406
VAT collected by other Member States proper to Ireland	348,035	144,458
	448,572	**199,864**

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

*3 Customs Duty receipts are reported net of collection costs of €20.8m (2021: €12m) allowed under Centralised clearance (previously SASP). €10.4m (2021: €6m) was transferred to other EU Member States and €10.4m (2021: €6m) was transferred to Vote 9 and recorded as Appropriations-in-Aid.

Notes to the Account

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

	2022 €000		2021 €000
Pay Related Social Insurance	15,094,416		12,727,495
VAT One Stop Shop Scheme	5,663,065		3,130,681
Risk Equalisation Fund (Health Insurance Levy)	800,952		808,999
Local Property Tax	505,519	*1	555,046
Tobacco Excise Receipts	167,605	*2	167,605
Insurance Compensation Fund Levy	106,472		96,883
Nursing Home Support Scheme (includes Miscellaneous receipts)	43,792		43,214
Environmental Levy on Plastic Bags	2,491		3,513
Lighthouse Dues	7,449		7,350
Employment and Training Levy	35		25
	22,391,796		**17,540,811**

*1 The Local Property Tax (LPT) net collection figure of €500m (receipts of €505m less repayments of €5m) is estimated to be brokendown as follows:

Net collection	**2022 €000**	**2021 €000**
Arrears Household Charge (HHC)	1,132	914
Arrears LPT 2013-2021	50,983	35,835
Prepayments	75,002	124,862
Current year charge	372,977	389,178
	500,094	**550,789**

*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.

Notes to the Account

Note 3. Repayment of Exchequer Receipts

	2022 €000		2021 €000
Income Tax	(2,907,573)	*1	(2,638,827)
Value Added Tax	(7,943,267)		(6,166,431)
Corporation Tax	(1,961,074)	*1	(2,193,904)
Excise Duty	(57,958)		(29,549)
Stamp Duties	(89,176)		(464,500)
Capital Gains Tax	(29,110)		(29,456)
Capital Acquisitions Tax	(7,416)		(4,958)
Customs Duty	-		(11)
	(12,995,574)		**(11,527,636)**

*1 The COVID Restrictions Support Scheme (CRSS) was introduced to support businesses significantly affected by restrictions introduced by the Government to combat the COVID-19 pandemic. The scheme commenced on 13 October 2020 and was available to companies, self-employed individuals and partnerships that carry on a trade or trading activities from a business premises. Eligible businesses could have submitted a claim to Revenue for payment of Advanced Credit for Trading Expenses (ACTEs). For year ended 31 December 2022, payments had issued to 5,964 (2021: 169,566) applicants made up of 4,028 (2021: 87,188) relating to Corporation Tax registrations and 1,936 (2021: 82,738) relating to Income Tax registrations. The Income Tax Repayments figure includes €2.4m (2021: €84.8m) in respect of net CRSS payments. The Corporation Tax Repayments figure includes €16.46m (2021: €465.8m) in respect of net CRSS payments. The scheme closed for applications on 22nd January 2022.

The Business Resumption Support Scheme (BRSS) was introduced to support businesses significantly impacted by restrictions introduced by the Government to combat the effects of the Covid-19 pandemic and, in particular, those businesses that continued to be significantly impacted even after an easing of public health restrictions. The scheme commenced on 1 September 2021 and was available to companies, self-employed individuals and partnerships that carry on a trade or trading activities from a business premises, irrespective of whether they have previously qualified for other Covid-19 related Government schemes. Eligible businesses could have submitted a claim to Revenue for payment of Advanced Credit for Trading Expenses (ACTEs). For year ended 31 December 2022, payments had issued to 76 (2021: 1,915) applicants made up of 39 (2021: 1,109) relating to Corporation Tax registrations and 37 (2021: 806) relating to Income Tax registrations. The Income Tax Repayments figure includes €0.06m (2021: €1.1m) in respect of net BRSS payments. The Corporation Tax Repayments figure includes €0.3m (2021: €6.4m) in respect of net BRSS payments. The scheme closed for applications on 30th November 2021.

*2 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

	2022 €000	2021 €000
Pay Related Social Insurance	(113,130)	(123,088)
Local Property Tax	(5,425)	(4,257)
VAT One Stop Shop Scheme	(3,329)	(15,000)
Nursing Home Support Scheme (includes Miscellaneous receipts)	(326)	(337)
Environmental Levy on Plastic Bags	(198)	(5)
	(122,408)	**(142,687)**

Notes to the Account

Note 5. Net Exchequer Receipts

	Gross Receipts 2022 €000	Repayments 2022 €000	Net Receipts 2022 €000	Net Receipts 2021 €000
Income Tax	33,637,250	(2,907,573)	30,729,677	26,750,552
Value Added Tax	26,722,765	(7,943,267)	18,779,498	15,390,233
Corporation Tax	24,606,227	(1,961,074)	22,645,153	15,323,118
Excise Duty	5,530,365	(57,958)	5,472,407	5,823,042
Stamp Duties	1,908,970	(89,176)	1,819,794	1,494,638
Capital Gains Tax	1,776,367	(29,110)	1,747,257	1,644,819
Capital Acquisitions Tax	612,737	(7,416)	605,321	581,774
Customs Duty	617,644	-	617,644	519,690
	95,412,325	**(12,995,574)**	**82,416,751**	**67,527,866**

Note 6. Receipts Transferred to the Exchequer

	Balance owing to/(from) 1.1.22 €000	Net Receipts €000	Total Transfers €000	Balance owing to/(from) 31.12.22 €000
Income Tax	(19,370)	30,729,677	(30,727,506)	(17,199)
Value Added Tax	15,049	18,779,498	(18,600,951)	193,596 *1
Corporation Tax	(2,099)	22,645,153	(22,642,574)	480
Excise Duty	(436,483)	5,472,407	(5,441,056)	(405,132)
Stamp Duties	(6,138)	1,819,794	(1,824,005)	(10,349)
Capital Gains Tax	(322)	1,747,257	(1,747,406)	(471)
Capital Acquisitions Tax	51	605,321	(605,320)	52
Customs Duty	(22,182)	617,644	(636,400)	(40,938)
	(471,494)	**82,416,751**	**(82,225,218)**	**(279,961)**

*1 This figure includes €200m of receipts retained at 31st December to fund repayments to taxpayers from 01 January 2023

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

	Balance due at 1.1.22 €000	Net Receipts €000	Total Transfers €000	Balance due at 31.12.22 €000
Pay Related Social Insurance	18,065	14,981,286	(14,982,589)	16,762
VAT One Stop Shop Scheme	26,735	5,659,736	(5,665,683)	20,788
Risk Equalisation Fund (Health Insurance Levy)	-	800,952	(800,952)	-
Local Property Tax	1,289	500,094	(499,227)	2,156
Tobacco Excise Receipts	-	167,605	(167,605) *1	-
Insurance Compensation Fund Levy	4,494	106,472	(110,522)	444
Nursing Home Support Scheme (includes Miscellaneous receipts)	369	43,466	(43,783)	52
Environmental Levy on Plastic Bags	3	2,293	(2,485)	(189)
Lighthouse Dues	(1)	7,449	(7,449)	(1)
Employment and Training Levy	-	35	(33)	2
	50,954	**22,269,388**	**(22,280,328)**	**40,014**

*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.

Notes to the Account

Note 8. Cash at Bank and in Hand

	2022 €000	2021 €000
Balance in Revenue Accounts held at Central Bank	301,522	106,023
Balance in Revenue Accounts held at Commercial Banks	22,657	36,177
Unpresented Cheques	(13,681)	(19,620)
Cash in Hand	4	75
	310,502	**122,655**

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

	2022 €000	2021 €000
Unallocated Tax Deposits	(88,416)	(85,413)
Tax receipts awaiting transfer and allocation	(7,400)	(13,500)
Amounts awaiting transfer to Vote 9, Office of the Revenue Commissioners	(120)	(163)
	(95,936)	**(99,076)**

Note 11. Deposits Held

	2022 €000	2021 €000
Deposits held under Criminal Justice Act 1994	(2,270)	(2,954)
Deposits held with C&E Collectors	(15,191)	(15,433)
Deposits held for C&E liabilities due after 31 December	(437,617)	(425,753)
	(455,078)	**(444,140)**

Note 12. Fraud and suspected fraud

	Number of cases		2022		2021
	2022	2021	€000		€000
Fraud	-	-	-	*1	0
Suspected Fraud	1	2	2	*2	13
	1	2	2		13

*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.

Notes to the Account

Note 13. Excise Duty

	Gross Receipts 2022 €000	Repayments 2022 €000	Net Receipts 2022 €000	Net Receipts 2021 €000
Mineral Oil Tax	1,590,544	(39,838)	1,550,706	1,926,102
Alcohol Products Tax	1,228,904	(17)	1,228,887	1,175,878
Tobacco Products Tax	993,009	(6)	993,003	1,150,027
Carbon	805,225	(15,478)	789,747	652,295
Vehicle Registration Tax	757,714	(1,176)	756,538	785,665
Other Excise Duties	154,969	(1,443)	153,526	133,074
Total Excise Duty	**5,530,365**	**(57,958)**	**5,472,407**	**5,823,042**

2022 Table Index

Table 1: Total Gross Exchequer and Non-Exchequer Receipts

Category	2022 €m	2021 €m
Exchequer Receipts		
Income Tax	33,637	29,389
Value-Added Tax	26,723	21,557
Corporation Tax	24,606	17,517
Excise	5,530	5,852
Stamp Duties	1,909	1,959
Capital Gains Tax	1,776	1,674
Capital Acquisitions Tax	613	587
Customs	618	520
Non Exchequer Receipts		
Gross Receipts Collections on behalf of other Departments / Agencies*	22,392	17,541
Total	**117,804**	**96,596**

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

* *Gross Receipts collected on behalf of other Departments/Agencies include such receipts as Pay Related Social Insurance (PRSI) and Local Property Tax (LPT).*

Table 2: Total Net Receipts

Duties, Taxes & Levies	2022 Net Receipts €m	2021 Net Receipts €m	2021 Net Receipts +/- 2020 €m
PAYE Income Tax	21,172	18,737	2,345
PAYE USC	4,288	3,742	546
Self Assessed Income Tax	2,612	1,949	663
Self Assessed USC	607	625	-18
Life Assurance Exit Tax	233	129	104
Deposit Interest Retention Tax	14	20	-6
Professional Services Withholding Tax	982	902	80
Dividend Withholding Tax	648	582	66
Back Duty/RCT	174	64	110
Total Income Tax and USC	**30,730**	**26,750**	**3,980**
VAT on Imports	1,544	1,699	-155
Internal VAT	17,236	13,691	3,545
Total Value Added Tax	**18,780**	**15,390**	**3,390**
Tobacco Products Tax	993	1,150	-157
Alcohol Products Tax	1,229	1,176	53
Mineral Oil Tax	1,551	1,926	-375
Carbon	790	652	138
Vehicle Registration Tax	756	786	-30
Other Excise Duties	153	133	20
Total Excise Duty	**5,472**	**5,823**	**-351**
Corporation Tax	**22,645**	**15,323**	**7,322**
Stamp Duty on Shares	500	372	128
Stamp Duty on Property	963	728	235
Other Stamp Duty	357	395	-38
Total Stamp Duty	**1,820**	**1,495**	**325**
Capital Gains Tax	**1,747**	**1,645**	**102**
Capital Acquisitions Tax	**605**	**582**	**23**
Customs	**618**	**520**	**98**
TOTAL NET EXCHEQUER RECEIPTS	**82,417**	**67,528**	**14,889**
Local Property Tax	**500**	**551**	**-51**
TOTAL NET EXCHEQUER RECEIPTS AND LPT	**82,917**	**68,079**	**14,838**

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

Table 3: 2022 Volume of Business

Activity	Number / €
PAYE Employees in employment*	4,280,547
Payroll submissions	6,854,378
Self Assessment Income Tax Registrations	851,910
Company Registrations	247,445
VAT Registrations	278,857
LPT Properties Returned	1,926,775
RCT Contracts Notified to Revenue	710,210
RCT Payments Notified to Revenue	1,886,199
No. of electronic payments made to Revenue	12,544,786
Value of electronic payments made to Revenue	€111.9bn
No. of electronic repayments made to taxpayers	1,633,850
Value of electronic repayments made to taxpayers	€11.4bn
No. of Electronic Returns received	4,516,545
Telephone Calls Answered	1,714,920
Correspondence Dealt with (includes online enquiries)	3,899,970

Table 4: Customer Service Standards & Results

Service	Commitment	Delivery
ROS for Business	Authentication process completed within one working day	100%
myAccount	100% of online registrations completed within ten working days	95%
IT, CT, PREM	100% of online registrations completed within 3 working days	100%
VAT	100% of online registrations completed within 10 working days	85%
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% issued within 5 working days	100%
Non-ROS returns, declarations, applications	100% within 20 working days.	55%
Non-ROS repayments or offsets	100% within 20 working days.	69%
Correspondence	100% within 30 working days.	86%
Telephone Service	100% answered within 5 minutes	82%
My Enquiries	100% dealt with within 20 working days	85%
Revenue Technical Service	Reply to valid requests issued within 20 days	20%
Complaints	100% processed within 20 working days	38%
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	2022
PAYE/PRSI	99%
VAT	97%
Income Tax (Non PAYE)	98%
Capital Gains Tax	92%
Corporation Tax	99%
Relevant Contract Tax	96%

Table 6: Return/Payment Compliance by Case Size

Case Size	Due Month Compliance 2022	Due Month+1 Compliance 2022
Large Cases	96%	99%
Medium Cases	92%	97%
Other Cases	80%	88%

Table 7: Collection Enforcement Programmes in 2022

Enforcement	No. of Cases	No. of Referrals	Value of Referrals €m	Yield €m
Solicitor	1,796	1,988	81.9	15.4
Sheriff	26,138	30,419	411.6	90.4
Attachment	524	641	39.0	3.9
Total	28,458	33,048	532.4	109.7

Table 8: Debt Management Service

Activity	2022
Payments Requests/Estimates Issued	435,300
Final Demands Issued	197,446
Taxpayer Application for Phased Payment Facilities	10,804*
Referrals for Enforcement	33,048

** Included rejected applications*

Table 9: Oversight of Corporate and Personal Insolvency

Activity	2022
Companies wound-up via Creditor Voluntary Liquidations	372
Creditor Meetings Attended	321
Revenue petitions to High Court for Appointment of a Liquidator	1
Members Voluntary Liquidations	1,225
Receiverships	77
Examinerships	11
Bankruptcies	109
Revenue petitioned bankruptcies	5
Personal Insolvency cases	427
Small Companies Administrative Rescue Process (SCARP)	22

Table 10: 2022 Relevant Opinions Provided to Companies and Other Entities

Category of Opinion	Number
Reconstructions and amalgamations	32
Exemption from tax in respect of gains on certain share disposals	1
Elections to Tonnage Tax Scheme	1
Availability of interest relief for loans applied to acquire share capital in, or provide loan finance to, a trading company or a company holding shares in a trading company	1
Withholding taxes	35
Stamp Duty	8
Capital Gains Tax	4
Corporation Tax	13
Miscellaneous	4
Total	99

Table 11: Mutual Agreement Procedures (MAPs)

	Opening Inventory 01/01/2022	Initiated	Completed	Ending Inventory 31/12/2022
Transfer pricing cases	86	28	37	77
Other non-transfer pricing cases	63	69	66	66
Total	149	97	103	143

Table 12: Advance Pricing Agreements (APAs)

Opening Inventory 01/01/2022	Requests Received in 2022	Concluded in 2022	Withdrawn by taxpayer in 2022	Ending Inventory 31/12/2022	APAs in force as of 01/01/2022	APAs in force as of 31/12/2022
52	12	4	6	54	2	6

Table 13: Volume of Customs Declarations Processed

Declaration Type	2022
Import declarations	40,167,191
Export declarations	2,498,991
Transit - Inbound	63,388
Transit - Outbound	135,849
Total	**42,865,419**

Table 14: 2022 Audit and Compliance Intervention Activity - Non CIF Interventions

Intervention	No. Completed	Yield €m
Comprehensive Audits/Investigations	459	285.1
Multi Tax/Duty Audits	137	6.7
Single Tax/Duty/Issue/Transaction Audits	573	41.8
Total Audit/Investigations	**1,169**	**333.6**
Aspect Query	28,803	419
Profile Interview	543	8.25
Appraisals (no further action)	24,987	N/A
Assurance Checks	317,122	4.0
PAYE Checks	4,917	10.6
Total Non-Audit/Investigations	**376,372**	**441.8**
Total Interventions	**377,541**	**775.4**

Table 14A: 2022 Audit and Compliance Intervention Activity - CIF

Intervention	Opened on or After 1 May 2022 and closed on or before 31 December 2022	Yield €m
Investigations	0	-
Total Level 3 Interventions	**0**	**-**
Audits	12	0.05
Risk Reviews	155	2.98
Total Level 2 Interventions	**167**	**3.03**
Level 1 Interventions (excluding Profile Interviews)	21,193	34.88
Profile Interviews	406	0.15
Appraisals (no further action)	29,009	-
Total Level 1 Interventions	**50,608**	**35.02**
Total Interventions	**50,775**	**38.05**

The new Compliance Intervention Framework (CIF) was introduced on 1 May 2022. Table 14A provides a summary of interventions completed under the CIF between 1 May 2022 and 31 December 2022. Table 14 provides a summary of all other compliance interventions carried out in 2022 including compliance interventions there were opened prior to 1 May 2022 and closed during 2022 and compliance interventions that are outside the scope of the CIF.

Table 15: Summary of Selected Sectoral Intervention Results

Sector	No. of Audits/ Investigations	Yield €m	Risk Management Interventions (RMIs)	Yield €m	Total Interventions	Total Yield €m
Accounting, Bookkeeping and Auditing Activities	19	3.6	386	5	405	8.6
Construction	104	5.6	6,748	26	6,852	31.6
Doctors	27	1.8	168	1.6	195	3.4
Solicitors, Barristers and Other Legal Activities	16	2.6	213	2.6	229	5.2
Pubs	14	0.6	730	3.1	744	3.7
Rental	70	1.9	1,382	14.6	1,452	16.5
Restaurants and Fast Food Outlets	87	3.2	1,380	17	1,467	20.2
Retailers	156	14.1	4,796	39.5	4,952	53.6
Wholesalers	175	3.1	3,989	18.9	4,164	22
Totals	**668**	**36.5**	**19,792**	**128.3**	**20,460**	**164.8**

Note: These results are included in the overall results on Table 14. This table presents a sample of sectors in alphabetical order.

Table 16: Publication

Period 2022	Number and Total of Settlements in €m		Number less than or equal to €100k	Number between €100k and €500k	Number between €500k and €1 million	Number greater than €1 million	Number and Total of Court determined penalties €k	
Q1	9	11.6	0	8	0	1	1	144,898
Q2	12	12.5	2	8	0	2	2	41,682
Q3	9	2.8	2	5	1	1	0	0
Q4	6	1.1	1	5	0	0	3	1,417,218
Total	**36**	**28**	**5**	**26**	**1**	**4**	**6**	**1,603,798**

Table 17: Publications by Selected Sector

Sector	Publications
Amusement / Casino Operators	1
Beauty / Hairdressers & Related Trades	1
Company & Former Company Directors	6
Construction & Related Trades / Property Developers	3
Event Management	1
Farmers / Agricultural Services	2
Hauliers	1
Insurance sector	1
Investment Sector	2
Landlords / Short-term accommodation	3
Marine Fish Supplier	1
Medical Consultants & Related Services	4
Motor Dealers / Related Trades	2
Professionals / PAYE Employees	7
Publicans / Restaurateurs / Take Away Food	3
Wholesalers	1
Retailers	2
Total	41

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	No. of Seizures	Quantity (kg)	Value (€m)
Cannabis (Herbal & Resin)	2,354	1,683	30.98
Cocaine, Heroin	143	143	10.62
Amphetamines, Ecstasy & other	7,860	1,777	4.97
Total	10,357	3,603	46.57

Table 19: Excisable Products Seized

Product	No. of Seizures	Quantity	Value €m
Cigarettes	5,431	51.6m	39,539
Tobacco	1,563	11,803 kgs	8.5
Alcohol (Beer, Spirits & Wine)	4,175	590,722 litres	3.9
Illicit Mineral Oil	13	57,793 litres	-
Oil Laundries	4	14,450 litres	-
Vehicles*	1,053	1,065	12.9

* *Vehicles seized for marked mineral oil offences, Vehicle Registration Tax offences and because of use in connection with alleged offences under Customs or Excise law*

Table 20: Cash Seizures

	2022
No. of Seizures	37
Value (€)	1,405,627

Table 21: Cash Forfeiture Orders

	2022
No. of Forfeiture Orders	24
Value (€)	1,024,338

Table 22: Prosecutions for Serious Evasion

During 2021	Total
No. of ongoing investigations	31
No. of cases referred to DPP	5
No. of cases for which DPP issued directions	3
No. of cases before the Courts	48
No. of convictions obtained	9
No. of summary criminal convictions	162
Total Fines imposed	**€416,840**

Table 23: 2022 Mutual Assistance Requests

Mutual Assistance Requests	Received	Sent	Closed	To Hand End 2022
From/To EU Member States	1,650	206	1209	751
From/To Other Countries	281	195	321	145
Total	350	139	405	84
Europol Request	189	62	189	0

Table 24: Training Days Delivered 2022

Training Category	Training Days Delivered
Audit Programme Training	13,574
Customer Services/Technical Taxes	13,784
Technical Customs & Excise	31,362
Computer/IT/Systems	294
Management/Soft Skills/Online courses	735
Collection & Compliance	224
Health & Safety	676
UL Degree Training Days	818
Continuous Personal Professional Development	26
One Learning Training	2,285
Total	**63,778**

Note: figures have been rounded upwards, where relevant

Table 25: University of Limerick 3rd Level Qualifications awarded in 2022

Award Category	No. of awards
Diploma in Applied Taxation	45
BA (Hons) in Applied Taxation	17
Customs Certificates	23
MBA	4
Total	**89**

Table 26: Irish Tax Institute – Professional Qualifications awarded in 2022

Award Category	No. of awards
Certificates	68
Tax Technician	56
Diploma in Tax	11
Chartered Tax Adviser	7
Total	**142**

Table 27: Percentage Breakdown of Female Staff in each Grade

Grade	2022 - Female %	2016- Female %
Board / Assistant Secretary	50%	13%
Principal Officer	61%	36%
Assistant Principal	57%	45%
Administrative Officer / Higher Executive Officer	55%	51%
Executive Officer / Staff Officer	63%	66%
Clerical Officer	66%	73%
Service Officer	10%	15%
Total	**61%**	**63%**

Table 28: 2022 FOI Requests

Category	Number
Received	218
Full Release	48
Partial Release	109
Refused	60
Dealt with Outside of FOI/Withdrawn/Transferred	10
Request for Internal Review	13
Appeal to the Information Commissioner	2

Table 29: 2022 Internal & External Reviews

Case Details	Internal	External	Total
Requests brought forward	2	6	8
Cases admitted in year	2	17	19
Total	**4**	**23**	**27**
Number finalised in year	3	20	23
Decision in favour of customer	0	1	1
Decision against customer	3	17	20
Decision revised/partly revised	0	1	1
Discontinued	0	0	0
On hand at year-end	1	3	4

Table 30: Complaints Relating to Revenue Completed by the Ombudsman

Outcome	Number of Complaints
Upheld	4
Partially upheld	0
Not upheld	14
Assistance provided	2
Discontinued/Withdrawn	3
Discontinued premature	0
Outside remit	0
Total	23

Table 31: Compliance with Prompt Payment of Accounts Act

Payment Made	Number	Value €	% of Total No. of Payments made
Within 15 Days	10,018	119,103,755	83.66
Within 16-30 Days	1,937	15,506,378	16.18
In Excess of 30 Days	20	94,311	0.16
Total	11,975	134,704,444	100.00
Additional Information	Number	Value €	
Late payment interest paid in 2021	20	751	
Compensation costs paid in 2021	20	1,100	
Average days taken to make payment	11	_	

Appendix 1 - Donation of Heritage Items

Donation of Heritage Items

Section 1003 of the Taxes Consolidation Act 1997 provides for a credit against tax liability where a taxpayer donates certain heritage items to the national collections.

The following items were donated in 2022:

- Collection of 17th, 18th, and 19th Century Irish Silver, valued at €2,500,000
- W. F. Osborne painting, valued at €850,000
- Sir John Lavery painting, valued at €2,647,000.

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 Taxes Consolidation Act 1997 provides for a credit against tax liability where a taxpayer donates certain heritage property to the Irish Heritage Trust or the Commissioners of Public Works in Ireland.

There were no donations under this scheme in 2022.

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