

Exemption in respect of annual allowance for reserve members of the Garda Síochána

Part 07-01-24

Section 204A Taxes Consolidation Act 1997

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1. Introduction

Reserve members of the Garda Síochána are paid an annual allowance which is intended to cover out of pocket expenses incurred by reserve members. The allowance is payable under Regulation 14 of the Garda Síochána (Reserve Members) Regulations 2024 ([S.I. No. 64 of 2024](#)) ('the 2024 Regulations'). Prior to 20 February 2024 the allowance was payable under Regulation 15 of the Garda Síochána (Reserve Members) Regulations 2006 ([S.I. No. 413 of 2006](#)) ('the 2006 Regulations').

2. Legislation

Section 10 of Finance (No. 2) Act 2013 inserted a new section 204A into the Taxes Consolidation Act 1997 ('TCA 1997') which provides that, with effect from 1 January 2014, the allowance payable under the 2006 Regulations shall be exempt from income tax and universal social charge (USC). The 2006 Regulations were revoked on 20 February 2024 with the passing of the 2024 Regulations. Section 25 of Finance Act 2024 amended section 204A TCA 1997 replacing the reference to the 2006 Regulations with a reference to the 2024 Regulations. This provided for the continuation of the exemption from income tax related to the allowance payable under the latest version of the Regulations.

Notwithstanding that section 204A TCA 1997 made reference to the 2006 Regulations up to 31 December 2024, the exemption under section 204A TCA 1997 can be applied to any allowance payments made under the 2024 Regulations including in the period from 20 February 2024 (being the date on which the 2024 Regulations were made, and the 2006 Regulations were revoked) to 1 January 2025 (being the date on which the amendment to section 204A TCA 1997 in Finance Act 2024 was effective). Section 26(2)(f) of the Interpretation Act 2005 provides the legal basis for this application as it affords a "bridge" where one enactment is replaced by another enactment.