

Special Assignee Relief Programme

Statistics for 2022 (September 2024)

The statistics in this release are based on analysis of SARP employer returns filed in respect of the 2022 tax year.

These statistics should be considered as provisional and may be revised.

More detailed information and guidance regarding the SARP is available on the Revenue website.

Any queries of a statistical nature in relation to SARP should be directed to statistics@revenue.ie.

General overview of the Special Assignee Relief Programme (SARP)

The Finance Act 2012 introduced section 825C to the Taxes Consolidation Act, 1997. This section, as amended, provides Income Tax relief for certain individuals assigned during any of the tax years 2012 to 2025 to work in the State.^{1,2} The relief is commonly known as SARP (Special Assignee Relief Programme).

The aim of the relief is to reduce the cost to employers of assigning skilled individuals in their companies from abroad to take up positions in the Irish-based operations of their employer or an associated company, thereby facilitating the creation of jobs and the development and expansion of businesses in Ireland.

SARP provides for relief from Income Tax on 30% of income over €75,000 (€100,000 for an employee who arrives on or after 1 January 2023), subject to an upper income threshold, where applicable.

There is no exemption from USC. PRSI is payable where the individual is not liable to social insurance contributions in their home country. School fees of up to €5,000 per annum and expenses incurred on one trip home per year, where they are paid for by the employer, are not subject to Income Tax, USC or PRSI.

¹ Employees may either be assigned to work for their employer or employed by an associated company of their employer.

² Section 15 of Finance Act 2014 extended the relief to include individuals assigned to work in the State during any of the tax years 2015, 2016 and 2017. A number of enhancements were made for those years, including the removal of the upper income threshold of €500,000. Section 10 of Finance Act 2016 further extended the relief to the tax year 2020. The relief was then further extended by the Finance Act 2019 to include individuals assigned to work in the State up to the end of 2022. Section 15 of Finance Act 2018 inserted an upper income threshold of €1 million. The relief was then further extended by section 18 of Finance Act 2022 to include individuals assigned to work in the State up to the end of 2025.

Conditions of SARP relief

The relief can be claimed by an individual who:

- (a) arrives in the State in any of the tax years 2012 to 2025, at the request of his or her relevant employer, to perform duties of his or her employment for that employer or to take up employment in the State with an associated company of that employer and to perform duties for that company;
- (b) immediately before being assigned to work in the State, worked outside the State for a minimum period of 6 months for the relevant employer who assigned him or her to work in the State;³
- (c) performs duties referred to in (a) above for a minimum period of 12 consecutive months in the State from the date he or she:
 - i. takes up residence in the State (position for tax years 2012, 2013 and 2014);
or
 - ii. first performs those duties in the State (position for tax years 2015 to 2025).
- (d) was not tax resident in the State for the 5 tax years immediately preceding the year of his or her arrival in the State to take up employment.
- (e) for each of the tax years in respect of which relief is claimed, was tax resident in the State⁴
- (f) for a relevant employee who first arrives in the State on or after 1 January 2023 he or she must hold a Personal Public Service Number ("PPSN"), receive a minimum annualised relevant income of €100,000, (i.e. basic salary excluding all bonuses, commissions or other similar payments, benefits or share based remuneration). Prior to this date the minimum annualised employment income required was €75,000.
- (g) the employer certifies, within 90 days⁵ of the employee's arrival in the State by completing a Form SARP 1A, that:
 - i. the employee complies with conditions of the relief, and
 - ii. the employer must also confirm that it has complied with the PAYE commencement obligations as required under Regulation 17(2) of the Income Tax (Employments) Regulations 2018.

Comprehensive guidance notes on SARP (including the definitions of "relevant employer" and "associated company") can be found on the Revenue website in the Tax and Duty Manual available [here](#).

³ In the case of an individual arriving in the State in tax years 2012, 2013 or 2014, a minimum period of 12 months applied.

⁴ For the tax years 2012, 2013 and 2014, the individual could not be tax resident elsewhere.

⁵ Section 15 of Finance Act 2018 extended the timeline which was previously 30 days.

Operation of SARP

Thresholds

There are two separate and distinct €75,000 or €100,000 thresholds that must be considered for SARP:

- (a) the €75,000 (€100,000 for an employee who arrives on or after 1 January 2023) threshold for the purposes of determining eligibility for the relief; and
- (b) the €75,000 (€100,000 for an employee who arrives on or after 1 January 2023) threshold used in calculating the tax relief.

In the year of arrival or departure, these thresholds are apportioned accordingly.

Eligibility for relief

Before an individual is eligible to claim the relief, he or she must earn "relevant income" of not less than €75,000 (€100,000 for an employee who arrives on or after 1 January 2023) per annum. This means that his or her basic salary before benefits, bonuses, commissions, share based remuneration, etc. must not be less than €75,000 (€100,000 for an employee who arrives on or after 1 January 2023).

Calculating the relief

The tax relief is granted by calculating what is known as the "specified amount" and relieving that specified amount from the charge to income tax. The specified amount is determined by reference to the following formula -

Formula: $(A-B) \times 30\%$

where -

A: is the amount of the relevant employee's income, profits or gains from his or her employment in the State with a relevant employer or associated company, excluding expenses and amounts not assessed to tax in the State and net of any superannuation contributions. In addition, where the relevant employee is entitled to double taxation relief in relation to part of the income, profits or gains from the employment, that part of the income is also excluded from 'A', and

B: is €75,000 (€100,000 for an employee who arrives on or after 1 January 2023)

The specified amount is 30% of the individual's income that exceeds €75,000 (€100,000 for an employee who arrives on or after 1 January 2023), subject to the application of an upper income threshold, where applicable.

For the tax years 2012, 2013 and 2014, SARP provides for relief from Income Tax on 30% of salary between €75,000 and €500,000 (the upper income threshold). For the tax years 2015 to 2018, no upper income threshold applied. In this instance the specified amount is 30% of the individual's salary that exceeds €75,000.

Operation of SARP (continued)

Finance Act 2018 reinstated an upper income threshold, which is set at €1 million, and applicable when calculating the specified amount in respect of new claimants for the 2019 tax year and for all claimants for subsequent years.⁶

Finance Act 2022 increased both the deduction and minimum qualifying thresholds from €75,000 to €100,000 in the case of a relevant employee who arrives in the State in any of the tax years 2023 to 2025.

The specified amount is exempt from Income Tax but is not exempt from USC. In addition, the specified amount is not exempt from PRSI unless the employee is relieved from paying Irish PRSI under either an EU Regulation or under a bilateral agreement with another jurisdiction.

School fees of up to €5,000 per annum per child and expenses incurred on one trip home per year, where they are paid for by the employer, are not subject to tax, USC or PRSI.

For the purposes of calculating 'A' in the definition of specified amount, all income from the employment is included (e.g., bonuses, commission or other similar payments, benefits in kind and share based remuneration). However, as noted above, amounts not assessed to tax in the State or any amount on which relief for pension contributions has been obtained is excluded as are amounts paid in respect of expenses. In addition, where an individual is entitled to double taxation relief for foreign tax, that part of the income on which such relief is claimed should be excluded in calculating the specified amount.

⁶ A new claimant refers to an employee who first arrives in the State on or after 1 January 2019 to perform his or her employment duties in the State.

Analysis of SARP Returns

The tables on the following pages provide statistics on the cost and other aspects of SARP in respect of the tax year 2022, based on relevant returns received by Revenue as at 23 February 2023. This includes comparisons with tax years 2012 to 2021 where relevant.

The returns submitted by employers are the SARP 1A Form, which is completed in respect of each SARP employee claiming the relief, and the Annual SARP Employer Return.

In 2022, there were **2,663** individuals recorded on SARP Employer Returns, submitted by **592** employers. The estimated total cost of SARP in 2022 was **€48.0m**, of which €0.3m & €0.5m were in relation to travel and school fees respectively.⁷

In 2022, **36%** of claimants of SARP were receiving the relief through payroll. This figure is based on cases where the employer had submitted the SARP 1A claim and had been granted approval, and who had elected to receive SARP relief at source in real time through payroll. Notwithstanding this, all employees availing of SARP relief are required to file an annual income tax return (i.e. Form 11) for each year the relief is being claimed.

Employers of **17%** of SARP claimants reported that they operated the claimant's payroll on a tax equalisation basis.⁸

Table 1 outlines the estimated cost of SARP for 2012 to 2022.⁹

Table 1: Cost of SARP (€m)

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
0.1	1.9	5.9	9.5	18.1	28.1	42.4	38.2	36.6	41.8	48.0

Employers may have more than one employee claiming SARP. Table 2 provides a breakdown, for 2022, of the number of employers and the overall cost, broken down by the number of SARP claimants in the company.

Table 2: Cost by number of SARP claimants per employer

Number of Employees for which SARP is claimed	Number of Employers in category	SARP Exchequer Cost €m
1-2	415	12.8
3-5	99	7.4
6-10	28	3.4
11+	50	24.4
Total	592	48.0

⁷ The cost is calculated based on the tax cost only, and therefore excludes the PRSI and USC costs associated with school fees and expenses incurred on one trip home per year. Tables 1 & 2 are also calculated on this basis.

⁸ Tax equalisation broadly means that an employee pays no more and no less tax while on international assignment than he/she would have paid had he/she remained in his/her home country. The company bears all the actual home and host country tax due. The employee's contribution to the tax burden is the hypothetical tax he/she would have paid had he/she not gone on assignment. If the actual tax due is higher than the hypothetical tax withheld, the employer pays the difference. If the actual tax due is lower than the hypothetical tax, the employer retains the difference.

⁹ The cost is calculated based on employer returns submitted to Revenue and therefore represents the maximum cost of all reported individuals to whom the relief is available.

Table 3 provides a breakdown of the top 5 nationalities of SARP claimants in 2022, while Table 4 provides a breakdown of the top 5 countries of residence of SARP claimants directly prior to arrival in the State.

Table 3: SARP claimant nationality

Country of Nationality	Share of Claimants
U.S.A.	17%
India	17%
Ireland	13%
U.K.	10%
Russia	5%

Table 4: Country of residence prior to arrival in the State

Country	Share of Claimants
U.S.A.	23%
U.K.	17%
India	14%
Russia	5%
China	4%

Table 5 provides a breakdown of SARP claimants in 2022 by the number of years for which the claimant has been claiming SARP relief.

Table 5: Number of years claiming SARP

Years Claiming	Share of Claimants
1	43%
2	19%
3	16%
4	15%
5	7%

Table 6 outlines the annual growth in the number of employees, as reported by employers, as a result of the operation of SARP.

Table 6: Increase in the number of employees as a result of SARP

Year	Number of Employees
2012	6
2013	49
2014	126
2015	591
2016	477
2017	383
2018	236
2019	379
2020	464
2021	636
2022	428

Table 7 outlines the number of employees retained, as reported by employers, as a result of the operation of SARP.

Table 7: Number of employees retained as a result of SARP

Year	Increase
2012	6
2013	215
2014	708
2015	603
2016	607
2017	839
2018	348
2019	483
2020	1,091
2021	1,248
2022	1,569

Table 8 sets out the number of SARP claimants by salary range, in each of the years 2012 to 2022.

Table 8: Number of SARP claimants by income band

Income Range	2012**	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<€150,000	-	35	88	224	359	453	424	457	499	596	893
€150,001 - €225,000	-	36	79	155	160	215	382	406	395	496	704
€225,001 - €300,000	-	28	63	81	79	155	227	249	263	286	381
€300,001 - €375,000	-	12	29	34	56	80	129	125	142	165	195
€375,001 - €675,000	-	10	33	62	95	114	210	228	236	275	302
€675,001 - €1,000,000	-	-	10*	30*	26	36	54	59	52	82	103
€1,000,001 - €3,000,000	-	-	-	-	18*	31*	45	50*	72*	68	66
€3,000,001 and above	-	-	-	-	-	-	10	-	-	14	19
Total	11	121	302	586	793	1,084	1,481	1,574	1,659	1,982	2,663

Notes: * The higher ranges have been combined to protect taxpayer confidentiality due to the small numbers of cases involved. Further details regarding Revenue’s Statistical Disclosure Control protocols can be found at <https://www.revenue.ie/en/corporate/information-about-revenue/statistics/about/statistical-disclosure-control.aspx>. Data in relation to 2012 to 2017 are based on income received, data in relation to 2018 to 2022 is based on annualised salary. **In the interests of taxpayer confidentiality, a breakdown is not supplied in respect of the 2012 statistics.

Table 9 provides a breakdown of SARP claimants by employer sector for 2017 to 2022.

Table 9: Number of SARP claimants by sector of employer

Employer Sector (based on NACE classification code system)	2017	2018	2019	2020	2021	2022
Administrative and support service activities	88	131	98	112	124	132
Financial and Insurance Activities	230	343	433	465	508	527
Information and Communication	205	289	337	379	510	830
Manufacturing	176	199	236	240	286	418
Professional scientific and technical activities	122	164	152	167	251	349
Wholesale and retail trade/Repair of motor vehicles and motorcycles	232	297	258	233	275	351
All other Sectors	31	59	65	47	63	66
Total	1,084	1,482	1,579	1,663	2,017	2,673

Note: As claimants can transfer between associated companies without effecting eligibility for SARP relief, the total may differ from Table 8.