

# Pay tax or lose your passport

**Justine McCarthy**

THE Labour party in government would revoke the passports of wealthy tax exiles, its leader Eamon Gilmore has pledged. More than 5,800 Irish people are claiming exile status, at a cost to the state of about €175m a year.

“There shouldn’t be tax exiles,” Gilmore said in an interview with *The Sunday Times*. “Everybody who earns their living in this state or does business here should pay their taxes in this state.

“We would abolish the concept of tax exile. In the US, for example, they have a requirement that, irrespective of what part of the world you make your money in or where you are, you make your return to the IRS [Inland Revenue Service]. The ultimate instrument the state has in enforcing that is the passport.”

Gilmore said paying taxes should be regarded as a condition of citizenship, and the same tax regime should apply to all citizens. “There should not be a separate rule that allows people to make their tax residency in a very nice climate and fly back here to visit us

and, worse still, become benefactors,” he said.

High-profile non-tax-resident citizens include Sir Anthony O’Reilly, the former chief executive of Independent News & Media, and businessman Denis O’Brien, a major shareholder in the company. Another prominent tax exile is JP McManus, who recently staged a pro-am golf tournament in Limerick for charity, which was attended by Tiger Woods.

Gilmore said: “I find it unacceptable that people who do not pay their tax here are greeted and feted as marvellous when they make a donation. The attitude is, ‘I’ve paid for that hospital ward — please put my name on it.’ Of course, they can make a donation. . . when they’ve paid their tax.

“How nice it would be if we could all say, ‘I’ve paid for that school with the amount of tax I’ve paid in my working life. Please put my name on it.’ This is a good country. We have to get a sense that we’re all in it together and we’re all pulling together.”

Gilmore, who believes that 50 Labour seats in the next Dail would be sufficient to make

him taoiseach, also believes that builders and developers whose bank loans have been taken over by the National Asset Management Agency (Nama) should not be paid sala-

ries by the state agency. Last week *The Sunday Times* reported that Bernard McNamara was seeking a salary of €300,000 from the agency.

“Nama is costing the taxpayer an arm and a leg,” he said. “It should not operate as a special social welfare system for people who made bad investment decisions.”

Gilmore also revealed that the Labour party was considering suing RTE to assert his right to participate in the party leaders’ television debate before the next general election. In the past, the debate has been confined to the leaders of Fianna Fail and Fine Gael. Labour’s move to the top of the opinion polls last month and Gilmore’s consistent lead in the ratings of individual party leaders have strengthened his hand in demanding a three-way debate.

“We put our case to them [RTE],” he said. “They made an initial proposal some months ago — two or three different

types of debate — that was not acceptable. I think the ball is in their court. I think they have a duty as a public-service broadcaster to make sure the debate takes place because it’s not about the parties. It’s about the right of the voter to see the

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## Tax exiles warned

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three parties tested against each other.”

Gilmore has not ruled out a legal challenge if RTE does not concede his demand for a three-way debate. “We wouldn’t rule it out but we haven’t made any decision to do that.”

He accused Fianna Fail of playing party politics with the constitutional status of children. “People are being deprived of a children’s rights referendum because Fianna Fail does not want to run the risk of holding the by-elections with it,” he said. “We all expected it was going to be at the beginning of June, because that was the original schedule. There is all-party agreement on the wording for it.”

He believes the state should remove those Cath-

olic bishops found by the Ryan and Murphy reports to be implicated in the cover-up of child abuse from the patronage and governance of schools and hospitals.

“A government can say: ‘If you have been found wanting in the care of children, you’re not going to run schools and you’re not going to run hospitals,’” Gilmore said.

Asked if gardai should follow the example of Belgian police by seizing documents compiled for internal church investigations, such as canonical tribunals, his answer is unequivocal. “Of course they should. We are a republic. There aren’t separate legal systems that one part of society can shelter behind.”

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