

DÁIL ÉIREANN

AN BILLE AIRGEADAIS 2010 —ROGHCHOISTE

FINANCE BILL 2010 —SELECT COMMITTEE

*Leasuithe
Amendments*

SECTION 2

In page 12, line 11, to delete “(1)(a)(ii)(II)” and substitute “(1B)(a)(ii)”.

—An tAire Airgeadais.

SECTION 5

In page 14, line 38, to delete “section 1” and substitute “section 3(1)”.

—An tAire Airgeadais.

In page 15, line 16, after “Minister” to insert “for Finance”.

—An tAire Airgeadais.

SECTION 15

In page 20, line 28, to delete “2(bb)” and substitute “2(ba)”.

—An tAire Airgeadais.

SECTION 16

In page 21, subsection (2)(a), line 29, to delete “applies” and substitute “apply”.

—An tAire Airgeadais.

In page 21, subsection (2)(b), line 31, to delete “applies” and substitute “apply”.

—An tAire Airgeadais.

SECTION 26

In page 33, before section 26, to insert the following new section:

“Payment of tax by means of donation of heritage property.

26.—(1) Section 1003A of the Principal Act is amended in subsection (1)—

(a) in the definition of “contents of the building” by substituting “the Minister is satisfied or, as appropriate, the Commissioners of Public Works in Ireland are satisfied” for “the Minister is satisfied”, and

(b) by substituting the following for the definition of “relevant gift”:

[SECTION 26]

“ ‘relevant gift’ means a gift of heritage property to the Trust or, as appropriate, to the Commissioners of Public Works in Ireland in respect of which no consideration whatever (other than relief under this section) is received by the person making the gift, either directly or indirectly, from the Trust or from those Commissioners or otherwise;”.

(2) Section 1003A of the Principal Act is amended by substituting the following for subsection (2):

“(2) (a) In this section ‘heritage property’ means a building or a garden which, on application in writing to the Minister or, as appropriate, to the Commissioners of Public Works in Ireland in that behalf by a person who owns the building or the garden is, subject to the provisions of this subsection, determined by the Minister or, as appropriate, by those Commissioners to be a building or a garden which is—

- (i) an outstanding example of the type of building or garden involved,
- (ii) pre-eminent in its class,
- (iii) intrinsically of significant scientific, historical, horticultural, national, architectural or aesthetic interest, and
- (iv) suitable for acquisition by the Trust or, as appropriate, by the Commissioners of Public Works in Ireland,

and, for the purposes of this section, a reference to ‘building’ includes—

- (I) any associated outbuilding, yard or land where the land is occupied or enjoyed with the building as part of its garden or designed landscape and contributes to the appreciation of the building in its setting, and
 - (II) the contents of the building.
- (b) An application for a determination under this subsection shall be made to the Minister where it relates to a relevant gift to be made to the Trust or shall be made to the Commissioners of Public Works in Ireland where it relates to a relevant gift to be made to those Commissioners.
- (c) In considering an application for a determination under this subsection, the Minister or, as appropriate, the Commissioners of Public Works in Ireland shall consider such evidence as the person making the application submits.
- (d) On receipt of an application for a determination under this subsection, the Minister or, as appropriate, the Commissioners of Public Works in Ireland shall request the Revenue Commissioners in writing to value the property in accordance with subsection (3).

[SECTION 26]

- (e) The Minister or, as appropriate, the Commissioners of Public Works in Ireland shall not, during any calendar year, make a determination under this subsection where the market value of the property, as determined by the Revenue Commissioners in accordance with subsection (3), at the valuation date exceeds an amount determined by the formula—

$$€6,000,000 - M$$

where—

M is an amount (which may be nil) equal to the market value at the valuation date of the heritage property (if any) or the aggregate of the market values at the respective valuation dates of all the heritage properties (if any), as the case may be, in respect of which a determination has been made or determinations have been made, as the case may be, under this subsection whether by the Minister or by the Commissioners of Public Works in Ireland in that calendar year and not revoked in that calendar year.

- (f) The Commissioners of Public Works in Ireland shall not make a determination under this subsection without the consent in writing of the Minister for Finance and any such determination shall be subject to such conditions as may be specified by the Minister for Finance.
- (g) The Minister and the Commissioners of Public Works in Ireland shall, as appropriate, consult with each other in connection with the general application of this section and in particular for the purposes of the application of paragraph (e).
- (h) (i) A property shall cease to be a heritage property for the purposes of this section if—
- (I) the property is sold or otherwise disposed of to a person other than the Trust or, as appropriate, the Commissioners of Public Works in Ireland,
 - (II) the owner of the property notifies the Trust or, as appropriate, the Commissioners of Public Works in Ireland in writing that it is not intended to make a gift of the property to the Trust or, as appropriate, those Commissioners, or
 - (III) the gift of the property is not made to the Trust or, as appropriate, to the Commissioners of Public Works in Ireland by the end of the calendar year following the calendar year in which the determination is made under this subsection.
- (ii) Where the Minister becomes aware or, as appropriate, the Commissioners of Public Works in Ireland become aware, at any time within the calendar year in which a determination under this subsection is made in respect of a property, that clause (I) or (II) of subparagraph (i) applies to the property, the Minister or, as appropriate, those Commissioners may revoke the determination with effect from that time.”.

[SECTION 26]

(3) Section 1003A of the Principal Act is amended by substituting the following for subsection (4):

“(4) Where a relevant gift is made to the Trust or, as appropriate, to the Commissioners of Public Works in Ireland—

- (a) the Trust or, as appropriate, those Commissioners shall give a certificate to the person who made the relevant gift, in such form as the Revenue Commissioners may prescribe, certifying the receipt of that gift and the transfer of the ownership of the heritage property the subject of that gift to the Trust or, as appropriate, to the Commissioners of Public Works in Ireland, and
- (b) the Trust or, as appropriate, the Commissioners of Public Works in Ireland shall transmit a duplicate of the certificate to the Revenue Commissioners.”.

—An tAire Airgeadais.

SECTION 27

In page 35, before section 27, to insert the following new section:

“Amendment of section 731 (chargeable gains accruing to unit trusts) of Principal Act.

27.—(1) Section 731 of the Principal Act is amended in subsection (5) by substituting the following for paragraph (a)—

- “(a) (i) Where throughout a year of assessment all the issued units in a unit trust which neither is, nor is deemed to be, an authorised unit trust scheme (within the meaning of the Unit Trusts Act 1990) are assets such that if those units were disposed of by the unit holder any gain accruing would be wholly exempt from capital gains tax (otherwise than by reason of residence or by virtue of section 739(3)), then gains accruing to the unit trust in that year shall not be chargeable gains.
- (ii) Where the trustees, or any persons duly authorised to act on their behalf, of a unit trust to which subparagraph (i) applies are satisfied that, throughout a year of assessment, all the issued units in the unit trust are assets referred to in subparagraph (i), then they shall, in respect of that year of assessment, make a declaration to that effect.
- (iii) The trustees, or any persons duly authorised to act on their behalf, of every unit trust to which subparagraph (i) applies shall in respect of each year of assessment, on or before 28 February in the year following the year of assessment, make a statement to the Revenue Commissioners in electronic format approved by them, which in respect of that year of assessment
 - (I) states whether a declaration as referred to in subparagraph (ii) has, or has not, been made, and
 - (II) specifies in respect of each person who is a unit holder—
 - (A) the name and address of the person, and

[SECTION 27]

(B) such other information as the Revenue Commissioners may require.

(iv) Where the trustees, or any persons duly authorised to act on their behalf, of a unit trust—

(I) make an incorrect or incomplete statement under subparagraph (iii), or

(II) fail, without reasonable excuse, to make such a statement,

then the trustees of that unit trust shall be liable to a penalty of €3,000. For the purposes of the recovery of a penalty under this subparagraph, section 1061 shall apply in the same manner as it applies for the purposes of the recovery of a penalty under any of the sections referred to in that section.”.

(2) This section shall apply for the year of assessment 2010 and subsequent years of assessment.”.

—An tAire Airgeadais.

SECTION 31

In page 40, subsection (1), lines 32 to 37, to delete paragraph (a) and substitute the following:

“(a) by substituting the following for section 42:

“Exemption of interest on savings certificates.

42.—(1) In this section—

‘EEA Agreement’ means the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by the Protocol signed at Brussels on 17 March 1993;

‘EEA State’ means a state which is a contracting party to the EEA Agreement;

‘relevant State’ means—

(a) a Member State of the European Union, or

(b) not being such a Member State, an EEA State which is a territory with the government of which arrangements having the force of law by virtue of section 826(1) have been made.

[SECTION 31]

(2) The accumulated interest payable in respect of any savings certificate issued by the Minister for Finance, or savings certificates or other similar securities issued by the Government of a relevant State pursuant to rules and conditions which correspond to the rules and conditions contained in regulations issued by the Minister for Finance, under which the purchaser, by virtue of an immediate payment of a specified sum, becomes entitled after a specified period to receive a larger sum consisting of the specified sum originally paid and accumulated interest on that specified sum, shall not be liable to tax so long as the amount of such certificates held by the person who is for the time being the holder of the certificate does not exceed the amount which that person is for the time being authorised to hold under regulations made by the Minister for Finance.”.”.

—An tAire Airgeadais.

SECTION 32

In page 41, before section 32, to insert the following new section:

“Amendment of section 299 (allowances to lessees) of Principal Act.

32.—(1) Section 299 of the Principal Act is amended—

(a) by substituting the following for subsection (1):

“(1) Subject to subsection (3), where machinery or plant is let by means of a finance lease (within the meaning of section 76D) to a person, by whom a trade is carried on, on the terms of that person being bound to maintain the machinery or plant and deliver it over in good condition at the end of the lease, and if the burden of the wear and tear of the machinery or plant in fact falls directly on that person, then, for the purposes of sections 283 and 284, the capital expenditure on the provision of the machinery or plant shall be deemed to have been incurred by that person and not by any other person and the machinery or plant shall be deemed to belong to that person and not to any other person.”,

and

(b) by inserting the following after subsection (2):

“(3) (a) In this subsection ‘lease payments’, ‘lessee’ and ‘lessor’ have, respectively, the same meanings as in section 80A.

(b) Subsection (1) shall only apply where—

(i) the lessor and lessee jointly elect, or

(ii) where the lessor is not a person within the charge to tax under Schedule D, the lessee elects,

[SECTION 32]

that this section shall apply for the purposes of sections 283 and 284 by giving notice in writing to the inspector on or before the specified return date for the chargeable period (within the meaning of section 950) in a form approved by the Revenue Commissioners and containing such particulars relating to the lessor and lessee and in connection with the lease as may be specified in the approved form.

(c) Where this section applies—

- (i) the amount to be deducted in computing the profits or gains to be charged to tax under Case 1 of Schedule D for any chargeable period of the lessee in relation to lease payments to be paid in respect of the finance lease, shall be the amount in respect of those lease payments which in accordance with generally accepted accounting practice would be deducted in a profit and loss account for that period, and accordingly, the aggregate amount (referred to in subparagraph (ii) as the ‘aggregate deductible amount’) to be deducted in computing the profits or gains to be charged to tax under Case 1 of Schedule D for any chargeable period of the lessee in relation to lease payments to be paid in respect of and over the term of the lease, shall be the amount in relation to those lease payments which in accordance with generally accepted accounting practice would be deducted in the profit and loss account over the term of the lease, and
- (ii) where capital expenditure deemed to have been incurred by the lessee would otherwise exceed the amount by which the aggregate amount of lease payments to be paid in respect of the lease exceeds the aggregate deductible amount, then the amount of capital expenditure on the provision of plant and machinery for the purposes of subsection (1) shall be deemed to be the amount by which the aggregate amount of the lease payments made in respect of and over the term of the lease exceeds the aggregate deductible amount.”.

(2) This section applies to chargeable periods (within the meaning of Part 9 of the Principal Act) commencing on, or after, the passing of this Act.”.

—An tAire Airgeadais.

[Acceptance of this amendment involves the deletion of section 32 of the Bill.]

SECTION 33

In page 42, subsection (1)(c), line 10, to delete “and”.

—An tAire Airgeadais.

In page 45, line 30, before “in” to insert “of section 258(4)”.

—An tAire Airgeadais.

SECTION 35

In page 50, to delete lines 7 to 11 and substitute the following:

[SECTION 35]

“(a) the excess (if any) of the consideration paid by the qualifying company on redemption of an investment certificate over the consideration paid in respect of that certificate by the beneficial owner to whom the certificate was first issued, and”.

—An tAire Airgeadais.

In page 51, to delete lines 24 to 48, and in page 52, to delete lines 1 and 2 and substitute the following:

“Treatment of credit return.

267O.—(1) Subject to section 130, a credit return shall be treated for all the purposes of the Tax Acts as if it were interest paid or payable, as the case may be, on a loan made by the finance undertaking to the borrower, or a security issued by the borrower to the finance undertaking, as the case may be, and the return shall be chargeable to tax accordingly.”.

—An tAire Airgeadais.

[*Note: A Printer error has resulted in incorrect line references in page 51 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 51 of the Bill.*]

In page 52, between lines 7 and 8, to insert the following:

“(3) The amount of the credit return shall not be regarded as expenditure on an asset for the purpose of section 552.”.

—An tAire Airgeadais.

In page 52, to delete lines 11 to 16 and substitute the following:

“(2) Acquisitions and disposals of an asset by the finance undertaking for the purpose of a credit transaction, within the meaning of paragraph (a) or (b) of the definition of ‘credit transaction’ in section 267N shall, where the finance undertaking is carrying on a trade which consists of or includes specified financial transactions, be regarded as made in the course of that trade.”.

—An tAire Airgeadais.

[*Note: A printer error has resulted in incorrect line references in page 52 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 52 of the Bill.*]

In page 53, line 25, to delete “security.” and substitute the following:

“security and the return shall be chargeable to tax accordingly.”.

—An tAire Airgeadais.

[*Note: A printer error has resulted in incorrect line references in page 53 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 53 of the Bill.*]

In page 54, to delete lines 3 to 10 and substitute the following:

“Application.

267U.—(1) This Part shall apply to a specified financial transaction between a finance undertaking or a qualifying company, as the case may be, and another person where the finance undertaking or the qualifying company, as the case may be, makes an election in writing to the inspector (within the meaning of section 950).

(2) An election under this section—

[SECTION 35]

(a) shall be made in a form approved by the Revenue Commissioners and containing such particulars relating to the finance undertaking or the qualifying company, as the case may be, and the transaction as may be specified in that form, and

(b) may be made either in respect of an individual transaction or in respect of a series of transactions of a similar nature.

(3) Where an election is made in accordance with this section—

(a) this Part shall apply to that transaction or series of transactions, and

(b) the finance undertaking or the qualifying company, as the case may be, shall notify any borrower or owner, as the case may be, who is a party to a specified financial transaction, that the transaction is a specified financial transaction.

Transactions to avoid tax.

267V.—This Part shall not apply to any transaction unless that transaction has been undertaken for *bona fide* commercial reasons and does not form part of any arrangement or scheme of which the main purpose or one of the main purposes is avoidance of liability to income tax, corporation tax, capital gains tax, value-added tax, stamp duty or capital acquisitions tax.”.

—An tAire Airgeadais.

SECTION 38

In page 56, line 32, to delete “mentioned” and substitute “referred to”.

—An tAire Airgeadais.

[*Note: A Printer error has resulted in incorrect line references in page 56 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 56 of the Bill.*]

In page 57, lines 42 and 43, to delete “or both of them.” and substitute “the supplier or the acquirer or both.”.

—An tAire Airgeadais.

[*Note: A Printer error has resulted in incorrect line references in page 57 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 57 of the Bill.*]

In page 58, line 48, to delete “Minister” and substitute “Minister for Finance”.

—An tAire Airgeadais.

[*Note: A Printer error has resulted in incorrect line references in page 58 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 58 of the Bill.*]

In page 60, line 33, to delete “they apply” and substitute “it applies”.

—An tAire Airgeadais.

[*Note: A Printer error has resulted in incorrect line references in page 60 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 60 of the Bill.*]

In page 62, to delete lines 2 to 28 and substitute the following:

[SECTION 38]

“(5) (a) Where, in relation to an arrangement—

- (i) the persons, who apart from this paragraph would be the affected person and the first-mentioned person, are members of the same group,
- (ii) the arrangement is comprised of activities within the meaning of paragraph (a) of the definition of ‘excepted operations’ in section 21A, and
- (iii) the persons referred to in subparagraph (i) jointly elect that this section shall apply,

then section 835C and this section shall not apply in relation to that arrangement.

- (b) An election under paragraph (a) shall be made by notice in writing to the inspector on or before the specified return date for the chargeable period (within the meaning of section 950) for the chargeable period of the person who, apart from paragraph (a), would be the first-mentioned person, and the notice shall set out the facts necessary to show that the persons referred to in paragraph (a)(i) are entitled to make the election.”.

—An tAire Airgeadais.

In page 62, subsection (2), line 39, to delete “as”.

—An tAire Airgeadais.

[Note: A Printer error has resulted in incorrect line references in page 62 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 62 of the Bill.]

In page 62, subsection (2), line 40, to delete “the terms of which are agreed on or after 1 July 2010” and substitute the following:

“other than any such arrangement the terms of which are agreed before 1 July 2010”.

—An tAire Airgeadais.

[Note: A Printer error has resulted in incorrect line references in page 62 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 62 of the Bill.]

SECTION 42

In page 68, subsection (1), lines 24 and 25, to delete all words from and including “Schedule” in line 24 down to and including “9DA:” in line 25 and substitute “Schedule 24—”.

—An tAire Airgeadais.

In page 68, subsection (1), between lines 25 and 26, to insert the following:

“(a) in paragraph 4(5)(a) by substituting “paragraphs 9D and 9DB” for “paragraph 9D”,

(b) in paragraph 4(5)(b)—

- (i) in subclause (iii) by deleting “and”, and

[SECTION 42]

- (ii) in subclause (iv) by inserting “, and” after “that paragraph”;
 - (c) in paragraph 4(5)(b) by inserting the following after subclause (iv):
 - “(v) the amount of income of a company treated for the purposes of paragraph 9DB as referable to an amount of relevant royalties (within the meaning of that paragraph),” and
 - (d) by inserting the following after paragraph 9DA:”.
- An tAire Airgeadais.

SECTION 44

In page 70, line 28, to delete “Where” and substitute “Notwithstanding subsection (9)(a), where”.

—An tAire Airgeadais.

SECTION 45

In page 71, to delete lines 23 to 52 and in page 72, to delete line 1 and substitute the following:

“129A.—(1) (a) In this section ‘profits’, in relation to a company for a period of account, means the amount of the profits after taxation as shown in the profit and loss account or income statement for that period as laid before the annual general meeting of the company.

(b) For the purposes of this section—

- (i) any question whether a company is connected with another company shall be determined in accordance with section 10 (as it applies for the purposes of the Tax Acts) and subparagraph (ii),
- (ii) where a company is party to a scheme or arrangement, the main purpose, or one of the main purposes, of which is the avoidance of the whole or part of a distribution being treated as a taxable distribution, then the company shall be treated as connected with any other company which is a party to that scheme or arrangement.

(c) For the purposes of subsection (5) ‘control’ shall be construed in accordance with subsections (2) to (6) of section 432 as if in subsection (6) of that section for ‘5 or fewer participators’ there were substituted ‘persons resident in the State’.

(2) Where—

(a) a company receives a distribution from another company (in this section referred to as the ‘paying company’) resident in the State with which it is connected, and

(b) the paying company became resident in the State in the period—

(i) beginning on the date—

(I) 10 years before the date the distribution was made, or

(II) of passing of the *Finance Act 2010*,

[SECTION 45]

whichever is the later, and

- (ii) ending on the date the distribution is made,

then, subject to subsection (5), section 129 shall not apply to such amount of the distribution as is paid out of profits arising before the paying company became resident in the State and that amount shall be treated as income chargeable to tax under Case IV of Schedule D.

- (3) (a) For the purposes of this section, where the amount of a distribution made by the paying company on or after the date (or the last such date if there was more than one date) it became resident in the State exceeds the distributable profits of the company for the period (in this subsection referred to as the ‘specified period’)—

- (i) beginning on the date (or the last such date if there was more than one date) the company became resident in the State, and
- (ii) ending on the last day of the accounting period of the company immediately preceding the accounting period in which the distribution is made,

then the excess shall be treated as paid out of profits arising before the company became resident in the State.

- (b) For the purposes of this subsection—

- (i) the distributable profits of the paying company for a specified period shall, subject to subparagraph (ii), be taken to be the aggregate of the profits of the periods of account (in this subsection referred to as ‘corresponding periods’) which fall wholly or partly within the specified period, as reduced by the aggregate of so much of the amounts of any distributions made in the specified period as were amounts to which section 129 applied,
- (ii) where a corresponding period falls partly within a specified period, the amount to be included in the distributable profits for the specified period in respect of the profits of that corresponding period shall be the profits of that corresponding period reduced by applying the fraction—

$$\frac{A}{B}$$

where—

A is the length of the period common to the specified period and the corresponding period, and

B is the length of the corresponding period.”.

—An tAire Airgeadais.

In page 72, line 2, to delete “subsection (1)” and substitute “subsection (2)”.

—An tAire Airgeadais.

In page 72, to delete lines 17 to 33 and substitute the following:

[SECTION 45]

“(5) Subsection (2) shall not apply where the paying company was at all times before the date it became resident in the State (or the last such date where there was more than one date) not controlled by persons resident in the State.”.

—An tAire Airgeadais.

In page 72, lines 34 and 35, to delete subsection (2) and substitute the following:

“(2) This section shall apply to distributions made on or after the passing of this Act.”.

—An tAire Airgeadais.

SECTION 49

In page 79, line 49, after “in” where it firstly occurs to insert “an accounting period arising from”.

—An tAire Airgeadais.

In page 80, line 25, after “period,” to insert the following:

“in respect of a loss arising from a leasing activity in such period.”.

—An tAire Airgeadais.

SECTION 50

In page 81, to delete lines 4 to 7, and substitute the following:

“ “ ‘research and development centre’ means a fixed base or bases, established in buildings or structures, which are used for the purpose of the carrying on by a company of research and development activities;”.

—An tAire Airgeadais.

In page 83, line 21, after “that” to insert “subsequent”.

—An tAire Airgeadais.

In page 83, to delete lines 28 to 33, and substitute the following:

“on an amount equal to the aggregate of the amounts by which the qualifying group expenditure on research and development has been increased, as a result of a reduction in the threshold amount by virtue of subparagraph (ii) of the definition of threshold amount, for relevant periods, taking account of each relevant period in respect of which the qualifying group expenditure on research and development was so increased.”.

—An tAire Airgeadais.

In page 83, lines 54 to 58, and in page 84, to delete lines 1 to 3 and substitute the following:

“under Case IV of Schedule D on an amount equal to the aggregate of the amounts by which the qualifying group expenditure on research and development has been increased, as a result of a reduction in the threshold amount by virtue of subparagraph (ii) of the definition of threshold amount, for relevant periods, taking account of each relevant period in respect of which the qualifying group expenditure on research and development was so increased, as reduced by any amount charged to tax in accordance with paragraph (b).”.

—An tAire Airgeadais.

[SECTION 50]

In page 84, lines 4 and 5, to delete subsection (2) and substitute the following:

“(2) (a) Paragraph (g) of subsection (1) applies to accounting periods commencing on or after 1 January 2010.

(b) Paragraphs (j) and (k) of subsection (1) apply and have effect from 1 January 2010.

(c) Except where otherwise provided by paragraphs (a) and (b), subsection (1) applies to relevant periods (within the meaning of section 766 of the Principal Act) commencing on or after 1 January 2010.”.

—An tAire Airgeadais.

SECTION 51

In page 84, to delete lines 6 and 7 and substitute the following:

“Tax treatment of certain royalties.

51.—(1) Part 8 of the Principal Act is amended—

(a) by inserting the following section after section 242:”.

—An tAire Airgeadais.

In page 84, to delete lines 14 to 31 and substitute the following:

“(a) made by a company in the course of a trade or business carried on by the company,

(b) to a company (in this subsection referred to as the ‘receiving company’) which—

(i) is not resident in the State, and

(ii) is, by virtue of the law of a relevant territory, resident for the purposes of tax in a relevant territory which imposes a tax that generally applies to royalties receivable in that territory by companies from sources outside that territory,

and

(c) which is made for *bona fide* commercial reasons and does not form part of any arrangement or scheme of which the main purpose or one of the main purposes is avoidance of liability to income tax, corporation tax or capital gains tax,

except where the royalties are paid to the receiving company in connection with a trade or business carried on in the State by the company through a branch or agency.”.

—An tAire Airgeadais.

In page 84, to delete lines 35 to 40 and substitute the following:

“(4) A company shall not be chargeable to corporation tax or income tax in respect of a royalty payment to which this section applies where—

(a) the company—

(i) is not resident in the State, and

[SECTION 51]

- (ii) is, by virtue of the law of a relevant territory, resident for the purposes of tax in that relevant territory which imposes a tax that generally applies to royalties receivable in that territory by companies from sources outside that territory,

and

- (b) the payment is made for *bona fide* commercial reasons and does not form part of any arrangement or scheme of which the main purpose or one of its main purposes is avoidance of liability to income tax, corporation tax or capital gains tax,

except where the royalty payment is made to the company in connection with a trade or business which is carried on in the State by the company through a branch or agency.””.

—An tAire Airgeadais.

In page 84, subsection (1), between lines 40 and 41, to insert the following:

“and

- (b) in section 243(5)(c) by substituting “section 246A or 267I” for “section 267I”.”.

—An tAire Airgeadais.

SECTION 53

In page 85, subsection (1), line 28, to delete “(a)”.

—An tAire Airgeadais.

SECTION 56

In page 87, subsection (1)(b), line 12, to delete “cost” where it secondly occurs and substitute “proceeds”.

—An tAire Airgeadais.

SECTION 57

In page 87, subsection (1)(a), lines 32 and 33, to delete “and the National Museum of Ireland,”” and substitute the following:

“, the National Museum of Ireland and the Friends of the National Collections of Ireland, and”.

—An tAire Airgeadais.

In page 87, subsection (1)(a), between lines 32 and 33, to insert the following:

- “(iv) a local authority or a joint body within the meaning of section 2(1) of the Local Government Act 2001 and any university in the State,””.

—An tAire Airgeadais.

In page 87, subsection (1)(b), line 34, to delete “paragraph (a)(iii)” and substitute “subparagraphs (iii) and (iv) of paragraph (a)”.

—An tAire Airgeadais.

SECTION 59

In page 88, lines 10 to 12, to delete subsection (1) and substitute the following:

[SECTION 59]

“59.—(1) Part 1 of Schedule 15 to the Principal Act is amended by substituting the following for paragraph 4:

“4. A local authority or a joint body within the meaning of section 2(1) of the Local Government Act 2001.”.

—An tAire Airgeadais.

SECTION 60

In page 91, to delete lines 6 to 14 and substitute the following:

““(1A) (a) Without prejudice to any other relief that may apply and subject to paragraphs (b) and (c), a relief from the carbon charge shall apply to biofuel.

(b) From 10 December 2009 until 30 June 2010, where biofuel has been mixed or blended with any other mineral oil, the relief under paragraph (a) shall only apply where the biofuel content of the mixture or blend exceeds 10 per cent of the total volume of the mixture or blend.

(c) From 1 July 2010, where biofuel has been mixed or blended with any other mineral oil, the relief under paragraph (a) shall apply to the biofuel content of any such mixture or blend.”.

—An tAire Airgeadais.

SECTION 130

In page 181, line 32, to delete “267O” and substitute “267N”.

—An tAire Airgeadais.

SECTION 132

In page 182, subsection (1)(b), line 46, to delete “25 June” and substitute “25 July”.

—An tAire Airgeadais.

[Note: A Printer error has resulted in incorrect line references in page 182 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 182 of the Bill.]

SECTION 138

In page 185, before section 138, to insert the following new section:

“Amendment of section 82 (exemption of certain receipts) of Principal Act.

138.—(1) Section 82(1) of the Principal Act is amended by inserting the following after paragraph (c):

“(ca) the receipt by a person of an award from the competition ‘Your Country, Your Call’ which was launched by the President on 17 February 2010,”.

(2) This section applies to gifts taken on or after 17 February 2010.”.

—An tAire Airgeadais.

[SECTION 141]

SECTION 141

In page 196, line 3, to delete “(2)” and substitute “(4)”.

—An tAire Airgeadais.

In page 196, line 10, to delete “(3)” and substitute “(5)”.

—An tAire Airgeadais.

In page 196, line 14, to delete “(4)” and substitute “(6)”.

—An tAire Airgeadais.

In page 197, line 27, to delete “531AG” and substitute “531AH”.

—An tAire Airgeadais.

[Note: A Printer error has resulted in incorrect line references in page 197 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 197 of the Bill.]

In page 198, line 1, to delete “531AH” and substitute “531AI”.

—An tAire Airgeadais.

In page 198, line 16, to delete “531AI” and substitute “531AJ”.

—An tAire Airgeadais.

[Note: A Printer error has resulted in incorrect line references in page 198 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 198 of the Bill.]

In page 198, line 23, to delete “531AJ” and substitute “531AK”.

—An tAire Airgeadais.

[Note: A Printer error has resulted in incorrect line references in page 198 of the Bill. The line references in this amendment refer to the actual number of lines of text in page 198 of the Bill.]

SECTION 144

In page 201, between lines 4 and 5, to insert the following:

“(7) Nothing in this section shall be construed as requiring any person to disclose to an authorised officer—

- (a) information with respect to which a claim to legal professional privilege could be maintained in legal proceedings,
- (b) information of a confidential medical nature, or
- (c) professional advice of a confidential nature given to a client (other than advice given as part of a dishonest, fraudulent or criminal purpose).”

—An tAire Airgeadais.

In page 201, line 5, to delete “(7)” and substitute “(8)”.

—An tAire Airgeadais.

In page 201, line 15, to delete “(8)” and substitute “(9)”.

—An tAire Airgeadais.

In page 201, line 26, to delete “(9)” and substitute “(10)”.

—An tAire Airgeadais.

[SECTION 144]

In page 201, line 31, to delete “(7)(b)” and substitute “(8)(b)”.

—An tAire Airgeadais.

SECTION 147

In page 202, paragraph (a), line 19, to delete “Tax Acts” and substitute “the Acts”.

—An tAire Airgeadais.

In page 202, line 20, to delete “Tax Acts” and substitute “the Acts”.

—An tAire Airgeadais.

In page 202, paragraph (b), line 30, to delete “Tax Acts” and substitute “the Acts”.

—An tAire Airgeadais.

In page 202, line 31, to delete “Tax Acts” and substitute “the Acts”.

—An tAire Airgeadais.

SECTION 149

In page 204, subsection (1)(a)(i), line 8, after “and” to insert “on”.

—An tAire Airgeadais.

In page 205, line 2, to delete “Tax Matters” and substitute “Taxes”.

—An tAire Airgeadais.

In page 205, line 16, to delete “Tax Matters (Principality of Liechtenstein)” and substitute “Taxes (Liechtenstein)”.

—An tAire Airgeadais.