Country Guide
Ireland

Prepared by

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Ireland’s Business Landscape

A Guide to Doing Business in Ireland

Prepared by
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19 November 2024

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1. THE COUNTRY AT A GLANCE

1.1 What languages are spoken?

The predominant language spoken in Ireland is English. The Constitution of Ireland 1937 (or "**Bunreacht na hÉireann**") declares the Irish language (or "**Gaelic**") to be the national and first official language of the State (called "**Eire**" in Irish). The English language is recognised as a second official language. Although Irish is not as widely spoken as English, it is of significant cultural importance and is therefore given this recognition in the Constitution.

1.2 What is the local currency and what is its exchange rate against the US dollar?

The currency in Ireland is Euro. The exchange rate for USD as at 24 October 2024 is 1.08.

1.3 Describe your country's geography, proximity to other countries and climate.

The island of Ireland lies off the north-west coast of Europe, 96km to the west of Great Britain. The island of Ireland comprises both the Republic of Ireland ("**Ireland**") and Northern Ireland. The Republic of Ireland is a sovereign independent state, governed by a parliamentary democracy. Northern Ireland, which is a part of the United Kingdom, is situated in the north-eastern part of the island.

The Irish climate is temperate. Winter temperatures range from 4•C - 7•C (or average 39• F); summer temperatures range from 14• C - 20• C (or average 61•. F). The average temperature is a mild 10° Celsius or 50° Fahrenheit.

Ireland has a population of approximately 5 million people which is concentrated mostly in the East and South East.

1.4 Are there cultural influences or prohibitions on the way business is conducted?

There are no adverse cultural influences of significance or prohibitions on the way business is conducted. There are no unusual restrictions or regulations applied to overseas companies who wish to do business in Ireland.

In common with most western countries, industry sectors such as the energy, financial, life sciences, technological and telecommunications sectors attract regulation and for special reasons of public policy require licenses to operate.

1.5 Are there religious influences or prohibitions on the way business is conducted?

There are no religious influences or prohibitions on the way business is conducted.

1.6 Explain your country's infrastructure.

Although Ireland is an island, travel is possible to most countries.

Air services are available to all European countries and most of the business capitals of the world including transatlantic flights to the United States.

Ireland has six international airports:

- Dublin;
- Shannon;
- Cork;
- Belfast;
- Kerry; and
- Knock, Co. Mayo.

The passenger ports are:

- Dublin Port;
- Rosslare (County Wexford, South East of Ireland); and
- Cork (County Cork, South of Ireland) providing transatlantic cargo services to the United States and Canada

Public road and rail services are operated by subsidiaries of the national transport company, Córas Iompair Éireann ("**CIE**") and it provides both passenger and freight services between the main cities and towns.

Railroad Systems: Iarnród Éireann (www.irishrail.ie) provides intercity transportation. There are two centre city stations from which inter-city trains and buses depart, namely, Heuston Station, Dublin 8 and Connolly Station, Dublin 1.

Public transportation: In Dublin, CIE operates a bus service around the city and suburbs. The relevant website address is www.dublinbus.ie.

There is a suburban rail called DART ("**Dublin Area Rapid Transport"**) which operates around the city and suburbs. The two most central DART stations are Pearse Station, Dublin 2 and Tara Street Station, Dublin 2. The relevant website address is www.irishrail.ie.

Dublin also has a light rail or tram system called Luas. There are currently two Luas lines.

Cars are driven on the left hand side of the road and the speed limits on most roads range from 30km/h to 120km/h. Ireland's national road network has been substantially improved and upgraded in recent years.

1.7 **Explain the communication system**

The main types of broadband connections available in Ireland are: fibre, part-fibre, cable, copper, fixed wireless, satellite and mobile. These connections are provided through a wide variety of network operators and retail providers.

Ireland has embraced the digital transformation envisaged under the EU Digital Decade, which aims to have gigabit connectivity and 5G across Europe by 2030.

Enhancing the expansion of the fibre networks by commercial network operators, the National Broadband Plan was initiated by Irish Government to deliver high speed broadband services to all premises in Ireland. It is being delivered through investment by commercial enterprises coupled with intervention by the State in those parts of the country where private companies have no plans to invest. At the time of writing, it is the largest infrastructural project in rural Ireland since rural electrification, spanning 96% of Ireland's land mass.

A number of operators deploy 5G services across the State. Under the Multi-band Spectrum Award concluded by the Commission for Communications Regulation ("**ComReg**"), long-term spectrum rights were issued to bidders in early 2023. The award represented a 46% increase in the harmonised spectrum assigned for the provision of wireless broadband services in Ireland and the licences include significant coverage obligations for operators.

Commercial network operators are expected to switch off legacy networks, such as the fixed copper network and 3G mobile networks, as the availability of fibre-based networks and other modern technologies becomes widespread and the coverage of 5G networks expands.

Postal services are provided by An Post, which is a commercial State-owned body that delivers a nationwide post office network offering a range of eCommerce, financial and Irish Government services. Eircode, the National Postcode System, is used widely among the public, businesses, and public sector. International (e.g. DHL) and privately-run courier services are also available in the country.

The National Cyber Security Centre ("**NCSC**") is responsible for advising and informing the Irish Government, IT and Critical National Infrastructure providers of current threats and vulnerabilities associated with network information security. Its role will expand under the EU Network and Information Security Directive ("**NIS2**").

The Commission for Communications Regulation ("**ComReg**"), established in 2002, is the statutory body responsible for the regulation of the postal sector and the electronic communications sector (telecommunications, radio communications, broadcasting transmission and premium rate services) in Ireland. It is responsible for facilitating competition, protecting consumers and encouraging innovation.

The country code for telephoning the Republic of Ireland is +353 followed by the relevant city code without the starting zero.

1.8 Describe the public services – i.e. water, electricity, gas.

Are they publicly or privately owned?

Electrical power is available throughout Ireland and mains gas is available in many parts of the country.

The energy sector is regulated by the Commission for Regulation of Utilities (the "**CRU**").

The electricity market is fully liberalised with independent generators and suppliers being licensed by the CRU. Subject to limited exceptions, trading takes place in a mandatory wholesale pool organised on an all-island basis (the Single Electricity Market). ESB, a vertically integrated state-owned corporation, has a statutory monopoly on the ownership of the transmission and distribution systems. The state-owned EirGrid plc is the licenced transmission system operator and ESB Networks DAC, a wholly owned subsidiary of ESB, is the licenced distribution system operator. At the time of writing, a private wires policy is under development.

The gas transportation system is owned and operated by State-owned Gas Networks Ireland. Ireland operates an entry/exit gas capacity system governed by a CRU approved a Code of Operations. Entry paid gas can be traded in the Irish system at a notional balancing point known as the Irish Balancing Point or ("**IBP**"). Large demand customers sometimes purchase gas from suppliers at their plant gate, or they can become licensed as Shippers to purchase at IBP, at Entry Points to the Irish system, or even at the National Balancing Point in the UK. The retail gas market is fully liberalised. Uisce Éireann, formerly known as Irish Water, is a state-owned water utility company regulated by the CRU as the economic regulator and the Environmental Protection Agency ("**EPA**") as the environmental regulator. Uisce Éireann supplies water to commercial entities at a fixed annual rate in addition to a tariff per cubic metre of water consumed. Although a small number of private water group schemes exist in Ireland, they serve primarily domestic users and smaller rural businesses. These schemes are not regulated by Uisce Éireann.

2. GENERAL CONSIDERATIONS

2.1 Investment policies

Does the country generally welcome investment?

Ireland has an impeccable track record for attracting foreign direct investment for decades, helping Ireland's economy beat global trends. The Irish Government welcomes overseas investment and encourages international companies to choose Ireland as a European base. Most sectors are open to private enterprise, although there are a few remaining restrictions to Irish Government agencies e.g. postal services and some transport services. A low corporate tax rate on trading profits makes Ireland an attractive place to do business.

Part of the incentive package offered to multinational companies can be state financial assistance, in the form of grants to cover start-up or other costs. Many other supports, both financial and non-financial, are available from Irish Government departments and agencies.

In line with international developments, Ireland is due to introduce a new foreign investment screening regime to review, for the first time, transactions involving foreign investment by a "third country" that may impact on security or public order in Ireland. A "third country" is defined as any country that is not a member state of the EU, a member of the EEA or Switzerland. Thus, investments by UK and US undertakings that meet the criteria for notification will be subject to the Irish FDI screening regime. Mandatory notification of a transaction will be required where, inter alia, the transaction relates to or impacts upon one or more of the following sensitive areas: critical infrastructure, critical technologies and dual use items, supply or critical inputs, access to sensitive information or the freedom and pluralism of the media. The Irish Government will also have the power to review non-notifiable transactions if they raise potential public order or national security concerns. Legislation providing for a foreign investment screening regime (the Screening of Third Country Transactions Act 2023) was signed into law on 31 October 2023. The Irish Government has indicated that the regime is expected to commence operation in December 2024.

Are there governmental or private agencies devoted to the promotion of investment?

There are several governmental agencies devoted to the promotion of investment:

(a) **IDA Ireland**

IDA Ireland is a non-commercial, semi-state body promoting foreign direct investment into Ireland through a wide range of services, including grant-aid and other business supports. IDA Ireland partner with potential and existing investors to help them establish or expand their operations in Ireland. IDA Ireland is Ireland's foreign direct Investment agency and has assisted more than 1,700 entities in establishing and extending their Irish presence, ranging from healthcare and pharmaceuticals to electronics and engineering, data processing and tele-services. Its website is www.ida.ie.

(b) **Enterprise Ireland**

Enterprise Ireland is the Irish Government agency responsible for the development and growth of Irish enterprises in world markets. Enterprise Ireland provides a number of services to companies including funding supports, export assistance, supports to develop competitiveness, incentives to stimulate research & development, connections and introductions to customers overseas. Its website is www.enterprise-ireland.com.

(c) **The Department of Enterprise Trade and Employment**

The Department of Enterprise, Trade and Employment is responsible for the formulation of policies for the development of enterprise, trade, science, technology and innovation in Ireland.

(d) **Udarás na Gaeltachta - the Gaeltacht Authority**

Údarás na Gaeltachta is the regional authority responsible for the economic, social and cultural development of Gaeltacht areas (which are areas where Irish is spoken as the community language). Broadly speaking, these areas comprise large parts of Counties Donegal, Galway, Kerry and Mayo and smaller areas of Counties Cork, Meath and Waterford.

Údarás encourages investment in the Gaeltacht through a range of financial and non-financial incentives for new and existing enterprises in the Gaeltacht. The organisation supports businesses in developing new markets, technologies, products and strategic alliances through research and development. Gaeltacht companies span a range of commercial sectors including – life sciences, ICT, tourism, fish processing and aquaculture, renewable energy, food, niche manufacturing, audio visual and digital media, arts and crafts. Údarás also offers ready-to-occupy factories and offices on workspace, buildings, offices, or individual sites and within industrial parks. Its website is www.udaras.ie.

(e) **Solas**

SOLAS is the Further Education and Training Authority in Ireland. It is responsible for funding, planning and co-ordinating a wide range of training and further education programmes and it has a mandate to ensure the provision of high-quality programmes to jobseekers and other learners. Its website is www.solas.ie.

What is the rate of inflation?

At the middle of October 2024, the rate of inflation stood at 0.7.

Explain any sector exceptions, incentives or restrictions on foreign investment?

Ireland is well established as a business-friendly jurisdiction. From a taxation perspective it offers a competitive tax rate and has a wide tax treaty network. Some specific incentives offered are:

- A company that incurs expenditure on R&D may avail of a tax credit of 30% on all R&D expenditure incurred (subject to certain conditions) in addition to the tax deduction of 12.5%. The combined effect of these provisions is that it is possible to obtain tax relief at an effective rate of up to 42.5% of expenditure on R&D.

- The Knowledge Development Box is a type of tax relief which applies to income from qualifying patents, computer programmes and, for smaller companies, certain other certified intellectual property. It is aimed at incentivising companies to undertake innovative activities in Ireland by providing an effective 10% corporate tax rate for profits generated from the sale or exploitation of certain intellectual property.

- Capital allowances can be claimed on capital expenditure incurred by companies on the provision of certain “specified intangible assets”. The definition of specified intangible assets is widely drafted and includes software, patents and registered designs, trademarks, brands, domain names, copyright, etc. Wide domestic exemptions from withholding tax on dividends and interest payments made by an Irish company; and

- An exemption from capital gains tax for Irish holding companies disposing of qualifying shareholdings in subsidiaries.

From 2025 a participation exemption on foreign dividends.

Describe de facto restrictions on investment, if any, such as bureaucratic discretion.

Ireland is due to imminently introduce a new foreign investment screening regime to review, for the first time, transactions involving foreign investment by a ”third country” that may impact on security of public order in Ireland. A “third country” is defined as any country that is not a member state of the EU, a member of the EEA or Switzerland. Thus, investments by UK and US undertakings that meet the criteria for notification will be subject to the Irish FDI screening regime. Mandatory notification of a transaction will be required where, inter alia, the transaction relates to, or impacts upon one or more of the following sensitive areas:

- Critical infrastructure (including energy, transport, water, health, communications, media, data processing or storage, aerospace, defence, electoral or financial infrastructure, and sensitive facilities, as well as land and real estate crucial for the use of such infrastructure);

- Critical technologies and dual use items (including technologies relating to artificial intelligence, robotics, semiconductors, cybersecurity, aerospace, defence, energy storage, quantum, and nuclear technologies as well as nanotechnologies and biotechnologies);

- Supply of critical inputs (including energy, raw materials and food security);

- Access to sensitive information (including personal data and the ability to process, license, sell or store such information); or

- The freedom and pluralism of the media.

The Irish Government will also have the power to review non-notifiable transactions if they raise potential public order or national security concerns. Legislation providing for a foreign investment screening regime (the Screening of Third Country Transactions Act 2023) was signed into law on 31 October 2023 and is expected to commence operation in December 2024.

In addition to the incoming foreign investment screening regime, many sectors require businesses to obtain specific permits or authorisations to operate. The terms of the permits or authorisations may well contain consent rights for the relevant regulator or other provisions which will have to be considered in connection with FDI.

Examples include:

Energy: Gas and Electricity industries are regulated by the Commission for Regulation of Utilities ("**CRU**"), and it will be necessary for companies involved in certain activities in these sectors to obtain an appropriate licence from the CRU. This will be relevant when considering an investment in, or acquisition of, a licence holder. Demand connection to networks is regulated by EU and domestic law but has been subject to some policy intervention.

Broadcasting: It will be necessary to obtain a license from the Commission of Communication Regulation ("**ComReg**") if an entity is providing television or radio services. These licences generally contain an obligation to notify ComReg of a substantial change of shareholding or control. Restrictions on ownership of a broadcasting company apply equally to domestic and foreign acquirers, and there are no FDI specific considerations.

Water and sewage: Water and Sewage companies in Ireland are regulated by the Environmental Protection Agency (EPA). The EPA grants both Integrated Pollution Prevention and Control (IPPC) licences and EPA waste licences for certain activities. IPPC licences are generally open-ended, subject to compliance with their conditions, although a time limit can be included as a condition. Waste licences often have a limited time span. IPPC and EPA waste licences can only be transferred with the EPA's prior consent. The EPA will not consent to such a transfer unless it is satisfied as to both the technical and financial competence of the proposed transferee. Where an entity engages in the discharge of waste water to sewers or to the environment, a discharge licence is required from Uisce Éireann (for discharges to sewers) and from the relevant local authority (for discharges to waters). Where an entity engages in water abstractions, a water abstraction licence from the EPA may be required, subject to meeting certain thresholds.

What types of businesses are conducted in the country?

Ireland has undergone enormous change in recent times in respect of the kind of business conducted in the country. Agriculture and Tourism were previously the main industries, but today the more important industries are as follows:

Technology: Ireland is especially attractive for investment in information and communications technology because there is a young and highly educated workforce.

IT Services / Computer Software / Hardware: This has become a key sector for Ireland and as a result of the availability of highly skilled IT professionals here, Ireland has become an attractive place to do business for many high profile companies e.g. Google and Meta.

Engineering: There is a large number of overseas-owned engineering firms in Ireland. There has been significant growth in the production of automotive components and aerospace technology.

Accounting and Auditing: There is a demand for accountants and auditors as a result of a huge focus on company books of account and effective corporate governance and compliance.

Innovation and Intellectual Property Related Enterprises: Ireland has successfully built up research capacity and an international reputation for research excellence. The Irish Government's *'Impact 2030: Ireland's Research and Innovation Strategy'* seeks to make Ireland a global leader in nurturing, developing and retaining talent to drive research and innovation in our higher education and research system, enterprises, communities and public services. To bolster the strategy, the Research and Innovation Act 2024 established Taighde Éireann – Research Ireland, a statutory research and innovation funding agency.

Green Sector Jobs: Employment has risen in areas such as Renewable Energy and Environmental and Energy Efficient Technologies. There is an increased demand for those qualified in environmental biology, renewable and electrical energy systems, environmental management and specialist fields within science and engineering.

Pharmaceuticals: Each of the top ten pharmaceutical companies in the world have operations in Ireland. The infrastructure is well suited to the industry with state-of-the-art equipment and stringent quality control of products.

Medical devices: Many of the world's top 20 medical device companies have significant operations in Ireland, making it one of the largest industry sectors.

Software: The indigenous software sector is a significant employer across an array of diverse companies. Nine of the world's top ten ICT companies have operations in Ireland.

Financial Services: The International Financial Services Centre ("**IFSC**") is a major international centre for collective investment fund management and ranks as one of the leading locations worldwide for international banking, corporate treasury and some specialised insurance activities. It has become one of the leading hedge fund service centres in Europe, and many of the world's most important financial institutions have a presence here.

2.2 Diplomatic Relations

Explain any established diplomatic relations your country may have.

Ireland has a well-developed diplomatic service with representation in most countries. Ireland is militarily neutral and maintains an active membership of the United Nations. Its website is **Irish Embassies and Consulates Abroad.**

Are there prohibitions or restrictions on certain business dealings with the country?

There are no prohibitions on business dealings with the country. However, the Irish Government maintains a list of countries/groups that are subject to financial sanctions. See Section 5.

Explain any travel restrictions to or within the country?

There are no travel restrictions to or within the country. However, as Ireland is an island, it is necessary to travel to it by ferry or by air. See Section 16 for immigration requirements.

2.3 Irish Government

Explain your country's election system and schedule. Is there an anticipated change in the present Irish Government?

Irish Governments are elected by the People for terms of a maximum of five years. Ireland has a President and Parliament. The Parliament is known as the Oireachtas and is made up of two chambers, namely the Dáil and the Seanad. The Irish Government is the party or coalition holding a majority in the Dáil.

Under the Irish Constitution every citizen has a right to vote and voting is by secret ballot.

For the purposes of the election the country is divided into constituencies with the political parties putting candidates forward for election for a specified number of seats in each constituency. The system of election is proportional representation by means of a single transferable vote. This involves a quota made up of total valid votes/total seats + 1. Every candidate who reached the quota is elected and his surplus is distributed to the second preferences. The process continues until all the seats are filled.

The next general election is expected to take place in late 2024 or early 2025.

Is the present Irish Government stable? Briefly explain your country's political history in the last decade.

The main political parties in Ireland are Fianna Fáil, Fine Gael, Labour and Sinn Féin and they have similar policies to western European political allegiances. There are eighteen Irish Government Departments, each headed by a Minister. The Ministers collectively form the Irish Government. Executive power is exercised by or on the authority of the Irish Government, which is responsible to the Dáil (House of Representatives). The Head of the Irish Government is the Taoiseach while the Deputy Head of the Irish Government is the Tánaiste.

Ireland's positive economic position is generally attributed to its educated and flexible workforce, Irish Government measures to ensure macroeconomic stability and to attract foreign investment and membership of the European Union, which now provides a market of almost 500 million people. Ireland continues to be one of the most open economies in the OECD.

2.4 Explain your country's judicial system

The judicial system in Ireland is established under the provisions of the Constitution of Ireland. The Constitution of Ireland provides that justice shall be administered in courts established by law by judges appointed by the President and save for special and limited circumstances, justice must be administered in public.

The Constitution assigns the administration of justice to Courts of First Instance, a Court of Appeal and a Court of Final Appeal. The Courts of First Instance include courts with local and limited jurisdiction (the District and Circuit Courts) and the High Court.

The District Court has jurisdiction to hear civil claims up to a specific threshold while the Circuit Court has jurisdiction to hear claims up to a higher threshold.

The High Court has unlimited monetary jurisdiction. The High Court has several specialist divisions including a Commercial Court which hears claims concerning

commercial disputes. The Intellectual Property and Technology List is a specialist sub-division of the Commercial Court. Additional specialist divisions of the High Court include the Arbitration List, the Competition List and the Planning & Environment list.

The Court of Appeal is the default court to hear appeals of decisions of the High Court. The decision of the Court of Appeal is, save for limited exceptions, final.

The Supreme Court is the Court of Final Appeal. In exceptional circumstances, it is possible to bypass the Court of Appeal and appeal a decision of the High Court directly to the Supreme Court (a "**Leapfrog Appeal**"). Permission to bring a Leapfrog Appeal must first be obtained from the Supreme Court. The Supreme Court has appellate jurisdiction in respect of a decision of the Court of Appeal if the Supreme Court is satisfied that the decision involves a matter of general public importance, or it is in the interests of justice that there is an appeal to the Supreme Court.

Is the judicial system generally perceived to be impartial?

The Constitution of Ireland mandates that all judges are independent in the exercise of their judicial functions and subject only to the Constitution and the law. The judicial system is perceived to be impartial and independent.

Must disputes be resolved in the country?

The jurisdiction of the Irish courts to hear and determine disputes is determined by reference to contractual agreement on jurisdiction (if applicable), international conventions, rules of court and common law rules. The Recast Brussels Regulation (Regulation (EU) No. 1215/2012) (the "**Recast Brussels Regulation**") applies where intended proceedings involve a defendant domiciled in the EU. The Lugano Convention of 30 October 2007 on jurisdiction and the enforcement of judgments in civil and commercial matters (the "**Lugano Convention**") applies where intended proceedings involve a defendant domiciled in the European Free Trade Association ("**EFTA**") countries (Iceland, Norway and Switzerland).

Is there a political method of resolving disputes?

There are no political methods of resolving disputes in Ireland.

Are alternative methods of dispute resolution permitted?

Alternative dispute resolution is permitted and promoted in Ireland. The Mediation Act 2017 obliges solicitors to advise their clients to consider mediation prior to the issue of court proceedings. The Mediation Act 2017 applies to all civil proceedings save for limited exceptions. Disputes may also be resolved through arbitration. The Arbitration Act 2010 incorporates the UNCITRAL Model Law and applies to both domestic and international arbitrations. Statutory adjudication is also used as a swift, time-bound process for the resolution of any dispute relating to payment arising under a construction contract, pursuant to the Construction Contracts Act 2013. Decisions may be enforced by the High Court. Conciliation and expert determination are also alternative resolution procedures that may be used by parties to construction contracts.

How long does it take to resolve disputes?

This is case specific and depends on a number of factors including the jurisdiction, the complexity of the dispute, whether and to what extent there are interlocutory applications, whether there are appeals of any interlocutory orders, the extent of interrogatories and/or discovery, the time that needs to be allocated for the hearing and the availability of judges. Cases in the Commercial Court benefit from fast-track procedure and case management. While the average wait time can range from 2 weeks to 6 months for a full hearing of a Commercial Court dispute, the ultimate timing will vary depending on factors such as those noted above.

Can foreign judicial decisions be enforced in the country?

Yes. The country of origin of the foreign judicial decision will determine the law governing its recognition and enforcement in Ireland. The recognition and enforcement of judgments of the courts of other EU member states is governed by Council Regulation (EC) No 44/2001 of 22 December 2000 ("**Brussels I**") on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (if proceedings issued before 10 January 2015), the Recast Brussels Regulation (if proceedings issued on or after 10 January 2015), while the recognition and enforcement of non-EU judgments will be governed by either the Lugano Convention, the 2005 Hague Convention, the 2019 Convention on the Recognition and Enforcement of Foreign Judgments in Civil or Commercial Matters (the "**2019 Hague Convention**") or common law principles, depending on the country of origin of the judgment.

Can decisions from the country be enforced outside the country?

As an EU member state, the Brussels I Regulation, the Recast Brussels Regulation and the Lugano Convention facilitate the automatic recognition and enforcement of Irish judgments which fall within their scope, across the EU and EFTA countries. Similarly, the 2005 Hague Convention and the 2019 Hague Convention facilitate the enforcement of judgments which fall within their scope between contracting parties. Ireland, through its membership of the EU, is a contracting party to both conventions. The ability to enforce a judgment in a third country will be determined by local law in that country.

Are there separate tribunals depending upon the subject matter of the case?

Tribunals of inquiry may be established by the Oireachtas to investigate matters of significant public importance. These tribunals are not permanent tribunals and deal solely with the specific matters they have been tasked to investigate.

There are also several other forums for disputes depending on the nature of the case including those set out below.

(a) **The Workplace Relations Commission:**

This is an independent, statutory body established to hear and decide on complaints regarding employment and equality issues. Decisions can be appealed to the Labour Court. Its mandate also includes promoting and improving workplace relations, ensuring compliance with employment legislation, and providing guidance on codes of practice. It offers a range of services, including inspection for employment rights compliance, information provision, processing of employment agency licenses, and mediation and conciliation services.

(b) **The Labour Court:**

The Labour Court has sole appellate jurisdiction in all disputes under employment rights and equality legislation. Recommendations made by the Court concerning the investigation of disputes under the Industrial Relations Acts 1946 – 2015 are not binding on the parties concerned, however, the parties are expected to give serious consideration to the Court's Recommendation. The Court's determinations under employment rights and equality legislation are legally binding and may be appealed to the High Court on a point of law only.

(c) **Financial Services and Pensions Ombudsman:**

This is a statutory officer who independently and impartially deals with consumer complaints about their individual dealings with financial service providers.

(d) **Private Residential Tenancies Board (PRTB):**

The PRTB is an agency of Irish Government with statutory powers. The central role of the PRTB is to support the rental housing market and to resolve cheaply and speedily disputes between landlords and tenants, affording protection to both parties without having to resort to the Courts. As a statutory body, the PRTB has been responsible for the operation of a national registration system for all private residential tenancies and for providing a more timely and cost effective dispute resolution service, as well as disseminating information, carrying out research and offering policy advice regarding the rental housing sector.

Are there different legal systems within the country or its political subdivisions?

One legal system applies in the Republic of Ireland which is a common law jurisdiction. The doctrine of precedent applies and thus, save for exceptional circumstances, courts are bound to follow decisions of superior courts and generally courts of equal jurisdiction. In accordance with Article 29 of the Constitution of Ireland, EU law applies in Ireland.

Can the investor choose to be subject to the country's jurisdiction or not?

Parties can contractually agree to submit to the jurisdiction of Ireland in a commercial contract. Both the Recast Brussels Regulation and the Lugano Convention recognise choice of jurisdiction. The 2005 Hague Convention also recognises the jurisdiction of the courts of a contracting party to hear a dispute where it has been designated in an exclusive choice of court agreement.

2.5 **Explain your country's legislative system:**

Ireland is a parliamentary democracy. Legislative power is vested in the Oireachtas which comprises the President of Ireland and two houses of parliament, Dáil Eireann and Seanad Éireann. The Irish Government exercises executive power and is led by the Taoiseach ("**Prime Minister**"). The Tánaiste is a deputy to the Taoiseach. The Taoiseach nominates a cabinet of ministers who are approved by Dáil Eireann and appointed by the President of Ireland.

Legislation originates as a draft called a Bill. A Bill must be passed by both houses of the Oireachtas, Dáil Eireann and Seanad Éireann. Within each house of the Oireachtas, a Bill must pass various stages. Once passed by the houses of the Oireachtas, the Bill is presented to the President to be signed into law. In exceptional circumstances, the President may decline to sign a Bill into law. Once a Bill is signed into law, it is known as an Act. The commencement provisions in each Act address when the Act will enter force.

2.6 **Environmental Considerations**

What is the public/Irish Government attitude toward environmental regulation?

Irish environmental policy and regulation has been, and continues to be, very much shaped and influenced by EU legislation and policy in this area. Irish environmental legislation is modern and regularly updated to transpose European law. The responsibility for enforcement and administration of environmental law in Ireland lies with several authorities.

The Department of the Environment, Climate and Communications is the principal governmental department responsible for developing environmental policy and the drafting of environmental legislation. The Environmental Protection Agency (the "**EPA**") has responsibility for licensing, enforcement, monitoring and assessment of activities associated with environmental discharges, emissions and waste handling. Where an activity is not licensed by the EPA, local authorities, such as city and county councils, play an important role in environmental control and pollution control as they

are a consent authority for lesser environmental licences for activities located in their respective functional areas. However, other agencies, such as Uisce Éireann (formerly known as Irish Water) and other governmental departments also have a role in licensing certain activities which can impact on the environment.

Local authorities also have a particular responsibility in the planning process. Planning decisions made by local authorities can be subject to appeal to an independent national planning appeals board ("**An Bord Pleanála**").

In terms of enforcement, breaches of environmental law are principally enforced by the EPA whereas breaches of planning law are principally enforced by local authorities. Breaches of environmental law can result in criminal enforcement and conviction for both the company and potentially its officers in certain circumstances. In very exceptional circumstances, there is provision for prison sentences to be handed down.

The Office of Environmental Enforcement ("**OEE**") of the EPA has published an Enforcement Policy. It sets out that the OEE will only pursue a prosecution after full consideration of the event giving rise to environmental concerns and other relevant factors, including the environmental effects of the offence, the foreseeability of the offence, and the intent of the offender. A prosecution will not be commenced or continued by the OEE unless it is satisfied that there is sufficient, admissible and reliable evidence that the offence has been committed and that there is a realistic prospect of conviction. The most recent Annual Report of the EPA states that 22 cases were concluded by the EPA in 2023, resulting in 19 District Court convictions. In addition, the OEE encourages local authorities to adopt a similar approach to prosecution in relation to enforcement of environmental legislation.

Explain any environmental regulations

Many activities may require both a planning permission (to permit the construction of a particular development and the use of it for a particular activity) and an environmental operating licence (to permit the carrying on of a particular activity that may impact on the environment). Depending on the nature of the activity to be carried out, more than one environmental operating licence may be required. Many activities in the maritime area require a maritime area consent and a development consent.

Large-scale developments will typically require an environmental impact assessment ("**EIA**") under the EIA Directive 2011/92/EU to be carried out before the grant of planning permission and/or an environmental operating licence. In some cases, an EIA is mandatory for certain developments or activities, irrespective of the size of the development. In most cases, however, a threshold is set and if this is exceeded, the project must then be subject to EIA. Even if the thresholds are not exceeded, the relevant authority can require the preparation of an environmental impact statement to allow it to carry out an EIA if it considers that the project would be likely to have significant effects on the environment. The full list of projects for which an EIA is required, together with the relevant threshold limits, is set out in Schedule 5 to the Planning and Development Regulations 2001 to 2024 (the "**Planning Regulations**").

In addition to an EIA, an "appropriate assessment" pursuant to the Habitats Directive 92/43/EEC may be required to be carried out by the consent authorities. An "appropriate assessment" is required to be carried out on any plan or project not directly connected with or necessary to the management of a protected site but likely to have a significant effect on the site (either individually or in combination with other plans or projects). The consent authorities shall agree to the plan or project only after having ascertained that it will not adversely affect the integrity of the protected site(s) concerned.

Although the statutory regimes governing the granting of planning permission and environmental operating licences are separate, the relevant public bodies are statutorily required to consult with each other in assessing applications for planning permission and/or environmental operating licences in respect of the same project to ensure compliance with EU law.

Planning Legislation

Planning and development in Ireland is governed by the Planning and Development Acts 2000 – (the "**Planning Acts**") and the Planning Regulations.[1] The development of land or buildings, including material changes of use, requires planning permission under the Planning Acts, unless such development falls under an exemption provided for by the Planning Acts and the Planning Regulations. The planning process is largely administered by local authorities who may, on submission of an application to them, refuse or grant permission with or without conditions. A decision of a local authority may be appealed to An Bord Pleanála by the applicant or a third party.

There is a streamlined procedure for planning applications for approval of significant developments of strategic economic or social importance to Ireland. Such developments, known as strategic infrastructure developments, are made directly to An Bord Pleanála. These applications relate to large scale developments comprising energy, transport, environmental and health infrastructure. Examples of developments to have benefited from this process include offshore gas field developments, waste-to-energy plants, combined heat and power plants, mechanical biological treatment plants and wind farms generating in excess of 50 MW of electricity. An Bord Pleanála has a statutory objective to determine strategic infrastructure cases within eighteen weeks, although this period can be extended.

Emissions Licensing

In addition to planning permission and depending on the nature of the activity to be carried out and any resultant emissions or discharges to the environment, a person may require an environmental operating licence permitting the activity. Activities that require either an Industrial Emissions Licence ("**IE Licence**") or an Integrated Pollution Control Licence ("**IPC Licence**") from the EPA are listed in the First Schedule to the Environmental Protection Agency Act 1992 (the "**EPA Act**"). The purpose of the licensing system under the EPA Act is to ensure that all emissions from a licensed activity are regulated under a single licence. Activities requiring an IPC Licence are generally either below certain thresholds or criteria for an IE Licence and/or comprise an activity of a less industrial nature e.g. certain activities in the food and drink sector.

As at the date of writing, it takes up to 24 months for most licences for new activities to be issued by the EPA within receipt of a valid application.

Other activities that do not require an IE or IPC Licence but may still have an impact on the environment may require a licence or permit from another consent authority. For example, an air pollution licence pursuant to the Air Pollution Act 1987 may be required from the relevant local authority for emissions to air or a trade effluent discharge licence pursuant to the Local Government (Water Pollution) Acts 1977 to 2007 may be required from Uisce Éireann and/or the relevant local authority for discharges of trade effluent to sewers or to the environment.

Water Abstraction Licencing

Where an entity engages in water abstractions a water abstraction licence from the EPA may be required, subject to meeting certain thresholds. The EPA may require an EIA or an EIA screening to be carried out in respect of the abstractions. Conditions may be attached to the abstraction licence.

Water abstractions which do not meet these thresholds should be registered with the EPA once they are above a daily threshold. Planning permission is generally required for water abstraction infrastructure, subject to limited exemptions.

Waste Licensing

[1] However, at the time of writing, a new Planning and Development Bill was at an advanced stage of the legislative process. This is anticipated to be enacted by the end of 2024.

The recovery and disposal of waste in Ireland is primarily governed by the Waste Management Acts 1996 – 2011 and the EPA Act. Certain categories of waste activity which fall under the First Schedule to the EPA Act require an IE Licence under the European Union (Industrial Emissions) Regulations 2013. Therefore, a waste operator may be required to obtain and hold either an IE Licence or a waste licence from the EPA (for the most significant waste activities), a waste facility permit from the local authority (for more environmentally benign waste activities), a waste certificate of registration/registration certificate from the local authority or the EPA (for local authorities' waste activities) or a waste collection permit from the local authority.

There are specific regulations relating to the handling, storage, treatment and shipment of hazardous waste which are enforced by the local authorities, the EPA and the National Trans Frontier Shipment Office. There are also specific regulations applicable to producers of packaging waste, waste electrical and electronic equipment and batteries. In general terms, these impose responsibility for such waste on producers and can be discharged by self-compliance or by joining an approved compliance scheme.

Regulation of Hazardous and Dangerous Substances

There are a large number of specific regulations dealing with hazardous and dangerous substances, including, for example, in relation to radioactive substances, agrichemicals, cosmetics and poisons.

Establishments where dangerous substances are present in amounts equal to or exceeding certain threshold quantities are required to comply with the Chemicals Act (Control of Major Accident Hazards involving Dangerous Substances) Regulations 2015. These regulations implement Council Directive 2012/18/EU (the "Seveso III Directive").

The Seveso III Directive imposes duties in respect of safety management systems, preparation of safety reports and emergency preparedness and also affects development proposed on or near a "Seveso" site (which may be restricted).

The Chemicals Acts 2008 and 2010 govern the administration and enforcement of Regulation 1907/2006 ("**REACH**") and Regulation 1272/2008 (the "**CLP Regulation**") in Ireland. REACH imposes obligations on all actors in the chemical supply chain to ensure that they manufacture, place on the market or use substances in ways that do not adversely affect the environment or human health. Key obligations under REACH include fulfilling registration requirements, providing recipients of products with safety data sheets and communicating certain information up and down the supply chain.

The CLP Regulation regulates the classification, labelling and packaging of chemical substances and mixtures manufactured or imported into the EU. Key obligations under the CLP Regulation include complying with packaging and labelling requirements and record keeping.

A number of authorities are involved in the administration and enforcement of the requirements of the Seveso III Directive, REACH and the CLP Regulation, particularly the Health and Safety Authority and local authorities.

The Health and Safety Authority is also primarily responsible for enforcement of legislation governing the transport of dangerous goods by road pursuant to the Carriage of Dangerous Goods by Road Act 1998 and regulations made thereunder. The Health and Safety Authority has published a number of relevant guidance notes.

Controls over radioactive substances are exercised principally under the Radiological Protection Act 1991. The EPA is the body responsible for the handling and disposal of radioactive materials in Ireland in addition to regulating all sources of ionising radiation, natural as well as artificial.

Climate Change, Renewable Energy and Energy Efficiency

Ireland is bound by the European Union's climate and energy legislative package, the target of which is to reduce greenhouse gas emissions by 51% in 2030 compared to 1990 levels, and to attain climate neutrality by 2050. Ireland is committed to targets and obligations pursuant to EU legislation in the areas of emissions reduction, renewable energy, energy efficiency, energy performance of buildings, alternative fuels infrastructure deployment, land use, land use change, and forestry, and nature restoration.

Ireland also has an ambitious domestic climate objective and governance framework pursuant to the Climate Action and Low Carbon Development Acts 2015 and 2021. Key aspects of the governance framework include five-year carbon budgets comprising sectoral emissions ceilings, as well an annually updated Climate Action Plan. Targets include meeting 80% of electricity demand from renewable energy sources in 2030.

Renewable Energy

Wind is Ireland's largest renewable energy source. Other sources include solar, biomass, biogas and renewable wastes.

The Irish Government intends to increase renewable energy capacity fivefold by 2030 as compared with the early part of the decade, such that capacity in 2030 will comprise 9GW of onshore wind, 5GW of offshore wind (plus 2GW for green hydrogen production), and 8GW of solar.

Permission for the development and operation of renewable energy projects is granted through the planning process and no environmental operating licences are required from any other consent authority. (An authorisation to construct a generating station and licences to generate are required from the CRU.) Where biogas produced from anaerobic digestion is used in combined heat and power plants, they require additional approval from the Department of Agriculture, Fisheries and Food.

Public subsidies for both onshore and offshore development are awarded through an auction process under the Renewable Electricity Support Scheme. Ireland also has an objective of meeting 15% of its domestic renewable energy target through the corporate Power Purchase Agreement market.

Greenhouse Gas Emissions

The EU Emissions Trading System ("**EU ETS**") is implemented in Ireland by the European Communities (Greenhouse Gas Emissions Trading) Regulations 2012, (the "**2012 Regulations**").

The EU ETS sets an EU-wide cap on emissions in certain sectors. In scope installations must acquire carbon allowances either through ETS auctions or the secondary carbon market and, every year, surrender enough allowances to account for their emissions. In addition to energy-intensive industries (e.g. large combustion installations, production and processing of ferrous metals, mineral products and pulp and paper), the EU ETS covers emissions from petrochemicals, ammonia and aluminium production, and aviation and maritime transport.

All installations covered by the ETS require a greenhouse gas emissions permit to enable the installation to emit greenhouse gases. The applicable rules for the issuing, transferring and surrender of permits as well as the penalties for non-compliance are set out in the 2012 Regulations.

From 2027 an ETS2 will operate in respect of emissions from fuel combustion in buildings, road transport and additional sectors (including small industry not covered by the EU ETS).

To avoid carbon leakage (shifting of production outside the EU to avoid the price of carbon under the ETS), the EU introduced the Carbon Border Adjustment Mechanism in respect of certain goods imported to the EU. An initial phase imposes reporting obligations on importers. From 2026, importers will be required to buy CBAM certificates in respect of embedded emissions in their goods. CBAM prices will be based on the weekly average auction price of ETS allowances. In scope goods at the launch of the CBAM are as follows, but the list may be extended: cement, fertilisers, iron and steel, electricity, aluminium, and hydrogen.

Energy Efficiency

A Recast Directive (EU) 2023/1791 (the "**Energy Efficiency Directive**") lays down rules to implement energy efficiency as a priority across all sectors. It embeds the 'energy-efficiency first' principle in decision-making, including by requiring assessment of energy efficiency solutions in planning, policy, and major investment decisions in several sectors across the economy.

Ireland has obligations both collectively with Member States, and individually, to reduce energy consumption to meet EU-wide 2030 targets.

Ireland is also required to achieve cumulative end-use energy savings at levels which increase throughout the decade leading up to 2030. These can be achieved by establishing an energy efficiency obligation scheme, adopting alternative policy measures, or a combination of both. Ireland has historically implemented an energy efficiency obligation scheme, under which obligated parties (including certain suppliers and distributors) implement measures to assist customers to make more efficient use of energy.

The Energy Efficiency Directive also requires enterprises with an average annual energy consumption above certain thresholds to implement energy management systems by 11 October 2027. Enterprises with consumption over a lower threshold are subject to energy audits, the first of which must be done by 11 October 2026.

Environmental Liability

Environmental liability may arise both in criminal and civil law. Liability arises in criminal law where there is a breach of a statutory duty, a failure to comply with licence or permit conditions, a failure to comply with the direction of an authorised body or person and/or where an activity requiring an environmental licence is carried on without any such licence. The sanctions for breaches depend on the applicable legislation and all environmental legislation provides for a fine and/or prison sentence. Civil liability arises from a claim of damages for breach of statutory duty, nuisance, negligence, and trespass. Criminal and civil proceedings are mutually exclusive but can be taken in parallel.

In addition, the European Communities (Environmental Liability) Regulations 2008 (the "**Environmental Liability Regulations**") establish a framework of environmental liability based on the 'polluter-pays' principle, to prevent and remedy environmental damage.

The Environmental Liability Regulations aim to make operators of activities which cause environmental damage or an imminent threat thereof strictly liable to pay compensation for that damage. Almost all activities which require an environmental operating licence are subject to the Environmental Liability Regulations. An operator may avoid liability for prevention and/or remediation costs if it can prove that the damage or threat of imminent damage was (a) caused by a third party despite appropriate safety measures being put in place and monitored; or (b) it resulted from compliance with an order or instruction of a public authority.

Member States are obliged to transpose the Environmental Crime Directive (2024/1203) by 21 May 2026. Member States must ensure that breaches of the directive constitute criminal offences under national law by this date. Offences under include serious breaches of EU chemicals and mercury legislation, unlawful water extraction and the sale or export of products in breach of the Union Anti-Deforestation Regulation. Mandatory penalties must be imposed in relation to these offences, including fines and imprisonment.

3. INVESTMENT INCENTIVES

3.1 Explain any export incentives or guarantees.

- **Are there tax incentives for exports?**
- **If so, are they limited to certain types of products?**
- **Is export financing available from Irish Government or private sources? If so, what forms of financing or guarantees are available?**
- **Is there any governmental insurance for exports?**
- **Must a national be a participant in the enterprise in order for the investor to benefit from these incentives?**

There are no significant tax incentives for exports. Exporters are liable to corporation tax in the manner outlined in Section 12 below.

3.2 Explain any grants, subsidies or funds your country offers foreign investors.

- **Are grants and subsidies restricted by the type of activity?**
- **What is the process for obtaining approval for these grants or subsidies?**
- **How long does it take to receive approval?**
- **Can the investor receive loans from the Irish Government or governmental agencies?**
- **Must a national be a participant in the enterprise in order for the investor to receive these grants or subsidies?**

See Section 2.1 for details of governmental agencies.

To obtain grant assistance a potential investor must first obtain approval from IDA Ireland. The grant approval process involves negotiations between the applicant and IDA Ireland. The timescale for such negotiations depends, to a large extent, on the speed with which the applicant company can respond and provide information to IDA Ireland.

It is not necessary for an Irish national to participate in the enterprise in order to receive IDA grant aid.

IDA Ireland's grants are generally only repayable if the conditions in the Grant Agreement are breached during its term. Its term typically extends for five years after the date on which the last grant aid payment is made.

The types of grants typically offered by IDA Ireland include the following:

- Capital Grants: available towards the cost of the fixed assets such as site purchase and development, buildings and new plant and equipment. Capital grants are paid retrospectively at agreed percentage rates.

- Employment Grants: geared towards companies which create employment but do not need to invest heavily in fixed assets.

- Training Grants: these are available towards the cost of training workers and management for new industries.

- R&D Capability Grants: geared towards companies establishing major R&D operations in Ireland or substantially expanding existing R&D functions.

3.3 **Explain any national tax incentives for foreign investors.**

- **Are the incentives restricted by the type of activity?**

- **Are the incentives restricted by the duration of the activity?**

- **What is the process of application?**

Research and Development

There is relief available from corporation tax where a company incurs expenditure on R&D in Ireland, which acts as a strong incentive for investors locating R&D hubs in Ireland. Further details are outlined in Section 12.

Knowledge Development Box

Ireland has an OECD compliant "Knowledge Development Box" which provides a corporation tax deduction on income from qualifying assets. This results in a reduced rate of tax on profits arising to certain patents and copyrighted software which arise from qualifying research and development activities in Ireland. Further details are outlined in Section 12.

The Irish Intangible Asset regime

Ireland has a very internationally competitive system of tax depreciation on specified intangible assets. Capital allowances can be claimed on capital expenditure incurred by companies on the provision of certain "specified intangible assets". Further details are outlined in Section 12.

The Digital Games Relief

The digital games corporation tax credit is a relief for the digital gaming sector, for games that promote Irish and European cultural identity. The credit reduces the corporation tax liability of the company and can be claimed on certain costs incurred in the development of digital games. Further details are outlined in Section 12.

Film Making Reliefs

Tax deductions are available to investor companies in the production of certain films. From 2025 a tax credit relief will also be available for unscripted productions that satisfy.

Dividends

From 1 January 2025 Ireland will have a full participation exemption on foreign dividends. Ireland has withholding tax on dividends although generally payments to shareholders located in the EU or countries with which Ireland has a double tax treaty ("**DTT Countries**") may be made gross. Please see Section 12 below.

Special Assignee Relief Programme (SARP)

SARP provides relief for certain people who are assigned to work in Ireland from abroad once certain conditions are met.

Other Reliefs

Specific reliefs exist with respect to woodland and forestry areas.

3.4 **Explain any regional tax incentives open to foreign investors.**

- **Are there tax incentives for the investors that exist only in certain regions of the country?**
- **Does the investor need to receive approval to be eligible for these incentives? Are the incentives restricted by the type of activity?**
- **Are the incentives restricted by the duration of the activity?**
- **What does the process of application involve?**

There are certain employment and trading grants available from IDA Ireland.

4. FINANCIAL FACILITIES

4.1 Banking/Financial Facilities

- What kind of financial institutions exist?
- What is the type of financial system in the country?
- How is the banking system structured?

The Central Bank of Ireland ("**Central Bank"**) is responsible for the prudential regulation and conduct-of-business supervision of financial institutions in Ireland. As part of the Single Supervisory Mechanism ("**SSM"**), the European Central Bank ("**ECB"**) is the competent authority for granting banking licences in Ireland, with ongoing supervisory responsibilities divided between the Central Bank and the ECB depending on whether the relevant bank is classified as 'significant' or 'less significant' for SSM purposes. The Central Bank's regulatory perimeter also includes (but is not limited to) insurance and reinsurance companies, payment institutions and electronic money firms, investment firms, retail credit firms, credit servicing firms, crypto-asset service providers, investment funds, fund service providers, and credit unions. As part of an application for authorisation, a key focus for the Central Bank will be the extent to which the applicant's 'mind and management' will be located in Ireland. The Central Bank is also the competent authority for securities market regulation in Ireland. A significant number of financial institutions also operate in Ireland on a branch or cross-border basis.

The Central Bank's functions cover six key areas: regulating financial service providers and markets against the backdrop of protecting the best interests of consumers; ensuring the stability of the financial system; maintaining price stability; resolving credit institutions, investment firms and credit unions that encounter financial difficulties; ensuring the effective and efficient operation of payment and settlement systems; and supporting the development of national economic policy. It takes a risk-based approach to the supervision of financial institutions, underpinned by its recently revised administrative sanctions regime.

Financial institutions operating in Ireland are subject to a wide range of EU and Irish legislation and statutory codes of conduct governing all aspects of their business such as ownership, management, culture and conduct, capital, liquidity, funding, audit and

accounts, acquisitions and disposals, anti-money laundering, payments and settlement, marketing, consumer protection, arrears management, and depositor protection.

4.2 **Must the investor maintain a bank account in the country?**

No, there is no legal requirement to maintain a bank account in the country.

4.3 **What are the requirements for opening a bank account?**

The Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021 ("**CJA**") which implements the Fourth Money Laundering Directives (Directive (EU) 2015/849 as amended by the Fifth Money Laundering Directive (Directive (EU) 2018/843)) in Ireland, imposes obligations on 'designated persons' (including banks). As part of that framework, banks must carry out customer due diligence when onboarding new customers, taking into account the bank's own business risk assessment. Such due diligence includes verifying the identity of the customer and its beneficial owners. For business relationships, banks must also obtain information on the purpose and intended nature of that relationship. Enhanced customer due diligence obligations apply where the customer is a politically exposed person, or where the customer is established or resides in a high risk third country.

In limited cases and subject to compliance with various conditions, a bank may rely on due diligence performed by others (including by other banks within the EU).

Banks must also report information on accounts held with them to the Ireland Safe Deposit Box, Bank and Payment Accounts Register maintained by the Central Bank (that register may be accessed by certain competent authorities).

4.4 **What are the restrictions, if any, on the investor's use of the account?**

Under the CJA, the Irish Police ("**An Garda Síochána**") may direct that a specific service or transaction is not carried out for up to 7 days where necessary to enable it to investigate whether there are reasonable grounds to suspect that the service or transaction would constitute or assist money laundering or terrorist financing. If reasonable grounds are established, a court order directing a bank not to carry out a specific service or transaction for up to 28 days may also be obtained.

EU Council Regulations made in respect of financial sanctions could also impact how an investor uses an account (see **'Exchange Controls'** below).

4.5 **Is there a stock market?**

The Irish Stock Exchange plc, trading as Euronext Dublin, is authorised by the Central Bank to operate four securities markets: Euronext Dublin (a regulated market and a key market for Irish and overseas companies) and three multilateral trading facilities: the Global Exchange Market (an exchange regulated market specialising in debt securities), Euronext Growth, and the Atlantic Securities Market. Settlement services are provided to Euronext Dublin by Euroclear Bank. Euronext Dublin is the primary equity securities market and is the leading exchange globally for listing bonds and investment funds. Euronext Dublin has two categories of equity listing, primary and secondary, enabling investor flexibility.

Irish-incorporated companies may also have equity securities listed directly on a non-Irish market, such as the LSE, NYSE or NASDAQ.

4.6 **Can the investor receive bank loans?**

Yes, financial institutions offer a variety of credit facilities. It should be noted that lending to corporate clients is not regulated in Ireland as a standalone activity (i.e. when not coupled with deposit-taking) and therefore does not require that the lender be authorised by the Central Bank to lend.

5. EXCHANGE CONTROLS

There are no exchange controls in Ireland.

EU Council Regulations which give effect to autonomous EU-level financial sanctions, and to binding sanctions-related resolutions of the United Nations Security Council, are directly effective in Ireland. Penalties for breaches of those EU Regulations are set out in Irish statutory instruments made under the European Communities Act 1972, the Financial Transfers Act 1992 or the Criminal Justice ("**Terrorist Offences"**) Act 2005, as appropriate.

The Central Bank of Ireland is the competent authority for the administration of financial sanctions in Ireland as they relate to financial institutions (https://www.centralbank.ie/regulation/how-we-regulate/international-financial-sanctions), and the Department of Enterprise, Trade and Employment is the competent authority for the administration of trade-related sanctions (https://enterprise.gov.ie/en/what-we-do/trade-investment/sanctions/).

6. IMPORT/EXPORT REGULATIONS

6.1 Customs Regulations

Is the country a member of GATT?

Ireland has been a member of GATT since 1967.

Is the country a member of the EC?

Ireland became a member of the European Communities in 1973.

Is the country a party to a regional free trade agreement?

The source of all import and export regulation is at EU level. The EU is party to some free trade agreements with other third countries which allow exports from the EU to enter the markets of these countries at a reduced or nil rate of duty. They also allow imports from these countries into the EU at a reduced or nil rate of duty. These agreements are also known as Preferential Trade Agreements and the duties involved are referred to as preferential rates of duty.

Does the Customs Department value the goods?

The onus is on the importer of the goods to make a declaration to the Customs Authorities setting out details of the goods including its value. The method used for the valuation of imports is the transaction value method i.e. the price paid by the buyer.

How are goods cleared through customs?

The importer of the goods must make a declaration containing details about the goods on the Single Administrative Document ("**SAD**"). The SAD is declared to Revenue's Automated Entry Processing ("**AEP**") System. Importers or their agents may clear consignments at import using the AEP system and pay any charges (customs duty, VAT, excise duty) to affect the release of the goods.

Are there applicable tariffs?

The EU has an Integrated Customs Tariff ("**TARIC**") which provides the classification/codes for goods for customs duty purposes which are used to clarify the relevant customs duties.

6.2 Exports

Are there restrictions on exports?

In general, there are no prohibitions or restrictions on exporting goods. However, miscellaneous export prohibitions exist in relation to archaeological objects, documents and paintings of national and historical significance, drugs and firearms. The Irish Government may impose a prohibition for policy reasons; and there are quality requirements for certain goods being exported.

Are export licences required?

Licences are only required for certain restricted goods, e.g. live animals, military and dual use items.

Are there applicable export duties?

There are no applicable export duties.

6.3 Foreign Trade Regulations

Are there foreign trade regulations on the import or export of goods involved in the business?

There are no foreign trade regulations other than those imposed by the EU.

6.4 Imports

Are import licences required?

An electronic safety and security declaration (an "**Entry Summary Declaration**" or "**ESD**") must be lodged by the carrier of the goods with the Customs Authorities at the office of entry in advance of arrival of the goods.

In general, no import licence is required. However, where import is prohibited by a quota order or under other specific legislation, a licence is required. Concern for public health has also meant that the importation of certain products (e.g. certain milk products) is prohibited except under licence or permission.

Are there applicable import duties?

Goods imported from other Member States of the EU are not liable to import duties. Certain goods imported from developing countries are given preferential access to the markets of the EU.

Preferential treatment is given in the form of reduced or zero rates of Customs duties through the Generalised System of Preferences.

Goods from other countries, however, are liable to import duties at the prevailing rates. Moreover, most imported goods are liable for value added tax at the current rates and, potentially, excise duties.

Are there applicable import quotas?

There are two types of import quotas - preferential and restrictive. The former is used where there is a greater demand of supply for a product than being generated in EU countries; then duty is not imposed. This is awarded to third countries on a first come first served system. The latter type of quota allows a limited amount of a product from third countries to be imported. This is awarded on a licence system i.e. the third country will need to show that it has had a licence over a certain period of time.

Are there applicable import barriers?

The main area that has the effect of creating an import barrier is that of licences. This is because the European Commission has tended to look more favourably at the third country importers with a licence history. This is particularly seen in the case of agricultural products. It is hoped that there will be a change away from a system of licences to a first come first served basis.

Also, anti-dumping duties are imposed to protect the EU against dumped or subsidised imports from third countries.

6.5 Manufacturing Requirements

Must the product contain ingredients or components which are found or produced only in the country?

Will the importation of certain component parts be permitted only if they are to be ultimately used in a specific product?

These manufacturing requirements do not exist in Ireland.

6.6 Product labelling

Are there applicable labelling or packaging requirements (e.g. multilingual notices, safety warnings, listing of ingredients, etc.)?

Legislation governing product labelling in Ireland exists at both national and European level. Almost all products sold in Ireland will require some form of labelling, but the details which are required on the label depend on the nature of the product. Sector specific legislation outlining the relevant labelling rules exists for a large range of products, including, food; alcohol; textiles; footwear; cosmetics; electrical and electronic equipment; household appliances; and toys. These rules generally implement, at a national level, various EU Directives. There are also rules relating to affixing the CE marking to a product, safety labels, and rules for goods marked "Fairtrade" or "Organic".

The primary principle governing the labelling of products in Ireland is that the information on the label must be clear, accurate and must not be misleading. Food and many other products have sector specific extra labelling requirements. For example, in the case of prepacked food, certain mandatory food information must appear on the food label. While the legislation usually sets down minimum requirements, there is nothing to prevent additional information being given on labels as long as it is true and accurate. In addition to specific measures as regards labelling, Irish and EU consumer protection law gives rise to a wide range of obligations when selling to consumers. For example, certain commercial practices deemed to be unfair, misleading or aggressive are prohibited, which would include the provision of false information or the omission of information in relation to a product.

EU legislation integrates sustainability considerations into product marketing and labelling. Regulation (EU) 2024/1781 establishing a framework for setting ecodesign requirements for sustainable products includes requirements to provide information on the environmental sustainability of products. Directive (EU) 2024/825 as regards empowering consumers for the green transition through better protection against unfair practices and through better information amends the Consumer Rights Directive and the Unfair Commercial Practices Directive. At the time of writing, the EU's Green Claims Directive is under development and is expected to regulate explicit environmental claims and environmental labels, as well as climate-related claims.

7. STRUCTURES FOR DOING BUSINESS

The main business vehicles used in Ireland are:

- Private limited companies with share capital (LTD)

- Designated Activity Companies (DACs). This form of private company type can be limited by shares or guarantee.
- Public limited companies.

Other company types include:

- Private unlimited companies.
- Public unlimited companies.
- Companies limited by guarantee.
- Societsa europae

The attractiveness of these structures varies dependent on the different business needs. The Companies Act 2014 regulates most aspects of Irish companies such as the formation and dissolution of companies, share capital, distributions, duties and conduct of directors, publication of accounts and other documents and the management and administration of companies.

Foreign investors intending to carry on business in Ireland most frequently form a private company limited by shares.

Irish Branch of a Foreign Company

A foreign company can trade directly in Ireland by establishing an Irish branch and registering in Ireland as an "external company". The external company will be subject to compliance with certain requirements and filing obligations. The Irish branch is not a separate legal entity from the external company that established it.

Co-Ops

Co-operatives also exist in Ireland, especially in the agricultural sector. A Co-operative is an enterprise which is owned and controlled by its user members and operates for the benefit of its user members.

7.1 Governmental Participation

Will the Irish Government seek to participate in the ownership or operation of the entity (e.g. depending on the type of activity involved)?

In general, the Irish Government does not seek to participate in the ownership or operation of inward investment entities.

What is the investor's potential liability to partners, investors or others?

Are there restrictions on capitalization?

What are the investor's tax consequences? (See also Sections 12, 13 and 14)

The tax consequences for an investor will depend on the mechanics/entity through which the investment is made and, also, the status of the investor. Section 12 sets out the Irish tax treatment of companies and of payments they make to Irish and non-Irish owners. Section 13 sets out the Irish tax treatment of income to individuals and sets out Ireland's Double Taxation Agreement network. Section 14 sets out the Irish tax treatment of other legal entities (including partnerships).

7.2 Limited Liability Companies

Are limited liability companies permitted?

Limited liability companies are permitted. Private limited liability companies are the most frequently used forms of business entity in Ireland.

If so, how are they registered or incorporated?

All companies are registered with the Companies Registration Office ("**CRO**"). Its website is www.cro.ie.

To incorporate a company, incorporation papers (setting out details of includes details of the company's name, registered office, directors, company secretary and share capital) are completed and submitted electronically together with the company's constitution.

A company may not be incorporated unless it will carry on an activity in Ireland. "Activity" means "any activity that a company may be lawfully formed to carry on and includes the holding, acquisition or disposal of property of whatsoever kind".

How long do these procedures take?

Assuming no delays as below, where a company adopts the form of constitution, we have agreed with the CRO and all formalities are complied with, we would expect incorporation to be completed within 5-7 working days of filing. If a non-standard constitution is proposed, this will be more in the order of two to three weeks .

Delays to incorporation may include:

(i) where the proposed company does not have an EEA-resident director, in which case it will generally need to put in place a bond to cover certain CRO fees. It may take the insurers several weeks from filing the original wet-ink signed bond application form to provide the bond, and this will be needed before the incorporation form can be filed;

(ii) if a director does not have a PPSN, or an "RBO transaction number" (which they might have obtained for the process of making filings with the Register of Beneficial Ownership), they will need to obtain a Verified Identity Number ("**VIN**") from the CRO by filing a Verification of Identity Form (or "**VIF**"). The CRO typically process these forms quickly, but if a VIF is being signed outside Ireland, this must be done before a notary, which can lead to delays; and

(iii) The CRO will not permit a name that is too similar to the name of an existing (or recently dissolved) company, unless a letter of no objection is provided from the latter company. The client's internal processes in deciding on an alternative name where the first choice is unavailable can cause delays.

What costs and fees are involved?

The filing fee for incorporation is €50. There may be professional fees on top of this. There may also be other fees to be paid to the CRO. For example, €30 is charged for an application for a declaration that the company has a real and continuous link with one or more economic activities being carried on in the State.

Must a national of the country or a related state be a participant, manager or director?

All Irish incorporated companies must have at least one EEA ("**European Economic Area**") resident director, unless the company holds a bond in the prescribed form.

7.3 Joint Ventures

Are joint ventures permitted?

Joint ventures are permitted. There is no standard joint venture agreement and the structure and composition of each joint venture depends on its purpose and the requirements of the parties.

The most common joint venture structure in Ireland is a corporate joint venture which involves the incorporation of a limited liability company to carry out the joint venture business. The use of a limited liability company structure ensures that liabilities of the joint venture remain separate from the joint venture parties.

A joint venture structure may also take the form of a public company, a European Economic Interest Grouping ("**EEIG**") partnership or the joint venture may simply take the form of a contractual arrangement between the parties.

If so, what is the registration or incorporation procedure?

See above for details pertaining to private limited companies. There are additional requirements for an EEIG.

How long do these procedures take?

See above for details pertaining to private limited companies.

What costs and fees are involved?

See above for details pertaining to private limited companies.

Must a national of the country or a related state, (e.g. the EEC) be a participant, manager or director?

This will depend on the type of joint venture.

In the case of an EEIG participation is limited to member states and there must be a minimum of two members who may be companies or natural persons from different Member States.

What is the investor's potential liability?

A joint venture arrangement will most likely result in a reduction of control and autonomy for the existing shareholders, thus underlining the importance of choosing the correct joint venture partner and identifying the most appropriate joint venture structure.

An EEIG is a hybrid between a company and a partnership and liability of its members is not limited.

What are the investor's tax consequences?

The tax treatment of the most usual joint venture vehicle, a private limited company, is set out in paragraph 12.10.

7.4 Liability Companies, Unlimited

What are the forms of liability companies?

Unlimited companies under the Companies Act 2014 may take the following forms:

- Private unlimited company
- Public unlimited company
- Private unlimited company without a share capital.

The defining feature of an unlimited company is that its members do not have limited liability.

How are these companies registered or incorporated?

The process for incorporating an unlimited company is the same as a limited company (see above).

How long do these procedures take?

See above.

What costs and fees are involved?

As before, the cost of incorporation is €50, and other professional and filing fees may apply.

Must a national of the country be a participant, manager or director?

All Irish incorporated companies must have at least one EEA ("**European Economic Area**") resident director. This requirement shall not apply if the company, for the time being, holds a bond in the prescribed form.

7.5 **Partnerships, General or Limited**

Are partnerships recognized or permitted?

Both general and limited partnerships are permitted. A general partnership can exist without formal registration, and the partners have unlimited liability. A general partnership does not have separate legal personality from its partners.

Limited partnerships are also permitted in Ireland. A distinction is drawn between general partners who manage the firm's business and have unlimited liability, and limited partners who invest fixed amounts of money in the partnership and are only liable for its debts and obligations up to the amount of their capital investments. Limited partners are not permitted to participate in the management of the partnership and risk losing their limited liability status if they breach this obligation.

Must a national of the country or related state be a partner?

No.

If so, to what extent?

N/A.

What costs and fees are involved?

A limited partnership must be registered with the CRO. The cost of Companies Registration fees is €2.50.

There will be legal fees involved in the formation of either partnership, particularly owing to the fact that a partnership agreement is invariably required.

What is the investor's potential liability?

In the case of an ordinary/general partnership the partners have unlimited joint liability in contract whereas they have unlimited joint and several liability in tort.

In the case of a limited partnership, the general partners are liable for all the debts and obligations of the firm. The limited partners contribute capital or properties valued at a stated amount and are not liable for debts of the partnership beyond the amount contributed.

What are the investor's tax consequences?

The principal advantage is that, as against a company, in a partnership income tax is paid by the partners on the share of the profits received by them and no tax is paid by the partnership.

7.6 Partnerships, Undisclosed

Do undisclosed partnerships exist?

Undisclosed partnerships do not exist in Ireland.

If so, how are they formed?

What costs and fees are involved?

Must a national of the country or a related state be a participant, manager or director?

What is the investor's potential liability?

What are the investor's tax consequences?

7.7 Sole Proprietorships

Can the investor be a sole proprietor?

A sole trader business structure is a person trading as the individual legally responsible for all aspects of the business.

How is the sole proprietorship registered or established? How long does this process take?

It is relatively simple to set up as a sole trader. The main legal obligation is that the trader must register as a self-employed person with the Irish Revenue Commissioners.

A sole trader is required to register the business name under which they are trading if such trading name is not carried on under their own name.

What costs and fees are involved?

The current cost of registering a business name is €20 if filed electronically and €40 if filed by paper.

What is the investor's potential liability?

A sole trader does not benefit from limited liability and therefore can be held personally liable for outstanding debts charges, fines and or litigation matters of the business. There is no legal separation between a sole trader's personal and business assets. The sole trader can also be held personally liable for the negligent acts of itself or its employees.

Are there restrictions on capitalization?

No.

What are the investor's tax consequences*?*

A sole proprietor will be liable to income tax on their income. See Section 13.

A Sole Trader:

(a) is legally obliged to register as a Sole Trader for central tax purposes with the Revenue Commissioners;

(b) is obligated to maintain proper bookkeeping and accounts records;

(c) must register for VAT where annual sales turnover exceeds specified thresholds in the case of the supply of services and in the case of the supply of goods; and

(d) register as an employer if employees are hired and operate a payroll for such employees.

7.8 Subsidiaries/Branches/Representative Offices

Can the investor establish a branch, subsidiary or representative office? If so, how long does registration or incorporation take?

An Irish company may be incorporated as a subsidiary of a non-Irish entity. A subsidiary is separate legal entity from the parent company and can carry on business independently from its parent company. The subsidiary must have its own board of directors and a company secretary and will be subject to ongoing governance and filing requirements as an Irish-incorporated company.

A foreign company can trade directly in Ireland by establishing an Irish branch and registering in Ireland as an "external company". An external company will be subject to compliance with certain requirements and filing obligations. The Irish branch is not a separate legal entity from the external company that established it.

What costs and fees are involved?

The costs for incorporating a subsidiary are the same as for any Irish company.

The filing fee for notifying the CRO of the establishment of an Irish branch is €50 (€60 if using a paper form rather than the online option).

What is the investor's potential liability?

A subsidiary as a company has separate legal personality from its shareholders. The parent will therefore not be liable for the subsidiary (unless, for example, the parent guarantees a loan or the subsidiary is an unlimited company).

A branch is not a separate legal entity. It acts on behalf of, and as part of the foreign company.

Must a national of the country be a participant, manager or director?

A subsidiary is an Irish company. All Irish incorporated companies must to have at least one EEA ("**European Economic Area**") resident director. This requirement shall not apply if the company, for the time being, holds a bond in the prescribed form.

An Irish branch does not have its own directors/officers.

Are there restrictions on capitalization?

There are no restrictions on type of currency or denomination amount of shares in a subsidiary.

There are no capital requirements for an Irish branch.

What are the investor's tax consequences?

Companies resident in Ireland are taxed at the low rate of corporation tax of 12.5% on their trading profits, at the rate of 25% on passive income and 33% on capital gains (to the extent that they do not qualify for relief/exemption from tax). Ireland implemented

the minimum effective tax rate for large multinational groups whereby certain group companies with revenue in excess of 750 million are subject to an effective tax rate of 15% . Further information is available at Section 12.

Irish Holding Companies benefit from a full participation exemption from Irish capital gains tax in respect of gains arising on the disposal of shares in certain subsidiary companies. Non-Irish resident investors (individuals and corporates) are generally exempt from Irish tax on any gains derived on the sale shares in Irish companies. This exemption does not apply to unlisted shares which derive the greater part of their value from Irish land, minerals or exploration rights. In general, dividends received by one Irish resident company from another Irish resident company are exempt from Irish tax. Ireland operates a credit system for providing relief for foreign tax suffered on dividend income. This unilateral credit relief is available for both foreign underlying and withholding tax suffered. From 1 January 2025 Ireland will operate a participation exemption to exempt the Irish recipient company from corporation tax on qualifying foreign dividends and distributions. The new exemption is optional, and the credit system will continue to operate for those taxpayers who do not make the election or are not eligible for the participation exemption.

The general rule is that dividends paid by an Irish resident company are subject to DWT at the rate of 25%. However, there are certain exceptions to this.

A non-Irish resident company carrying on a trade in Ireland through a branch or agency is liable to corporation tax in Ireland on the income and gains of the branch or agency. Corporation tax is levied at national rates and there are no additional state or local taxes payables. Please see paragraph 12.10.

Are these tax consequences different than those of a local company?

A company which is resident in Ireland is subject to Irish corporation tax on its worldwide profits, whilst a non-Irish resident company carrying on a trade in Ireland through a branch or agency is liable to corporation tax in Ireland on the income and gains of the branch or agency. Please see paragraph 12.10.

7.9 Trusts and Other Fiduciary Entities

Are trusts or other fiduciary entities recognized?

Trusts and fiduciary entities are recognised in Ireland. They exist at common law and under the Trustee Act 1893. In addition, there are special legislative regulations governing some kinds of trust. The types of trusts that exist include pension schemes, undertakings for collective investment in transferable securities ("**UCITS**"), alternative investment funds ("**AIFs**"), tax approved share schemes, employee share ownership trusts and Revenue approved profit share schemes. Charities also exist in Ireland. These are usually trusts but they may also exist as companies. They are governed by separate legislation.

If so, how are each defined?

A trust arises where the trust property is held by the trustees on trust to apply the income or capital, or both, for the benefit of the members of the class of beneficiaries.

Each pension scheme has its own set of rules. Pension schemes nationally are generally regulated by the Pensions Authority. Members of schemes have certain rights in respect of certain matters such as information. Contributions to approved occupational pension schemes may attract tax relief. Regulation for tax purposes is supervised by the Retirement Benefits District of the Revenue Commissioners

UCITS are open-ended funds and may be established as unit trusts, common contractual funds ("**CCFs**"), investment companies or Irish collective asset-management vehicles ("**ICAVs**"). UCITS established in Ireland are authorised under the European Communities (Undertakings for Collective Investment in Transferable

Securities) Regulations, 2011 (as amended), which transposed Directive 2009/65/EC of the European Parliament and of the Council into Irish law.

AIFs essentially comprise all non-UCITS funds and may be established as open-ended, closed-ended or limited liquidity vehicles. AIFs can currently take one of five forms: unit trusts, CCFs, investment companies, ICAVs or investment limited partnerships. Unit trusts which are AIFs are established pursuant to the Unit Trusts Act, 1990. AIFs are subject to the European Union (Alternative Investment Fund Managers) Regulations, 2013 (as amended), implementing Directive 2011/61/EU of the European Parliament and of the Council ("**AIFMD**") into Irish law. AIFMD applies to alternative investment fund managers which manage and market AIFs within the EEA.

Unit trusts are one type of AIF and represent a professionally managed investment portfolio that investors can buy into, purchasing 'units' rather than shares. Each unit trust has a specific investment objective. This is usually based around the different asset classes (cash, equity, fixed income, property, etc.). The money you invest is used to buy assets in line with this investment objective. When you invest in a unit trust, you are allocated a number of 'units'. The value of your units is calculated on a periodic basis and changes as the market value of the assets in the fund rises and falls.

What are the legal consequences of a transfer of assets to a trust or fiduciary?

Stamp duty is a transfer tax which is charged on documents which transfer assets. However, there are a number of exemptions which ensure that Irish stamp duty does not apply on the transfer of non-Irish assets. The mere fact that a trust is established with Irish trustees will not of itself give rise to Irish stamp duty liabilities on transfers of non-Irish assets.

Normally Irish trustees are subject to capital gains tax on a disposal of worldwide assets where the trust is resident in Ireland.

Trustees of an Irish resident trust will be subject to income tax on income earned from the trust assets. There are, however, ways of managing this exposure.

Capital Acquisitions Tax ("**CAT**") is charged to the recipients of gifts and inheritances. However, it should not arise in relation to a trust where the settlor and beneficiaries are not and never were Irish domiciled or resident for tax purposes and the trust assets do not include any Irish assets.

Can the investor be the grantor, trustee or beneficiary?

It is possible for an investor to be a trustee.

8. REQUIREMENTS FOR THE ESTABLISHMENT OF A BUSINESS

8.1 Alien Business Law

Is the business subject to any alien business law?

Are there registration or reporting requirements?

There is no alien business law.

8.2 Antitrust Laws

Do the entity's operations comply with anti-trust laws?

Antitrust law

Irish competition (antitrust) laws are contained in the Competition Act 2002, as amended (the "**Competition Act**"), the Competition and Consumer Protection Act 2014, as amended (the "**CCP Act**") and the Competition (Amendment) Act 2022.

Irish competition law is based upon EU competition law. In particular, the competition rules contained in section 4 and 5 of the Competition Act are based, by analogy, upon Articles 101 and 102 of the Treaty on the Functioning of the European Union ("**TFEU**") respectively.

Section 4(1) of the Competition Act provides that all agreements, decisions and concerted practices between undertakings "*which have as their object or effect the prevention, restriction or distortion of competition in trade in any goods or services in the State or in any part of the State are prohibited and void*".

Arrangements which fall within the application of Section 4(1) but satisfy the efficiency conditions listed in section 4(5) of the Competition Act or satisfy the condition of a category of arrangements declared by the Competition and Consumer Protection Commission ("**CCPC**") as permissible are not prohibited by Section 4(1) of the Competition Act.

Section 5(1) prohibits the abuse by one or more undertakings of a dominant position in Ireland or in any part of Ireland.

A party to an arrangement which is prohibited under section 4 of the Competition Act or a party which abuses a dominant position in breach of Section 5 of the Competition Act may be sued in the High Court by "aggrieved" third parties. Competitors may have *locus standi* to take such proceedings. The plaintiff may seek damages, including exemplary damages, and declaratory or injunctive relief against both the company involved and senior company personnel.

A Court finding that an undertaking has engaged in prohibited conduct or practices under the Competition Act or the TFEU has the status of *res judicata,* which means that plaintiffs in private damages actions relating to such conduct or practice can rely on such a finding to establish liability.

A breach of sections 4 or 5 of the Competition Act may also constitute a criminal offence which may result in the imposition of fines of up to a maximum of €50,000,000 or 20% of the company's turnover in the preceding financial year and, in respect of so-called "hard-core" offences (i.e. price-fixing, limiting output or sales or market-sharing offences), prison terms for individuals of up to a maximum of 10 years. Individuals could also be arrested on suspicion of having committed a hard-core offence. Criminal proceedings may be taken by the Director of Public Prosecutions and, in certain circumstances, the CCPC.

Criminal sentences were first imposed by the Irish Courts in 2002 against companies and individuals involved in cartel activities affecting many industrial sectors including petrol retailing, home heating and motor vehicles. Since 2006, a number of individuals have been convicted of criminal offences and received custodial sentences of up to 15 months (which in every case to date have been suspended).

In addition to the criminal enforcement regime, the Competition (Amendment) Act 2022 introduced a new administrative enforcement regime for breaches of Irish competition law empowering the CCPC to impose civil fines for competition infringements of up to a maximum of €10 million or 10% of an undertaking's worldwide turnover in the preceding financial year.

Merger control law

Irish merger control is provided for under Part 3 of the Competition Act.

A transaction that falls within the concept of "merger or acquisition" within the meaning of section 16(1) of the Competition Act may be notifiable to the CCPC on a mandatory basis if it satisfies the financial thresholds set out in section 18(1)(a) of the Competition Act or it falls within a class that has been specified in an Order by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media ("the Minister"). Where a merger has been "specified", the merger must be notified to the CCPC and approval obtained irrespective of the turnovers generated by the undertakings involved.

The Minister has specified "media mergers" as mergers which must be notified to the CCPC and approval obtained irrespective of the turnovers generated by the undertakings involved. "Media merger" is defined in the Act as follows:

(a) a merger or acquisition in which 2 or more of the undertakings involved carry on a media business in the State (i.e. the Republic of Ireland); or

(b) a merger or acquisition in which one or more of the undertakings involved carries on a media business in the State and one or more of the undertakings involved carries on a media business elsewhere.

Mergers are notified on the CCPC's standard form and before the proposed merger or acquisition is put into effect, and may be made after: (i) one of the undertakings involved has publicly announced an intention to make a public bid or a public bid is made but not yet accepted; (ii) the undertakings involved demonstrate to the CCPC a good faith intention to conclude an agreement or a merger or acquisition is agreed; or (iii) in relation to a scheme of arrangement, a scheme document is posted to shareholders. The CCPC also has a simplified procedure for the notification of mergers that do not raise competition concerns in Ireland. Transactions eligible for review under the simplified review procedure can provide less information to the CCPC and benefit from an accelerated review.

Following notification, the CCPC will have thirty working days (from the "appropriate date") for a first phase investigation and 120 working days (from the "appropriate date") for a second phase investigation, both of which periods can be suspended if a formal request for information is issued or extended if remedies are offered by the parties to overcome competition concerns.

If, in the phase one stage, the CCPC determines that the transaction will not substantially lessen competition in any markets for goods or services in the State, the CCPC will clear the transaction. If the CCPC cannot arrive at this conclusion within the first phase it will move into a second phase investigation at the end of which the CCPC can approve the transaction (either conditionally or unconditionally) or prohibit the transaction.

On notification, the CCPC publishes the fact of notification within seven days of receiving the notification and will request submissions from third parties.

An additional process involving the Minister applies to "media mergers".

Are there filing requirements?

See above for mergers.

There is no obligation or process to notify either the CCPC or the European Commission of agreements for clearance. Agreements must be self-assessed to ascertain whether they fall under Section 4 or 5 of the Competition Act or Article 101 or 102 TFEU and, if so, whether they are of the type that can benefit from an exemption or exclusion.

8.3 Environmental Regulations

Is the business of the investor subject to environmental regulation? If so, are there added costs involved (e.g. audit requirements)?

Environmental regulations are dealt with at Section 2.6.

An investor may be subject to environmental regulation and where he/she is a director of a company he/she may be found guilty of an offence under almost all environmental legislation where an offence by a body corporate is proved to have been committed with the consent, connivance or approval of, or to have been facilitated by neglect on the part of such director.

8.4 Irish Government Approvals

Are Irish Government approvals required for the anticipated business?

No.

8.5 Insurance

Must the enterprise carry insurance?

If so, what kind of risks must be insured?

Is there a state monopoly on insurance?

There is no legal requirement to carry insurance, however, it is usually required when applying for grants and it is prudent for businesses to have insurance. Motor vehicle insurance is mandatory in Ireland.

8.6 Licences/Permits

Are licences or permits required for the anticipated activity?

If so, how does the investor apply for and receive the necessary licence or permit?

How long does it take to receive the licence or permit?

Irish governments are receptive to foreign investment and in most cases licences/permits are not required. However, in the case of certain industries such as energy, telecommunications, banking and insurance, licences are required for regulatory and policy reasons and may be obtained from the relevant regulatory body.

9. OPERATION OF THE BUSINESS

9.1 Advertising

Are there restrictions on advertising?

There are some restrictions on advertising. The daily time for advertising on independent radio and television must not exceed a statutory amount. There is a prohibition on the broadcast of any advertisement which is directed towards any religious or political end or which has any relation to an industrial dispute.

In the case of commercial advertisements, the self-regulatory body of the Advertising Standards Authority of Ireland stipulates that certain standards must be met. Their Code requires that all advertisements:

- should be legal, decent, honest and truthful;
- should be prepared with a sense of responsibility to consumers and society; and
- should respect the principles of fair competition generally accepted in business.

Certain industries have specific restrictions on advertising which are governed by specific advertising laws e.g. financial services, medical.

At the time of writing, the EU's Green Claims Directive is under development and is expected to regulate explicit environmental claims and environmental labels, as well as climate-related claims. See Consumer Protection at subsection 5 below.

9.2 Attorneys

Is it necessary to have local counsel?

The requirement to have local counsel will depend on the nature of the legal work involved. For example, if the client requires representation in court, local counsel is required.

How can local counsel be found?

A list of solicitors can be obtained from the Law Society, Blackhall Place, Dublin 7 (www.lawsociety.ie). A list of barristers may be obtained from the Bar Council (website www.lawlibrary.ie).

How much are attorney's fees?

The fees charged vary and depend on the amount of time involved, the complexity of the work to be done and also the seniority of the solicitor.

9.3 Bookkeeping Requirements

Must the investor keep local books of accounts?

Yes, every Irish company is required to keep, or cause to be kept, proper books of accounts (referred to in Irish company law as "accounting records").

In addition to the underlying accounting records, each year the directors of a company are required to prepare, approve and lay before the annual general meeting financial statements in the form of a profit and loss account and balance sheet in respect of the company and, if it has one or more subsidiary undertakings, the group as a whole. The annual financial statements are generally required to be audited and filed publicly but this is subject to a number of exceptions. In each case these financial statements must give a true and fair view of the assets, liabilities, and financial position of the company/group as at the end of its financial year and of the profit or loss of the company/group for the financial year and must be signed on behalf of all of the directors by two of the directors. Included with these financial statements there must be a report of the directors on the state of the company's affairs and a report of the company's statutory auditors on the financial statements examined by them. Failure by a director to take all reasonable steps to ensure compliance with these obligations is an offence.

A company is also required to make an annual return in the prescribed form to the Registrar of Companies at least once a year. The annual return sets out certain basic information, including details of share capital, and the annual financial statements are, subject to limited exceptions, required to be filed with the annual return. The annual return in each year must be delivered to the Registrar of Companies not later than 28 days after what is termed its annual return date; that date may only be amended in limited circumstances. Failure to meet filing deadlines results in the imposition of late filing fees and the Act also provides for the implementation of a progressively increasing late filing penalty. The Registrar of Companies also has a separate discretion to strike a company off the register for the failure to file annual returns.

In addition, a company may need to make other returns in the course of the year with regard to other matters, such as where there is a change in its directors or secretary or in its registered office, or where it allots shares.

In what form must the investor keep accounts (e.g. GAAP, in what language, etc.)?

Irish companies are required to prepare financial statements in respect of the company. In addition, a holding company will generally be required to prepare consolidated financial statements for the group ("**group financial statements**"). These financial statements must give a true and fair view of the affairs of the company/group.

Irish companies generally have a choice whether those accounts are prepared (i) in accordance with international financial reporting standards as adopted by the European Commission in accordance with Regulation 1606/2002 of the European Parliament ("**IFRS financial statements**") or (ii) in accordance with the Companies Act and the Financial Reporting Standards ("**FRS**") issued by the Accounting Standards Board and promulgated in Ireland by the Institute of Charted Accountants in Ireland ("**Companies Act financial statements**"). Irish companies with shares admitted to trading on a regulated market of any EEA State, and who are required to prepare group accounts, must prepare IFRS group financial statements, while certain other companies (e.g. charities) are only permitted to prepare Companies Act financial statements.

9.4 Business Ethics/Codes

Are there certain business ethics or codes which the investor must follow (e.g. GAAP for accountants, etc.)?

There are Business Codes specific to professions such as accountancy, but there are no Business Codes for most commercial activities of a non-professional nature.

9.5 Consumer Protection Laws

Are there consumer protection laws which apply to the investor's operations?

Ireland has broad consumer protection laws that protect the consumer in all areas of commercial activity. Apart from possible liability in negligence or breach of contract, the main piece of legislation giving rise to liability is the Sale of Goods and Supply of Services Act 1980. Under the 1980 Act the consumer has various rights, enforceable against a seller or supplier, in relation to goods or services. For example, goods must be of merchantable quality, they must be reasonably fit for their purpose and they must be as described.

The Liability for Defective Products Act 1991 affords a remedy to injured consumers where those persons have suffered damage as a result of a product's defective nature. Whenever the Act applies, a producer will be held strictly liable.

The Consumer Protection Act 2007 (as amended) provided for the establishment of the National Consumer Agency ("**NCA**"), updated and consolidated consumer legislation and repealed some consumer laws. It also transposed the EU Directive on Unfair Commercial Practices into national law. The Competition Authority and the NCA amalgamated in October 2014 to form the Competition and Consumer Protection Commission. Other EU Directives on consumer protection (including unfair terms, distance marketing, consumer credit and mortgage credit) have also been transposed into Irish law.

The Competition and Consumer Protection Commission has a general function of promoting consumer welfare and is responsible for investigating, enforcing and encouraging compliance with consumer law. A number of statutory codes and regulations apply to regulated financial services providers when providing regulated products and services to consumers – breaches of those codes and regulations are dealt with by the Central Bank under its administrative sanctions procedure.

9.6 Construction

What are the costs of construction?

Generally, construction contracts are concluded on either a fixed price basis or reimbursable basis. Construction prices maintained a modest trajectory until the global inflationary pressures arising during the COVID-19 pandemic and invasion of Ukraine. Inflation figures for construction materials are available on the Central Statistics Office website.

As regards Public Works Contracts, the Office of Government Procurement introduced several measures in ease of contractors and supply chains, aimed at mitigating the impact of inflation, including through a reduction of a standard fixed price period and adjustments for inflation of materials and fuel.

The Construction Industry Federation is the national body representing the interests of contractors in Ireland. Contractors can be divided into four main categories: general contractors; mechanical and electrical contractors; special contractors and home builders.

Are permits required for construction?

Planning permission must be secured, in respect of non-exempt developments, prior to commencing construction. Further details on the planning regime are set out above at section 2.6.

Buildings must be constructed and certified in accordance with certain minimum standards set down in building control legislation. Building Control (Amendment) Regulations 2014 mandate the appointment of certain professionals to fulfil specific roles on projects to which the regulations apply. These professionals must be registered with the relevant professional bodies in Ireland to be competent to undertake these roles.

Sector specific permit requirements may arise. For example, in the energy sector, authorisations to construct generating stations are required and must be obtained from the CRU.

Contractors must also abide by the Safety, Health and Welfare at Work Act 2005 and sector specific regulations such as the Safety, Health and Welfare at Work (General Application) Regulations 2007 to 2012 and the Safety, Health and Welfare at Work (Construction) Regulations 2013.

Buildings are also rated for energy performance pursuant to regulations implementing the Energy Performance of Buildings Directive.

How is authorisation to construct obtained?

See above.

How long does it take to receive authorisation? What fees are involved?

It can take up to two months, and sometimes longer, to obtain full planning permission consent from the relevant local authority. The fees involved will vary depending on the size and nature of the proposed development.

9.7 Contracts

Can the investor freely enter into local contracts?

Can the contracts be governed by the law of another country?

The law applicable to Contractual Obligations Act 1991 gave effect to the Convention formulated in Rome in 1980. It contains the general rule stating that the choice of law principles apply whether or not the applicable law is that of the contracting state. However, the parties may not, by choice of a different legal system, avoid the application of the mandatory rules of the country which would otherwise apply to the situation. The Court has discretion to insist that the mandatory rules apply.

9.8 Price Controls

Are there applicable price controls?

Price control legislation does still exist, however, it is very rarely invoked outside of certain regulated areas such as minimum unit pricing for alcohol.

9.9 Product Registration

Must the entity register its product?

In general, there are no registration requirements. However, depending on the nature of the product, registration with the relevant authority may be required.

If so, how is registration obtained?

The registration process varies depending on the type of product being register and the relevant regulator.

How long does the process take?

The duration of the registration process varies depending on the relevant regulator.

Are there fees involved?

This will depend on the nature of the product being registered, the nature of the entity registering it and the relevant regulator.

9.10 Reduction or Return on Capital

Can capital be repatriated while the corporation is still ongoing?

Save to the extent that its constitution provides otherwise, a LTD, DAC or PLC may reduce its company capital (which includes share capital and share premium). For example, it may:

(a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;

(b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid up company capital which is lost or unrepresented by available assets; or

(c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up company capital which is in excess of the wants of the company.

In order to reduce its capital, a company must go through one of two statutory procedures: (1) a court sanctioned capital reduction procedure; or (2) a validation procedure called a “summary approval procedure”. The procedural requirements for both are laid down in the 2014 Act.

(a) In a Court sanctioned capital reduction, the company must authorise the reduction in share capital by a special resolution of the members and an application for confirmation must be made to the High Court. The proposed reduction must be publicly advertised before the Court will approve it. The company’s foreign creditors must also be notified of the proposed reduction of capital. In certain circumstances, the company’s creditors may be entitled to object with the result that the company may be obliged to secure the payment of that creditor's debt.

(b) The summary approval procedure requires:

    (i) a declaration by a majority of the directors in relation to the company's solvency;

(ii) a report by someone qualified to be an auditor of the company stating that the director's declaration is "not unreasonable";

(iii) finally, a special resolution to be passed by the company by the members of the company not later than 30 days after the date of the declaration.

A LTD or a DAC may use these two options, however, a PLC may only avail of the Court sanctioned capital reduction procedure.

An ULC is not constrained by the above two procedures and may reduce its capital in any way it sees fit.

9.11 Sale of Goods

Are there restrictions on the manner, time or place of sale of goods?

There are licensing laws governing the manner, time and place of sale of alcohol.

10. CESSATION OR TERMINATION OF BUSINESS

10.1 Termination

What are the tax consequences of terminating the business?

The particular circumstances of each business would have to be reviewed to determine what the tax consequences of termination would be. Amongst the issues to be considered would be the following:

(a) the termination of the business would mean that if there had been any losses carried forward, they would be lost, since generally they can only be carried forward for set off against profits of the same trade;

(b) if the business owns assets which were the subject of capital allowances claims, the position would have to be reviewed to determine whether there was any clawback of allowances on the termination of the business;

(c) if its assets are disposed of on termination, a capital gains tax liability could arise;

(d) the company will be subject to corporation tax in respect of the period from the last accounting date to the date of cessation; and

(e) if the business had sustained losses at termination any loss incurred in the final period can be carried forward and set off against income from the same trade in the three proceeding years.

How is a company terminated in Ireland?

A company can be dissolved either through liquidation or through the strike-off process.

Where a company is being wound up by way of liquidation, a liquidator is appointed, either by the creditors or the members in the case of a voluntary liquidation, or by the court in the case of a compulsory winding up. The 2014 Act contains provisions relating to the appointments of the liquidator both in the case of voluntary and compulsory liquidations.

A company that ceases to trade and has no outstanding creditors can request the Registrar to strike off the company by way of voluntary strike off (a "**VSO**").

What costs are involved in termination?

There will be legal and accounting fees (including the fees for a liquidator) payable by the company. In a compulsory liquidation, the court has control over how much the liquidator is paid. In a voluntary winding up, a liquidator's fee is fixed either by the members at a general meeting or by the court where it is not fixed by the members.

How long does it take to terminate the business?

Solvent liquidations are generally affected by way of a member's voluntary liquidation and can take as little as six months to complete. In contrast, insolvent liquidation takes the form of either a creditors' voluntary liquidation (an out of court process where the shareholders appoint the liquidator who must then be approved by the company's creditors) or a compulsory or court liquidation (where a petition is presented to the High Court of Ireland in order to apply for the appointment of a liquidator). Both forms of insolvent liquidation can last for a number of years depending on how long it takes for the liquidator to wind up the company's affairs.

A VSO can be completed in 3-6 months.

How is the investor's particular form of business treated in termination?

Can the business be terminated without Irish Government approval or intervention?

A business may be terminated without Irish Government approval in most instances. However, if the staff numbers exceed certain statutory limits then the relevant Irish Government Department requires that it is given one month's notice of such proposed collective redundancy. This notice may be given by the liquidator following their appointment.

The company may also be required to repay any grants received from the IDA Ireland.

What are the obligations toward creditors, employees and others upon termination?

In an insolvent liquidation, certain debts of companies are given priority over other debts of the company. Preferential creditors (such as debts owing to the Revenue Commissioners and employees) are given priority to other unsecured creditors. In the case of shareholders, they will only receive a dividend if the company is solvent (i.e. all creditors of the company have been fully discharged) as they rank after creditors for the purpose of repayment. Where a company is, or is likely to become insolvent, a company's directors have a duty to act in the best interests of the company's creditors.

10.2 Insolvency/Bankruptcy

What is the extent of the investor's liability in the event of insolvency or bankruptcy?

Investors in a limited company may only incur personal liability for the company's debts in very rare circumstances. It may arise where they have given guarantees or where they are found by a court to have traded as individuals or where the company has been a sham or used as vehicle for fraud. Under Section 610 of the 2014 Act certain persons may be held personally liable for the debts of a company as a result of fraudulent or reckless trading of a company.

What choices, if any, are available to the investor with regard to the restructuring of the business?

Examinership

Examinership is a debtor in possession procedure available under Part 10 the 2014 Act which involves the appointment of an examiner (usually an accountant with the relevant restructuring expertise) to oversee efforts to secure the survival of the company and its business as a going concern. Examinership entitles a company to a period of up to 100 days where a moratorium is in effect which prevents its creditors from exercising certain of their rights, including the enforcement of security or the issuing of proceedings. The procedure commences with the presentation to the High Court of a petition. On hearing the petition, the court may only appoint an examiner where it is satisfied that:

(a) the company is or is likely to become insolvent; and

(b) there is a reasonable prospect of the survival of the company and the whole or any part of its undertaking as a going concern.

The examiner's task is to bring forward proposals for a scheme of arrangement. The scheme of arrangement usually involves a combination of new investment (which may result in a change of management), a write-down of creditors' claims and payment of a dividend to creditors over a period of months or years. The company continues to trade during the protection period and the directors continue to run the company.

The examiner's proposals are put to a vote at meetings of the classes of impaired creditors and members. The proposals are deemed to be carried by a class if a majority in number holdings a majority in value vote in favour of the proposals.

The court is precluded from approving the examiner's proposals unless at least one class of "in the money" creditors (i.e. a class of creditors that would receive a dividend in any liquidation of the company on the basis of a going concern valuation of its assets) whose interests would be impaired by the implementation of the proposals voted in favour of the proposals. A scheme of arrangement proposed through examinership allows for cross class cramdown where this voting requirement is satisfied and the proposals are confirmed by the Court. A Scheme of Arrangement that has been confirmed by the Court will be binding on all creditors, including secured creditors, and members regardless of whether they have voted in favour of the Scheme of Arrangement. The Court is obliged to ensure that the arrangement is just and equitable to all of the creditors. If a scheme of arrangement is not successfully implemented, the protection of the court is withdrawn and liquidation or receivership inevitably follows.

The moratorium, the powers of the Examiner and any Scheme of Arrangement confirmed through examinership will be automatically recognised and enforceable in each EU member state (except Denmark). It is also possible for the Examinership to be recognised in the US under Chapter 15 and in the UK under section 426 of the United Kingdom Insolvency Act 1986.

Part 9 Schemes of Arrangement

A scheme of arrangement is a statutory procedure under Chapter 1 of Part 9 of the 2014 Act whereby a company may negotiate:

- The rearrangement of its capital structure with its members; and / or

- The rearrangement (including a compromise) of its obligations and liabilities to its creditors.

A "special majority", must approve the modification of rights under the scheme of arrangement, meaning a majority in number representing at least 75% in value of the creditors or class of creditors or members or class of members, as the case may be, present and voting either in person or by proxy at the relevant scheme meeting

Schemes of arrangement pursuant to Part 9 of the 2014 Act may be used in order to:

- restructure both solvent and insolvent companies;

- implement solvent group re-organisations and demergers;
- implement the acquisition of a target company; and
- buy out dissenting shareholders.

Procedurally, given the required approval thresholds, the process involves negotiations between the creditors and members to approve a scheme of arrangement. The scheme also requires the approval of the High Court which must be satisfied that the requirements under the 2014 Act have been satisfied, the approving creditors and members have acted in a genuine manner and the classes of creditors and members were properly constituted.

SCARP

The Companies (Rescue Process for Small and Micro Companies) Act 2021 ("**SCARP**") came into operation on 7 December 2021. This new rescue process is modelled on examinership but, due to the reduced role of the court in the process, should be a more cost-efficient process for small and micro companies.

The process involves the appointment of a process advisor who is responsible for formulating a rescue plan and convening meetings of the company's creditors to vote on the plan. The rescue plan will be deemed to be accepted once 60 per cent in number representing the majority in value of the claims represented at that creditor class meeting have voted in favour of the rescue plan.

Different laws apply to the restructuring of insurance companies.

11. LABOR LEGISLATION, RELATION, AND SUPPLY

11.1 Employer/Employee Relations

What laws govern Employer/Employee Relations?

Much of the substance of Irish employment law derives from and relates to the contractual relationship between the employer and employee and as such, it is an extension of the law of contract. Some of the more prominent legislative protections for employees include the following:

(a) **Creation of Employment Relationship**

Terms of Employment (Information) Act 1994 to 2014

An employer is obliged to inform an employee in writing of the terms and conditions of his/her employment. Certain information is required within 5 days of commencing employment, while other information is required within one month.

Employment Equality Acts

The Employment Equality Acts 1998 to 2021 are the principal pieces of equality legislation in Ireland.

The Employment Equality Acts provide that no employer shall discriminate against an employee or a prospective employee in relation to access to employment, conditions of employment (including remuneration), training or experience for or in relation to employment, promotion or re-grading or classification of posts on any of the prohibited grounds. The prohibited grounds are gender, civil status, family status, race/colour/nationality/ethnic origin, age, sexual orientation, religion, disability or membership of the traveller community.

The Employment Equality Acts specifically prohibit indirect discrimination and sexual and other harassment in the workplace.

The Employment Equality Acts contain detailed provisions with regard to equal remuneration for like work. They impose obligations on employers in relation to specific measures to be taken in respect of disabled employees.

(b) **Terms and Conditions of Employment**

Payment of Wages

This Payment of Wages Act 1991 establishes certain rights for all employees relating to the payment of wages. Neither an employer nor an employee can "contract out" of the provisions of this Act. All employees are entitled to:

(i) a readily encashable mode of wage payment;

(ii) a written statement of wages, contributions and deductions; and

(iii) protection against unlawful deductions from wages.

An employer may only make deductions from wages if the deduction or payment is required or authorised to be made by or under statute, the terms of the contract of employment or by other advance written agreement from the employee.

Maternity Protection Acts 1994 and 2022, Adoptive Leave Acts 1995 and 2005, Parental Leave Acts 1998 and 2019, Parent's Leave and Benefit Act 2019, Carer's Leave Act 2001 and Paternity Leave and Benefit Act 2016

Employers are not obliged to pay employees during maternity, adoptive, parental, paternity or parent's leave.

A pregnant employee has a statutory entitlement to ordinary maternity leave for a period of 26 weeks with the option to take additional maternity leave for a period of 16 weeks.

An adopting employee is entitled to ordinary adoptive leave of 24 weeks and additional adoptive leave of 16 weeks.

An employee may avail of parental leave (26 weeks per child) and carer's leave (13 to 104 weeks), provided they satisfy certain statutory criteria.

An employee who is a new parent other than the mother of the child (e.g. father, civil partner of mother, sole male adopter) is entitled to 2 weeks' paternity leave.

Under a paid parent's leave scheme, from 1 August 2024, parents of children born or placed for adoption can avail of nine weeks' paid leave each in the first two years of a child's life.

Redundancy Payments Acts 1967 to 20**22,** Protection of Employment Acts 1977 to 2014 **and Employment (Collective Redundancies and Miscellaneous Provisions) and Companies (Amendment) Act 2024**

Employees with two or more years' service in Ireland qualify for statutory redundancy pay if their employment is terminated by reason of redundancy. Statutory redundancy pay amounts to two week's pay per year of service. A week's pay is capped at €600.

Pensions Acts 1990 to 2018

Where employers do not operate an occupational pension scheme, or where there are certain restrictions on any such scheme, employers are required to ensure that their employees have access to at least one standard PRSA ("**Personal Retirement Savings Account**") which can be arranged through a local pension provider/broker. There is no obligation on an employer to contribute to a PRSA.

The Automatic Enrolment Retirement Savings System Act 2024 has been signed into law and has the objective of ensuring that every worker will have access to a workplace pension to supplement the basic state pension.

Once the Act is commenced, it is expected that all employees aged between 23-60, who earn in excess of €20,000 per year and who are not already enrolled in an occupational pension scheme, will be automatically enrolled into the new system.

Work Life Balance and Miscellaneous Provisions Act 2023

This Act transposes the EU directive on work-life balance.

The Act provides that all employees will have an entitlement to five days of unpaid leave per year where, for serious medical reasons, the employee needs to provide personal care or support to persons specified in the 2023 Act who are in need of significant care or support for a serious medical reason.

The Act provides for a right to request a flexible working arrangement to employees who are parents to children up to age 12 (or up to age 16 if the child has a disability or illness) to provide care to their children, or to employees to provide care to other specified people (as detailed above in the context of leave for medical care purposes) who are in need of significant care or support for a serious medical reason. The Act also provides for a right for all employees to request a remote working arrangement.

Finally, the Act contains a new entitlement for employees to five days paid leave (in any 12 consecutive month period) known as "domestic violence leave". Employees can avail of this leave where they, or a "relevant person", have experienced, or are experiencing, domestic violence; and the purpose of the leave is to enable them to take certain actions or avail of relevant services or assistance in relation to that domestic violence, on their own behalf or on behalf of the relevant person.

Atypical Workers: Protection of Employees (Part-Time Work) Act 2001, Protection of Employees (Fixed-Term Work) Act 2003 and Protection of Employees (Temporary Agency Work) Act 2012

Part-time and fixed-term employees cannot be treated less favourably than a comparable full-time employee.

Agency workers (sometimes called 'contingent workers') are entitled to the same basic working and employment conditions that they would have received if they were recruited directly by the end-user organisation for a similar role.

(c) **Termination of the Employment Relationship**

Minimum Notice and Terms of Employment Acts 1973 to 2005

In general, to dismiss an employee who has been in continuous service for 13 weeks or more, an employer must give a minimum period of notice based on the employee's length of service, as follows:

(i) 13 weeks' to two years' service - one weeks' notice;

(ii) two to five years' service - two weeks' notice;

(iii) five to 10 years' service - four weeks' notice;

(iv) 10 to 15 years' service - six weeks' notice;

(v) 15 or more years' service - eight weeks' notice.

It is open to employers to include longer notice periods in the employee's contract of employment.

Unfair Dismissals Acts 1977 to 2007

The purpose of the Acts is to protect employees from being unfairly dismissed by laying down criteria by which dismissals are to be judged unfair and by providing an adjudication system and redress for an employee whose dismissal has been found to be unjustified.

Employees with one year's continuous service fall within the scope of this Act. However, there are exceptions to this service requirement when an employee claims unfair dismissal by reason of trade union membership /activities, pregnancy/ denial of entitlements under the maternity legislation, making a protected disclosure, exercise of his/her right to a minimum wage under the relevant legislation and exercise of his/her right to statutory adoptive leave, parental leave/force majeure leave or carer's leave.

The Act provides that all dismissals are deemed "unfair" unless there were substantial grounds justifying the dismissal.

There are certain grounds which constitute potentially "fair" dismissal, namely, dismissal arising from the employee's capability, competence, qualifications, conduct, redundancy, where the employee's ongoing employment was in contravention of statutory provisions or other substantial reason.

(d) **Other**

Gender Pay Gap Reporting

The Gender Pay Gap Information Act 2021 and the Regulations published thereunder require employers with 150 or more employees to publish details of their GPG, along with a statement setting out, in the employer's opinion, the reasons for such differences and the measures (if any) being taken, or proposed to be taken, by the employer to eliminate or reduce such differences.

Protected Disclosures Act 2014

The Protected Disclosures Act 2014, as amended, aims to protect workers in both the public and private sectors against reprisal in circumstances where they disclose information in relation to certain wrongdoings which come to their attention during their employment.

The Act protects workers who make a disclosure of "relevant information" through a pre-determined channel of disclosure which is referred to as a "protected disclosure". The protections offered by the Act are provided to "workers", a broader concept than "employee", which includes employees, former employees, independent contractors, trainees, agency staff, work experience individuals and volunteers. Relevant information is information which the worker reasonably believes to demonstrate one or more "relevant wrongdoings" and which came to the worker's attention during his employment. "Relevant wrongdoings" include the commission of a criminal offence, a failure to comply with a legal obligation, the occurrence of a miscarriage of justice, the endangerment of the health and safety of an individual, maladministration or gross mismanagement by a public official, damage to the environment, the

unlawful or improper use of public funds or monies and the concealment or destruction of information evidencing any of the foregoing.

All private sector organisations with 50 or more employees must establish formal channels and procedures for their employees to make protected disclosures. The threshold of 50 employees does not apply to employers who are public bodies or who fall within the scope of the certain European Union acts.

The Act provides a number of protections to workers who have made protected disclosures, including protection from dismissal and penalisation.

(e) **Transfer of Undertakings Regulations**

The European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003 protect employees' statutory and contractual rights in the event that the business is transferred as a going concern by way of asset purchase. The Regulations apply to the transfer of an undertaking, business, or part of a business to another employer as a result of a legal transfer or merger. The Regulations place an obligation on employers to inform and consult their employees' representatives in the event of a proposed transfer.

(f) **Organisation of Working Time Act 1997**

The Act provides for work breaks and for daily and weekly rest periods. An employee is entitled to a rest period of not less than eleven consecutive hours in each period of 24 hours. An employer shall not require an employee to work for a period of more than four hours and 30 minutes without allowing the employee a break of at least 15 minutes and an employer shall not require an employee to work for a period of more than six hours without allowing the employee a break of at least 30 minutes and such break may include the 15 minute break referred to above. Such breaks may be taken together or separately but may not be taken at the end of the working day. The rules relating to daily and weekly rest periods do not apply to a person engaged in shift work when because of shift changeover he or she cannot avail of the rest period. There are certain exceptions to the application of the Act.

An employee shall, in each period of seven days, be granted a rest period of at least 24 consecutive hours and that rest period must (except in limited circumstances) be preceded by an 11 hour daily rest period.

(g) **Pay related social insurance**

Employees and employers pay Pay Related Social Insurance ("**PRSI**") contributions on employee's emoluments upon deduction of certain approved contributions. Everyone between the ages of 16-66 years of age in insurable employment must pay PRSI. Self-employed workers must also pay PRSI.

Are there obligations to train employees?

The Safety, Health and Welfare at Work Act 2005 requires that employees be trained so as to ensure that they are safety conscious and aware of the risks and hazards involved in the workplace, with work systems and with work equipment.

11.2 **Employment Investor Regulations**

Must the investor hire nationals of the country?

The investor should first seek to hire nationals of an EEA ("**European Economic Area**") country. In the event that this is not possible, the investor may seek to employ nationals from outside of the EEA on the basis of one of the work permits outlined

below. In making an application to the Department of Enterprise, Trade and Employment for a work permit, an employer must demonstrate that it has made efforts to recruit an EEA national in the first instance and that is complies with the "50:50" rule (please see paragraph 11.4 below).

Is there a minimum wage?

The current minimum wage for an experienced adult worker is €12.70 per hour.

Is there a maximum number of hours an employee can work each week?

Employees must not work more than 48 hours per week generally averaged over a four month period.

Is there a minimum number of vacation and sick days to be given?

Employees have a right to 5 days' statutory sick pay a year. This is expected to increase to 7 days in 2025 and 10 days in 2026. Sick pay is paid by the employer at 70% of the employee's normal pay up to a maximum of €110 a day. Employees must be working for at least 13 weeks with their employer before they can get statutory sick pay. An employer may choose to operate a more generous sick pay scheme.

Annual leave entitlements are set down in the Organisation of Working Time Act 1997. An employee who works at least 1,365 hours is entitled to four working weeks in a leave year. An employee who works at least 117 hours per calendar month is entitled to a third of a working week by calendar month. An employee is otherwise entitled to 8% of the hours in the leave year, subject to a maximum of 4 working weeks.

Employees are also entitled to nine public holidays throughout the year.

11.3 Hiring and Firing Requirements

Must the investor employ a minimum number of people?

There is no legal requirement to employ a minimum number of people.

Must the investor employ a minimum number of nationals?

There is no legal requirement to employ a minimum number of nationals. However, in the event that an investor is making an application for a General Employment Permit, a Critical Skills Employment Permit or an Intra-Company Transfer Permit for an employee, there are certain requirements in relation to the percentages of EEA and non-EEA nationals employed.

Must certain positions in the company be held by nationals?

There is no legal requirement that certain positions in the company be held by nationals, however one director of the company must be resident in a member state of the EEA.

Are there rules to follow in hiring/dismissing personnel?

In hiring personnel, employers must be cognisant of the provisions of the Employment Equality Acts 1998 to 2021, which prohibit discrimination in relation to access to employment.

When dismissing personnel, employers should be aware of the terms of the Unfair Dismissals Act 1997 to 2015 and the Minimum Notice and Terms of Employment Acts 1973 to 2005. Employers should ensure that a clear disciplinary procedure is in place and that the procedure provides natural justice to employees who are disciplined and or dismissed.

The Employment Permits Acts 2003-2020 make it an offence to employ a non-EEA national without a valid permit, save in certain circumstances.

11.4 Labour Permits

Are labour permits required?

Employment permits are required for non-EEA nationals. The Employment Permits Act 2006, as amended creates nine categories of employment permit, namely:

(a) Critical Skills;

(b) Intra-Company Transfer;

(c) Dependant/Partner/Spouse;

(d) General;

(e) Contract for Services;

(f) Reactivation;

(g) Internship;

(h) Sports and Cultural; and

(i) Exchange Agreement.

The most commonly used of these permits are the General Employment Permit, the Critical Skills Employment Permit, and the Intra-Company Transfer Permit. In the event that an employee is being transferred to an Irish company from a parent non-Irish company the employee may avail of an Intra-Company Transfer Permit for a total period of up to five years.

Applicants for certain permits must demonstrate that the Irish entity complies with a "50:50 rule", i.e., that employers seeking to hire non-EEA nationals on an employment permit maintain a workforce of at least 50% EEA nationals, (save for some limited exceptions, such as start-up companies). A Labour Market Needs Test, meaning that employers must exhaust efforts to recruit EEA nationals and demonstrate same, now applies to General and Contract for Services Employment Permit applications.

If so, how are they obtained?

Employment permits are obtained from the Department of Enterprise, Trade and Employment on application. There are different qualifying criteria for each type of employment permit. Additionally, the Department will seek to ensure that the employee in question has not lived or worked illegally in the State and that the employer has made an effort to hire EEA nationals to the position.

How long does the process take?

Processing times vary depending on the Department's workload, but the process generally takes approximately eight weeks.

What does a permit cost?

General Employment Permit

€500 - six months or less
€1,000 – up to 24 months

Critical Skills Permit

€1,000 – up to 24 months

Intra–Company Transfer Permit

€500 - six months or less
€1,000 – up to 24 months

11.5 Safety Standards

Are there safety codes which must be followed?

The Safety Health and Welfare at Work Act 2005, together with related regulations, forms the basic framework of health and safety legislation in Ireland. There are numerous regulations in force which deal with specific aspects of safety and health in the workplace such as chemicals, biological agents, pregnancy, young persons, construction sites, mechanical equipment etc.

11.6 Unions

Are unions recognised?

While employees in Ireland have a right of association/entitlement to join a trade union, there is no corresponding legal obligation on an employer to recognise or engage with a trade union in relation to pay and other terms and conditions of employment. The Labour Court has, under the Industrial Relations (Amendment) Act 2015, been given power to adjudicate in industrial disputes and in limited circumstances to issue binding determinations where the normal voluntary procedures have not resolved the issue in dispute.

12. TAX ON CORPORATIONS

12.1 Allowances

- **What are the major allowances (e.g. capital cost depreciation)?**
- **What are the major deductible items?**
- **What are the major expenses that are excluded from deductibility?**

Trading companies are generally entitled to the deductions provided for in their audited accounts. However, the net figure per the accounts must be adjusted in accordance with Irish taxation principles. This may result in add backs principally in respect of the following items:

(i) expenditure which is not wholly and exclusively incurred for trading purposes;

(ii) entertainment expenditure (although staff entertainment is allowable as a deduction);

(iii) capital expenditure/depreciation (although capital allowances may be available in respect of such expenditure); and

(iv) general provisions (for example, a general provision for bad debts is not deductible but a specific provision is).

Only certain items of capital expenditure qualify for capital allowances. The most important categories which qualify for allowances are:

(i) plant and machinery (including aircraft and commercial equipment);

(ii) industrial buildings;

(iii) scientific research;

(iv) intellectual property;

(v) patents;

The rate and timeline for granting of capital allowances varies depending on the category of asset. In Ireland, the regime for specified intangible assets provides that capital allowances are available for trading companies incurring capital expenditure on certain intangible assets (e.g. patents, copyright, and trade marks) for the purposes of a trade. Such a trading company would either write down its expenditure in accordance with the standard accounting treatment of intangible assets or elect for a fixed write-down period of 15 years at a rate of 7 % per annum and 2% in the final year (e.g. brands are not depreciated under IFRS so brand traders frequently elect). Different rules apply to non-trading companies as any non-trading item is excluded from the computation of the company's trading profits and dealt with separately for tax purposes under the relevant tax heading.

12.2 Calculation of Taxes

How is the taxable base determined?

Irish resident companies are liable to domestic Irish corporation tax for each accounting period on the worldwide income and gains arising in that period. Income for the purposes of corporation tax is computed in accordance with income tax principles and chargeable gains are calculated in accordance with capital gains tax principles. Income is charged to corporation tax at 12.5% for Irish trading income and certain foreign dividends and 25% for other non-trading profits. A participation exemption on foreign dividends will become effective from 1 January 2025.

Ireland transposed the EU Council Directive (EU) 2022/2523 of 14 December 2022 for ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union. In-scope companies are subject to these new rules for calculating the "Pillar 2" tax base applying. Taxes arising under these rules are in addition to the Irish domestic corporate tax liability and are effectively a "top-up" tax. Three rules ensure that in-scope companies pay an effective tax rate of 15%. Ireland has implemented the primary two charging provisions known as the qualified domestic top-up tax ("**QDMTT**") and the income inclusion rule ("**IIR**") from 1 January 2024 for accounting year ends beginning on or after 31 December 2023. The Under Taxed Profits Rules ("**UTPR**") will come into effect for for fiscal years beginning on or after 31 December 2024.

12.3 Capital Gains

What are the federal or national tax rates on capital gains?

What are the regional or state taxes on capital gains?

What are the municipal or local taxes on capital gains?

Ireland operates a unitary tax system with taxes on a national level only. There are no provincial, municipal or local taxes on the profits of companies. The only local tax is a tax on a company's property, referred to as "rates", levied by local authorities on commercial properties and based on the valuation of a property. The rate is set annually by each local authority which also determines the valuation of the property. There is a self-assessed local property tax ("**LPT**") which is charged on the market value of all residential properties in Ireland.

Profits arising from the disposal of certain assets are subject to capital gains tax. The standard rate of capital gains tax is 33%.

Capital assets may be transferred between Irish resident group companies without liability for capital gains tax. The sale or disposal by an Irish holding company of shares in a subsidiary company resident in an EU Member State or a country with

which Ireland has a double tax treaty should be exempt from Irish capital gains tax (otherwise chargeable at a rate of 33%) provided certain conditions are satisfied.

12.4 Filing and Payment Requirements

When must the corporation file its tax return, if any?

When must the corporation pay its taxes?

Are taxes paid in instalments or annually?

Ireland operates a self-assessment system of tax administration. Every resident company, as well as any non-resident company trading in Ireland through a branch or agency, is required to file a corporation tax return of its profits for each accounting period. The return for an accounting period should be filed within nine months after the end of the accounting period (but no later than the 23rd day of the ninth month). It should normally be accompanied by the statutory accounts of the company, computations of the income and chargeable gains of the accounting period and by any necessary supporting schedules. Failure to submit the return for any accounting period within the specified time period will result in penalties including a tax surcharge and the restriction of certain tax reliefs.

Companies must pay tax in two instalments, the first is payable in the 6th month of the accounting period, and the amount payable will be 50% of the corporation tax liability for the preceding accounting period or 45% of the corporation tax liability for the current accounting period.

The second instalment is payable in the 11th month of the accounting period, and the amount payable will bring the total preliminary tax paid to 90% of the corporation tax liability for the current accounting period.

The balance of corporation tax is then paid when the company files its tax return 9 months after the end of the accounting period.

An exception to the preliminary tax requirements exists for small companies, whose corporation tax liability does not exceed €200,000 in the previous accounting period. For such companies, preliminary tax is payable in one instalment one month before the end of its accounting period (but no later than the 23rd day of the month). A small company may choose to base its preliminary tax on the previous year's corporation tax liability and pay 100% of the previous year's corporation tax liability or pay 90% of the current year's estimated tax liability.

New or start-up companies with a corporation tax liability of €200,000 or less for their first accounting period will not be required to pay preliminary tax in respect of that first accounting period and will instead be required to pay their final corporation tax liability for that accounting period at the same time as they are required to submit their corporation tax return, i.e. within nine months after the end of the accounting period.

12.5 Miscellaneous Taxes Due

Is there a tax on capital?

No. It is possible that a company could in exceptional circumstances be subject to gift tax if it made or received a gift.

Is there a business licence tax?

No.

Is there an apprenticeship tax?

No.

Is there a training tax?

No, there is no general tax.

Are there other taxes?

Ireland operates a value added tax ("**VAT**") system in line with EU law and also a system of stamp duty.

What are the filing and payment requirements?

The filing and payment requirements of VAT and stamp duty depend on the particular circumstances. Generally, any VAT to be paid (along with the required VAT return to be filed) is due electronically by the 23rd of the month following the end of each two-monthly taxable period (e.g. January/February, March/April).

Generally, any stamp duty to be paid must be paid (and a completed stamp duty return must be filed) within 30 days of the date of the stampable instrument of transfer (or within 44 days if the payment is made and the return submitted on the Revenue Online System ("**ROS**")).

12.6 **Registration Duties**

Are there registration duties due upon the incorporation of a company?

Are there registration duties due upon an increase in capital?

Are there registration duties due upon the transfer of the company's shares?

Are there registration duties due upon a transfer of corporate assets?

Are there any other registration duties due?

There are nominal fees due to the CRO upon the incorporation of a company. There are no duties due on any increase in capital by a company. The transfer of shares in an Irish company, that does not derive the greater part of its value from Irish land and buildings, is subject to stamp duty at the rate of 1% of the consideration, or the market value, whichever is higher. Stamp duty is also payable in respect of certain other documents, including those which transfer assets situated in Ireland.

Note, however, that an exemption from stamp duty may be available in the case of corporate reconstructions and amalgamations. It is also possible to claim an exemption from stamp duty if there is a transfer of assets between a 90% corporate group and certain conditions are satisfied.

There are a number of other exemptions from stamp duty, particularly for financial services instruments. Examples of instruments exempt from stamp duty include:

(a) swap agreements;

(b) futures and forwards agreements;

(c) debt factoring agreements;

(d) option agreements;

(e) American depository receipts; and

(f) repurchase (repo) agreements.

12.7 **Sales Tax or Other Turnover Tax**

What is the system of sales tax (e.g. VAT, cumulative)?

Is input tax creditable against output tax?

What are the tax rates?

What are the filing and payment requirements?

Ireland has implemented VAT in conformity with EU VAT laws. VAT is charged on goods and services supplied in Ireland in the course of business. VAT at importation is also payable on imports from outside the European Union and also on intra-EU acquisitions. Credit is usually given for VAT to registered traders; thus, it is ultimately borne by the final consumer. VAT is, however, irrecoverable for traders who incur VAT on supplies received but who make VAT exempt supplies of goods and services. VAT rates range from 0% to 23% depending on the product or service, with most being charged at 23%.

Exports are zero rated for VAT, except those to unregistered persons in the EU. Companies that export 75% or more of their output can apply to the Revenue Commissioners for authorisation (known historically as a VAT 13B authorisation but now referred to as a Section 56 authorisation) to receive almost all of their goods and services from Irish and foreign suppliers free from any VAT charge.

Taxable persons are usually required to file six VAT returns in each calendar year, covering six bi-monthly periods beginning in January.

In certain cases, taxpayers may be permitted to submit monthly returns (such as those consistently in a repayment position) or annual returns with different accompanying payment obligations.

Any VAT due is normally payable by the same date as the return is due for submission. If VAT is not paid within the proper time limit, interest is charged for each day that the payment is outstanding.

12.8 Social Security and Welfare System Contributions

Are social security contributions due?

Are retirement or pension contributions due?

Are unemployment insurance contributions due?

What are the filing and payment requirements for any such contribution?

Social Security in Ireland is provided by means of social welfare insurance known as Pay Related Social Insurance ("**PRSI**"). It is compulsory for all employees aged between 16 and 66 to be covered by social insurance. Both employers and employees contribute towards the scheme and the contributions are calculated as a percentage of the employee's earnings:

- The employee's contribution is generally 4.1%. There is no earnings ceiling in respect of the employee's contribution. There is no PRSI liability in respect of employees who earn €352 or less per week.
- The employer's contribution is generally 8.9% on weekly earnings up to EUR 496 and 11.5% on weekly earning over this amount of the employee's remuneration. There is no earnings ceiling in respect of the employer's contribution.

12.9 Special Tax Schemes

Are there particular tax consequences of doing business in the country?

A company that incurs expenditure on R&D may avail of a tax credit of 30% on all R&D expenditure incurred (subject to certain conditions) in addition to the tax deduction of

12.5%. The combined effect of these provisions is that it is possible to obtain tax relief at an effective rate of up to 42.5% of expenditure on R&D.

The Knowledge Development Box is a type of tax relief which applies to income from qualifying patents, computer programmes and, for smaller companies, certain other certified intellectual property. It is aimed at incentivising companies to undertake innovative activities in Ireland by providing an effective 10% corporate tax rate for profits generated from the sale or exploitation of certain intellectual property.

Ireland has a very internationally competitive system of tax depreciation on specified intangible assets. Capital allowances can be claimed on capital expenditure incurred by companies on the provision of certain "specified intangible assets". The definition of specified intangible assets is widely drafted and includes software, patents and registered designs, trademarks, brands, domain names, copyright, etc. An eligible trading company can either write down its expenditure in accordance with the standard accounting treatment of intangible assets or elect for a fixed write-down period of 15 years at a rate of 7 % per annum and 2% in the final year (e.g. brands are not depreciated under IFRS so brand traders frequently elect).

The digital games corporation tax credit is a relief for the digital gaming sector, for games that promote Irish and European cultural identity. The credit reduces the corporation tax liability of the company and can be claimed on certain costs incurred in the development of digital games. The credit per digital game is 32% of the lowest of eligible expenditure, 80% of total qualifying expenditure or €25 million.

There is also favourable tax treatment available for special purpose vehicles ("**SPVs**") established for securitisation transactions, re-packaging, CDOs, LPNs, Islamic financing and CMBS. This tax treatment is available for qualifying companies under Section 110 of the TCA 1997 which allows companies involved in holding 'qualifying assets' (i.e. financial assets) to, with careful planning, compute taxable profits on the same basis as a trading company thereby entitling the company to a deduction for funding and other related expenditure. Thus, while a "Section 110 company" pays corporation tax on its taxable profit, this profit can be negligible as deductible expenditure is more or less equal to the company's taxable income.

There are also distinct tax advantages for investment funds domiciled in Ireland, including a general exemption from tax on profits and income.

Ireland provides an excellent platform for establishing an aircraft leasing platform, given the 0% VAT rate on lease rentals with full VAT recovery for aircraft leasing costs and an exemption from stamp duty for instruments transferring any interest or share in any aircraft.

Ireland also operates a favourable finance regime to allow effective ship financing including a tonnage tax.

Please see Section 3.3 for information on the Knowledge Development Box.

12.10 Tax on Profits

What are the federal or national income tax rates on profits?

What are the regional or state tax rates on profits?

What are the municipal or local tax rates on profits?

A company which is resident in Ireland is subject to Irish corporation tax on its worldwide profits. A non-Irish resident company carrying on a trade in Ireland through a branch or agency is liable to corporation tax in Ireland on the income and gains of the branch or agency. Corporation tax is levied at national rates and there are no additional state or local taxes payables.

The standard rate of corporation tax on trading profits and certain dividends in Ireland is 12.5%. A rate of 25% applies to non-trading and foreign source income. It also applies to certain land dealing activities, to income from working minerals and petroleum activities.

There are no municipal or regional taxes.

12.11 Tax Treaties

Are there any applicable tax treaties?

Are there any rules against treaty shopping?

Ireland has concluded comprehensive Double Taxation Agreements with over 70 countries. Ireland is a signatory to the OECD Multilateral Instrument ("**MLI**"). The MLI applies alongside existing tax treaties, modifying the application of those existing treaties where both jurisdictions agree on the application. Ireland adopted the Principal Purpose Test ("**PPT**") provided for in Article 7 thereby potentially introducing a general anti-avoidance clause into any treaty where the other treaty partner also adopted the PPT option.

12.12 Territoriality Rules

Where is the corporation subject to tax?

Is the corporation subject to tax on its worldwide income?

An Irish resident company is liable to corporation tax on its worldwide income and gains. A participation exemption for foreign dividends is expected to be effective from 1 January 2025.

12.13 Treatment of Tax Losses

How are corporate tax losses treated?

Losses incurred in an Irish trade may be set against other relevant income of the same period. Losses incurred in such a trade may also be carried backwards to the previous accounting period for set-off against relevant trading income. Unused losses may be carried forward indefinitely for off-set against all trading income of the trade in which the loss is incurred.

Relief is also available on a value basis. This allows a company which cannot fully offset its trading losses against relevant income to set off the losses against other income or profits of the company. This is done at the effective tax rate of the loss so that relief is given on a value basis.

Where trading losses are carried forward they can be set against income from the same trade. The ability to use this loss relief is restricted where a company is late in filing its corporation tax return.

A system of terminal loss relief arises where a company incurs a loss in its last twelve months trading. Such loss can be set off against income from the same trade in the preceding three years.

12.14 Wealth Tax

Is there an applicable wealth tax?

There is no wealth tax in Ireland.

12.15 Withholding Taxes

What are the rates of withholding tax on dividends?

What are the rates of withholding tax on royalties?

What are the rates of withholding tax on interest?

What are the rates of withholding tax on profits realised by a foreign corporation?

The rate of DWT is 25%. There are, however, a number of exemptions from DWT under domestic Irish law as well as under the network of Double Tax Treaties ("**DTTs**") which Ireland has entered into. A domestic exemption from DWT is in place where dividends are paid by an Irish company to:

(a) a company or individual resident in an EU or a country with which Ireland has signed a DTT (whether in force or not); or

(b) a company under the direct or indirect control of persons resident in the EU or a country with which Ireland has signed a DTT (whether in force or not).

Provided the requisite shareholder test is met, an Irish resident company may make a relevant distribution to its Irish resident parent company without having to apply DWT and without the necessity of the making of a declaration by the parent company.

DWT exemptions also exist for payments made to a qualifying share ownership trust, a collective investment undertaking, approved charities, designated brokers for special portfolio investment accounts, trustees of certain approved schemes and for ADR payments.

A foreign corporation which disposes of certain specified Irish assets (such as Irish land, buildings and minerals situated in Ireland) will generally be subject to a 15% withholding tax on the sale proceeds unless a Revenue "CG50" Certificate is obtained in advance.

Royalty payments are subject to withholding tax at 20% of the gross amount paid. Certain exemptions exist. Interest payments are generally subject to withholding of 20%. However, a number of exemptions to this exist, such as interest payments on a quoted Eurobond, on certain commercial paper and on certificates of deposit.

From 1 April 2024 a new set of outbound payment rules apply in limited circumstances. These new rules deny the application of an exemption on certain payments of dividends, interest or royalties made to an associated entity in a no or zero tax jurisdiction, or a jurisdiction on the EU list of non-cooperative jurisdictions for tax purposes. A grandfathering provision exists so that the new rules will only apply from 1 January 2025 to arrangements that were in place on or before 19 October 2023.

13. TAX ON INDIVIDUALS

13.1 Allowances

What are the major allowances?

Ireland has a full tax credit system and operates a calendar year of assessment.

Tax relief at source is given at the standard income tax rate on medical insurance premia. An individual may also claim a tax deduction (subject to certain limits) on pension contributions.

13.2 Calculation of Taxes

How is the taxable base determined?

The Irish income tax system works on a scheduler basis and one must ascertain under which of four Schedules any particular source of income arises as different rules apply

depending on the type of income in question. Tax is levied under the Schedules as follows:

Schedule C. Tax under this schedule is charged in respect of all profits arising from public revenue dividends payable in Ireland. Those making such payments must deduct tax at the standard rate (which is then charged on them under Schedule C) and pay the net amount to the persons entitled to the interest.

Schedule D. This Schedule is divided into five cases each of which has its own set of rules although those for Cases I and II are almost identical. The five cases and the activities/types of income covered by each are:

Schedule D Case I and Case II. Any trade, including any profit or gains arising out of quarrying, mining, or dealing in land for Case 1 and for any profession for Case II.

Schedule D Case III. Any interest, annuities and other annual payments (excluding bank and certain other deposit interest receivable under deduction of tax) and income arising from possessions outside Ireland.

Schedule D Case IV. Any annual profits or gains not falling within any other Case of Schedule D and not charged by virtue of any other Schedule.

Schedule D Case V. Any rent in respect of any premises situated in Ireland.

Schedule E. Tax is charged in respect of every public office or employment, every annuity or pension payable out of public revenue of Ireland and in respect of any Irish office, employment or pension.

Schedule F. Income tax is chargeable under this Schedule in respect of all dividends and other distributions received from a company resident in Ireland.

Computation of taxable income is achieved by aggregating income from all sources and subtracting relevant deductions where applicable. Certain persons are exempt in respect of particular income or the entire of their income, such as charities.

13.3 Capital Gains Tax

Are capital gains taxable?

Profits arising from the disposal of assets are subject to capital gains tax. The standard rate of capital gains tax is 33%. Individuals are entitled to an annual exemption which is €1270.

13.4 Filing and Payment Requirements

When must the individual file a tax return, if any?

When must the individual pay his taxes?

Ireland's tax year follows the calendar year and each individual is required to file a tax return by 31 October following the end of the tax year to which it relates. Thus, the return for the tax year should be filed by 31 October of the following year. There are exceptions for individuals and their spouses where both are employees whose incomes are taxed fully under the Pay As You Earn ("**PAYE**") system, neither is a company director and neither has a capital gains tax liability.

Failure to submit returns on time will give rise to an interest charge.

Preliminary income tax payments must be made by 31 October. An individual must pay any capital gains tax liability in full by 31 October in the year following the tax year in which the gain arose.

13.5 Inheritance and Gift Tax

Does the individual's presence in the country subject him to inheritance or gift tax?

What kind of assets are subject to tax?

What are the tax rates?

Are allowances available?

What are the payment and filing requirements?

CAT is a tax levied at the rate of 33% on gifts and inheritances. It applies where either the donor or the beneficiary of a gift/inheritance is resident or ordinarily resident in Ireland or where the subject matter of the gift/inheritance is situated in Ireland. There is a complete exemption from tax in respect of gifts and inheritances taken by one spouse from another.

All taxable gifts and inheritances received by an individual on or after 5 December 1991 are aggregated and only the excess amount over a certain threshold is taxable. The tax free threshold is dependent upon (i) the relationship between the donor and the donee and (ii) the aggregate of the values of previous gifts and inheritances received by the donee from within the same class since 5 December 1991.

The thresholds are subject to change :

CAT is also covered by a self-assessment system. Therefore, a return must be submitted and tax paid on 31 October if the valuation date falls between 1 January and 31 August and on 31 October of the following year if the valuation date falls between 1 September and 31 December. A return must be made even if no tax is payable when 80% of the threshold amount is reached. Failure to file a return gives rise to interest and penalties.

13.6 Miscellaneous Taxes Due

What are the miscellaneous taxes to which the individual may be subject?

What are the filing and payment requirements?

Stamp duty is payable on the transfer of shares at the rate of 1% of the transfer price or the value of the shares, whichever is higher. The stamp duty rates on residential property are 1% for the first €1,000,000 of consideration, 2% for any excess over €1,000,000 up to €1,500,000 and 6% on any amount of consideration over €1,500,000 For non-residential property the stamp duty rate of 2% of the consideration applies. For the "bulk" purchase of houses or duplexes, or interests in them, a rate of 10% applies. A bulk purchase is one where a purchaser has acquired at least 10 houses or duplexes at the one time or in the previous 12 months has purchased at least 9 other such units.

13.7 Real Estate/Habitation Tax

Is the individual subject to real estate or habitation tax?

There is a self-assessed local property tax ("**LPT**") which is charged on the market value of all residential properties in Ireland.

13.8 Sales Tax

Does the individual pay sales tax?

Yes, an individual as the final consumer bears value added tax (VAT). The rates vary from 0% to 23%.

13.9 Social Security and Welfare System Contributions

Are contributions to social security due?

Are contributions to the welfare system due?

If so, what are the payment and filing requirements?

Please see 12.8 above entitled Social Security and Welfare System Contributions.

13.10 Stock Option, Profit Sharing and Savings Plans

Is there taxation of stock option plans?

Is there taxation of profit sharing plans?

Is there taxation of savings plans?

Irish tax legislation allows for a number of approved and unapproved equity incentive schemes which facilitate employers in awarding shares, awards linked to share value, or granting options to buy shares, to employees and company officers in a tax efficient manner. Depending on the type of scheme being availed of, employees may be required to hold the relevant award for a number of years before they receive the tax benefits. Different tax and practical considerations apply depending on the scheme being availed of.

13.11 Taxation of Benefits In Kind

What is the rate of taxation on benefits in kind (e.g. automobile, housing and utilities, education, etc.)?

The cost borne by an employer in providing the benefit is generally treated as income in the hands of the employee and is taxed in the normal manner. Some benefits remain exempt from the charge to income tax (e.g. use of mobile phone for business purposes where personal use is merely incidental).

13.12 Taxes on Dividends

Are dividends taxable regardless of their form?

Dividends or distributions (including capital distributions) received by an Irish resident company from an Irish resident company ("**franked investment income**") are not subject to corporation tax. Dividends are taxable and must be declared as income. From 1 January 2025 Ireland will also have a full optional participation exemption for foreign dividends and distributions once certain conditions are met.

13.13 Tax on Income

What are the federal or national tax rates on income for residents?

What are the federal or national tax rates on income for non-residents?

What are the regional or state tax rates on income for residents?

What are the regional or state tax rates on income for non-residents?

What are the municipal or local tax rates on income for residents?

What are the municipal or local tax rates on income for non-residents?

The tax rates and bands for the tax year 2025 are:

Single person/Widowed/surviving Civil Partner without dependent children:

The first €44,000 - 20%; Balance - 40%
Single person/Widowed/surviving Civil Partner with dependent children The first €48,000 - 20%; Excess - 40%
Married couple/Civil Partnership, one spouse with income: The first €53,000 - 20%; Excess - 40%
Married couple/Civil Partnership, both spouses with income: Up to the first €53,000– 20% (with a maximum increase of €35,000); Excess - 40%

Individuals also pay a Universal Social Charge ("**USC**"). There are no regional or local taxes on taxpayers.

13.14 **Tax Treaties**

Are there any applicable tax treaties?

Are there any rules against treaty-shopping?

See 12.11 above entitled Tax Treaties.

13.15 **Territoriality Rules**

Where is the individual subject to tax?

Is the individual subject to tax on his worldwide income?

A person's residence, ordinary residence and domicile determines their exposure to Irish taxes. A person will be deemed resident in the State in a tax year if he spends:

(a) an aggregate of 183 days in the State in that year; or

(b) 280 days in the State, combining the number of days spent in the State in that year and in the preceding year. However, a person who is in the State for 30 days or less in a tax year will not be treated as resident for that year unless he elects to be resident.

All visits, holidays, weekends, and parts of a day are included when assessing the number of days spent in Ireland.

A person becomes ordinarily resident in Ireland after he has been resident in Ireland for three consecutive tax years. A person remains ordinarily resident in Ireland for tax purposes until he has been not resident for three consecutive tax years.

The concept of domicile is a common law one, similar to that which exists in the UK, and signifies an individual's permanent home. Each individual has a domicile of origin at birth (which is usually dependent on that of his parents) but may abandon his domicile of origin to acquire a domicile of choice on reaching the age of 18. To establish a domicile of choice an individual must generally establish residence in a country, with the intention of remaining there permanently or indefinitely. An individual may also have a domicile of dependency up until the age of 18; such domicile normally follows that of one's parents. An individual may only have one domicile at any one time.

Individuals who are resident, ordinarily resident and domiciled in Ireland are subject to Irish tax on their worldwide income and gains. However, if an individual is resident and ordinarily resident in Ireland, but not domiciled in this country, or if an individual is resident and domiciled in Ireland but not ordinarily resident here, he or she can qualify for the remittance basis of income tax. This means that the individual will only be subject to Irish tax on income from sources in Ireland and the UK as it arises. The individual will not be subject to tax on other foreign source income unless that income is physically remitted to this country.

An individual who is resident and ordinarily resident in Ireland but not domiciled in Ireland may also qualify for the remittance basis of tax in respect of foreign gains (but not UK gains).

In certain circumstances foreign executives coming to work in Ireland may be able to limit their exposure to Irish tax by structuring their contracts appropriately.

13.16 Wealth Tax

Is the individual subject to tax based upon his wealth?

If so, what are the rates?

Are there any allowances available?

What are the payment and filing requirements?

There is no wealth tax in Ireland.

13.17 Withholding Tax

Is salary subject to a withholding tax at source?

What is the treatment of residents as compared to non- residents?

Salary is subject to income tax at source, known as the Pay As You Earn System ("**PAYE**"). Under this system an employer is required by regulations to withhold tax from all amounts paid to employees. If the employer does not do so, he is personally liable for the tax not properly withheld. The Revenue issue a statement of tax credits to the employer with instructions to deduct tax by reference to a table, which varies depending on the employee's salary. The table is designed to ensure that the correct amount of tax is deducted, spread as evenly as possible over the tax year.

If an individual is not resident in Ireland for tax purposes and does not exercise an office or employment wholly or partly in Ireland, he is not chargeable to Irish income tax in respect of his remuneration from that employment (unless it is a public office or employment owing its existence to Irish law).

14. TAX ON OTHER LEGAL BODIES

This includes tax on trusts, estates and partnerships.

A trust may be defined as "an obligation imposing on a person (the trustee) the duty of dealing with property over which he has control for the benefit of persons (who are called beneficiaries) of whom he himself may be one". Examples are a discretionary trust, a fixed trust and a will trust. Where a person dies, his estate under the law vests, along with liabilities and obligations of the deceased that are to pass with the estate, in his personal representatives. The term trustee used below is intended to include reference to personal representatives unless indicated otherwise.

Section 1 of the Partnership Act 1890 defines a partnership as "the relation which subsists between persons carrying on a business in common with a view to profit". There are also rules in the same Act for determining whether a partnership exists.

Each partner's share of the profits or losses of a partnership trade is treated for tax purposes as if it were the profits or losses of a separate trade carried on by each partner. The same principles as apply to sole traders are applied in calculating the profits/losses of the partnership which are then attributed to the parties in their profit sharing ratios. The capital allowances attributable to a partnership are split between the individual partners in their profit sharing ratio in that tax year. Thus Sections 12 and 13 hereof apply to the partners depending on whether they are corporates or individuals.

Note that there are special rules applicable in the case of limited partnerships.

Note also that depending on the type of trust different tax considerations apply.

Therefore, the section which follows deals primarily with trusts and estates, except where indicated otherwise.

14.1 Allowances

What are the major allowances (e.g. capital cost depreciation)?

What are the major deductible items?

What are the major expenses that are excluded from deductibility?

Trusts and estates: Trustees and personal representatives are subject to the same rules as individuals in calculating the income from various Schedules or sources. However, trustees are not entitled to any personal reliefs or allowances.

Where the income is assessed directly on the beneficiaries, or the settlor, normal personal reliefs and allowances are available in assessing their income.

14.2 Calculation of Taxes

How is the taxable base determined?

This is determined for trusts/estates in the same manner as for individuals. See Section 13.2 above.

14.3 Capital Gains

What are the federal or national tax rates on capital gains?

What are the regional or state taxes on capital gains?

What are the municipal or local taxes on capital gains?

Trustees and personal representatives pay capital gains tax at the standard rate of 33%. There are no federal, regional or local taxes on capital gains.

14.4 Filing and Payment Requirements

When must the entity file a tax return, if any?

When must the entity pay its taxes?

Are taxes paid in instalments or annually?

Trusts and estates: Trustees and personal representatives are required to pay file an annual return and pay tax in the same manner as individuals. Thus, they are required to file a tax return by 31 October following the end of the tax year to which it relates. Failure to submit returns on time will give rise to a surcharge.

Preliminary income tax payments must be made by 31 October of the tax year to which the payment relates. Interest charges of 8% per annum or part thereof will be levied on late and insufficient payments.

The balance of any income tax liability due for the year must be paid in full by 31 October of the following year.

Capital gains tax must be paid in the same manner as individuals. Thus, capital gains tax due on gains made in the initial period between 1 January to 30 November of a tax year must be paid by 15 December of that year, while gains for the later period (capturing the month of December, by calculating tax due for the year less the tax payable for the initial period) must be paid by 31 January of the following year.

Partnerships: The precedent partner has obligations on behalf of the partnership to file tax returns and to make the appropriate claim for capital allowances by 31 October following the end of the tax year to which it relates. The return must include:

- all sources of income;
- the amount of income from each source; and
- other information such as the basis of distribution of profits and the basis of apportionment of capital allowances.

14.5 Miscellaneous Taxes

Are other taxes due?

What are the filing and payment requirements?

Not applicable.

14.6 Registration Duties

Are there registration duties or fees due upon the setting up of the legal body?

Are there registration duties or fees due upon a change in the capital of the legal body?

Are there registration duties due upon the transfer of capital?

Are there registration duties due upon a transfer of assets?

Are there any other registration duties due?

There is no registration duty on the creation of a trust or an unlimited partnership (unless it wishes to carry on business under a name which does not consist solely of the surnames of all the partners, in which case the firm must register the business name with the CRO).

Dealings in interests in trusts/partnerships could give rise to a stamp duty charge as in the normal course. Stamp duty may also be payable in respect of certain other documents, including those which transfer assets to or from a partnership or trust.

14.7 Sales Tax or Other Turnover Tax

Is the legal body subject to sales tax or any other turnover tax (e.g. VAT, cumulative)?

Is input tax creditable against output tax?

What are the tax rates?

What are the filing and payment requirements?

Value Added Tax is charged on goods and services supplied in the course of business. VAT at importation is also payable on imports from outside the European Union. Credit is given for VAT to registered traders; thus, it is ultimately borne by the final consumer. VAT rates range from 0% to 23% depending on the product or service, with most being charged at 23%.

Various exemptions from VAT can apply. Exports are zero rated for VAT, except those to unregistered persons in the EU. Companies that export 75% or more of their output can apply to the Revenue Commissioners for authorisation (known historically as a VAT 13B authorisation but now referred to as a Section 56 authorisation) to receive

almost all of their goods and services from Irish and foreign suppliers free from any VAT charge.

Taxable persons are usually required to pay and file by the 23rd day of the month following the bi-monthly period to which the return relates.

14.8 **Social Security and Welfare System Contributions**

Are social security contributions due?

Are retirement or pension contributions due?

Are unemployment insurance contributions due?

What are the thing and payment requirements for any such contribution?

Trustees and personal representatives are not subject to social security contributions.

14.9 **Special Tax Schemes**

Are there particular tax consequences of doing business in the country under the form of the particular legal body?

Where professional trustees act as trustees to a trust whose property comprises of property provided by a person who was not domiciled, resident or ordinarily resident in Ireland at the time he provided the property, those professional trustees will only be subject to Irish capital gains tax on Irish specified assets (such as Irish land or buildings). The trustees will not be liable to Irish capital gains tax on gains made from the disposal of foreign assets.

14.10 **Tax on Profits**

What are the federal or national income tax rates on profits?

What are the regional or state tax rates on profits?

What are the municipal or local tax rates on profits?

Trustees and personal representatives are generally subject to the standard rate of income tax only, which for the current year is 20%. Note, however, that, in the case of trusts, if the trustees do not distribute the income accruing to the trust within 18 months of the end of the tax year in which it arose, they become subject to an additional tax surcharge.

There are no regional or local taxes on the profits of trustees or personal representative.

14.11 **Tax Treaties**

Are there any applicable tax treaties?

Are there any rules against treaty shopping?

Please see section 12.11 above entitled Tax Treaties.

14.12 **Territoriality Rules**

Where is the legal body subject to tax?

Is the legal body subject to tax on its worldwide income?

The territoriality rules differ depending on whether the tax in question is income tax or capital gains tax.

Trusts:

Insofar as income tax is concerned, if all of the trustees of a trust are resident in Ireland for tax purposes, then the trustees are subject to Irish income tax on the worldwide income accruing to the trust. However, if none or only some of the trustees are resident in Ireland for tax purposes, then they will only be subject to Irish income tax on Irish source income accruing to the trust fund.

Insofar as capital gains tax is concerned, Irish capital gains tax will only be imposed on trust property if the trustees are resident in Ireland or, if they are not Irish resident, where they dispose of a specified Irish asset, such as Irish land. Trustees are deemed to be resident and ordinarily resident in Ireland unless:

(a) the general administration of the trust is ordinarily carried on abroad; and

(b) the trustees, or a majority of them, are not resident or not ordinarily resident in Ireland.

As noted above, professional trustees who are resident in Ireland will not be subject to Irish capital gains tax on foreign gains in certain circumstances.

Estates:

The residence status of the personal representative determines the extent of the liability of an estate to Irish income tax. If the personal representatives are resident in Ireland, the worldwide income of the estate is within the charge. If the personal representatives are not Irish resident, only Irish source income is taxable in Ireland.

In contrast, personal representatives are treated as having the deceased's residence, ordinary residence, and domicile status at date of death, and that determines the extent of the charge to capital gains tax on any disposals made by them during the course of the estate administration. If the deceased was resident, ordinarily resident and domiciled in Ireland at date of death, then all disposals are within the charge to tax. If not, the capital gains tax liability of the personal representatives may be confined to the disposal of specified Irish assets (such as land and buildings, and shares deriving more than 50% of their value from same).

14.13 Treatment of Tax Losses

How are tax losses treated?

Income losses:

Trustees and personal representatives who incur a loss on a trading activity are generally permitted to set that loss against all other sources of income arising in the same tax year. To the extent that it remains unrelieved, it may be carried forward indefinitely for set-off against future profits from the same trade. Losses incurred in other income categories may generally be carried forward indefinitely for set-off against future profits from the same income source.

As mentioned above, if there is a tax loss in a partnership trade, such loss is allocated amongst the partners. Each partner is entitled to claim relief for his share of that tax loss. Thus, an individual partner can set the loss against all other sources of income in the same year, and to the extent the loss is unrelieved, carry it forward for set off against future profits of the partnership trade. Refer to Section 12.13 (tax on corporations) for use of losses by corporate partners.

Note that special restrictions apply to certain reliefs (including the use of losses) in the case of limited partnerships. Generally, such losses are ring-fenced and the individual partners can only set the loss against profits from the partnership trade.

Capital losses:

The general rule that applies to all taxpayers is that a loss on a capital transaction may be offset against any capital gains in the same tax year. Any unused losses may be carried forward indefinitely for offset against capital gains of a future year.

Capital losses cannot be carried back, with the exception of losses arising to an individual in the year of his death. This can be offset against any gains in the 3 tax years preceding the year of death.

It should be noted that if a beneficiary of a trust becomes absolutely entitled to any trust property, any unused allowable capital losses (including losses forward) of the trustees in respect of that property (or property which is represented by that property) pass to the beneficiary.

14.14 Wealth Tax

Is there an applicable wealth tax?

There is no wealth tax in the Republic of Ireland.

Withholding Taxes

What are the rates of withholding tax on the legal body's activities?

The rate of withholding tax on royalties and interest is 20%.

15. GENERAL TAX CONSIDERATIONS

15.1 Taxes Generally

Is there a generally accepted way of structuring the company or other entity so as to ensure the desired tax consequences?

Is there an advance tax ruling that can be used to validate or invalidate the chosen form of doing business?

Is there a general anti-tax avoidance system?

Can the chosen form of business be treated as a deferent form for tax purposes?

In Ireland, tax is imposed by statute, though the Revenue has developed extra-statutory rules of practice for the administration of aspects of the taxing statutes. The Irish Revenue authorities do not generally provide tax rulings in recent years.

It is generally possible to structure transactions in such a way as to achieve desired commercial objectives. Ireland does not have an equivalent of the US "check the box" system and thus the chosen form of business cannot be treated as a different form for tax purposes.

Irish law contains specific anti-avoidance measures and has an EU law compliant general anti-avoidance rule. It has also fully implemented the anti-avoidance measures set down in the EU Anti-Tax Avoidance Directives (Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal markets, as amended by Council Directive (EU) 2017/952 of 29 May 2017, as regards hybrid mismatches with third countries Ireland has also incorporated OECD transfer pricing guidelines into its domestic legislation.

16. IMMIGRATION REQUIREMENTS

16.1 Immigration Controls

Irish immigration control is governed by a range of legislation. The immigration authorities have a high level of discretion in enforcing these rules. The relevant legislation is as follows:

(1) the Aliens Act 1935 (and related Aliens Orders);
(2) Immigration Acts 1999 to 2004 (and related Immigration Act (Visas) Orders);
(3) Illegal Immigrants (Trafficking) Act 2000;
(4) Illegal Immigrants (Trafficking) Act 2000;
(5) Refugee Act 1996;
(6) Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States;
(7) European Communities (Free Movement of Persons) Regulations 2015; and
(8) Section 34 of the Civil Law (Miscellaneous Provisions) Act 2011.

16.2 Visas

At the present time nationals from certain states are required to possess a visa prior to entry to Ireland. The Department of Foreign Affairs processes visa applications through its network of Embassies and other consular posts abroad. Possession of a visa does not guarantee entry to the State. All persons are subject to immigration controls upon arrival.

17. EXPATRIATE EMPLOYEES

17.1 Cost of Living and Immigration

How does the cost of living compare to that in the investor's home country?

What is the rate of inflation?

The following statistics indicate the cost of living in Ireland:

- GNP = €91,608 million (Gross national product for the 1st Quarter of 2024)
- GDP = €120,750 million (Gross domestic product for the 1st Quarter of 2024)
- GDP is up 0.7% on the previous quarter and GNP is down 7% on the previous quarter.

At the middle of October 2024, the rate of inflation stood at 0.7%.

17.2 Drivers' Licences

Must the investor obtain a driver's licence for that country?

The International Driver's Licence is recognised in Ireland. However, the investor must also hold a current and valid licence from his/her country of residence.

17.3 Education

What types of schools are available for the investor's family?

What fees are involved?

What is required for enrolment?

Can the investor or company receive a tax benefit?

Ireland has a very high standard of education. The results of an OECD survey published in December 2022 showed that Irish students are best performing in reading literacy among the 37 countries in the OECD and the 26 EU countries.

17.4 Housing

Can the investor own property?

An investor may own property without restriction. However, in a very small number of circumstances, the consent of the Minister for Agriculture, Food and the Marine may be required.

Must the investor have housing before he enters the country?

This is not a requirement.

Can the investor subsidize housing and receive a tax benefit?

If a company provides the benefit of accommodation to an employee, the company would get a tax deduction for the cost to them of providing the benefit and the employee would be charged to tax (as a benefit in kind) on the value of the accommodation provided.

17.5 Importing Personal Possessions

How can the investor import his personal belongings?

Are import duties payable?

Are there requirements for clearing the belongings through customs?

Certain goods may not be imported into Ireland or may be imported only under a licence. The principal items include firearms, ammunition, explosives, offensive weapons, indecent or obscene material (books, periodicals, prints and video recordings), plants or bulbs, live or dead animals (including cats and dogs), birds or poultry, endangered species, meat and meat products and hay or straw.

In cases of doubt, the point of contact is the Revenue Commissioners, Customs Division.

17.6 Medical Care

What level of medical care is available? Is there national health care?

There is a public health service in Ireland. The Health Services Executive (the "**HSE**") is the statutory body responsible for the provision of health and personal social services in Ireland. They also provide information and literature on health promotion. The HSE's website is www.hse.ie.

These are a number of private health insurance providers and private healthcare facilities.

17.7 Moving Costs

What costs are involved in moving?

Can the investor receive any tax allowances?

If a company moves its business from one location to another, the expenses of relocating may not strictly be allowable for tax purposes since they would be regarded as capital expenditure rather than revenue expenditure incurred wholly and exclusively for the purposes of the trade. It might be possible to agree with Revenue by concession that a deduction be given.

Note that the Revenue have issued a statement of practice confirming that an employer can reimburse an employee for certain relocation expenses, subject to parameters and conditions specified by Revenue.