FINANCE BILL 2017

LIST OF ITEMS

PART 1
MEASURES ANNOUNCED IN THE BUDGET

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FURTHER MEASURES INCLUDED IN THE FINANCE BILL

PART 1 - MEASURES ANNOUNCED IN THE BUDGET

INCOME TAX

SECTIONS 2 TO 5 - INCOME TAX AND USC

The Finance Bill will provide for the Income Tax and USC changes announced on Budget day. Section 3 of the Bill provides for the increase to the income tax Standard Rate Bands and Sections 4 and 5 provide for the increases in the Home Carer Credit and the Earned Income Credit respectively. Section 2 of the Bill contains the USC changes, including the extension of the exemption from the higher rates of USC for medical card holders whose aggregate income does not exceed €60,000.

OTHER INCOME TAX

SECTION 6 - MORTGAGE INTEREST RELIEF EXTENSION

Mortgage Interest Relief for owner-occupiers will be extended for existing recipients on a tapered basis for three years until the end of 2020. The extension will take the form of the continuation of 75% of the existing relief into 2018, 50% in 2019 and 25% in 2020, and the relief will expire from 2021.

SECTION 7 - BENEFIT-IN-KIND

A 0% rate of Benefit-in-Kind is being introduced for Electric Vehicles for a period of 1 year. This interim measure will for allow for a comprehensive review of benefit in kind on vehicles. Electricity used in the workplace for charging vehicles will also be exempt from benefit-in-kind.

SECTION 10 - KEY EMPLOYEE ENGAGEMENT PROGRAMME

The Key Employee Engagement Programme outlined in this Bill will support small and medium enterprises with growth potential in their efforts to attract and retain key employees. The scheme will provide for any gain arising on the exercise of qualifying share options to be subject to Capital Gains Tax at the time of disposal of the shares, in place of income tax, USC and PRSI at the time of exercise as is the general treatment for share option gains. This is a targeted relief, subject to State Aid approval, and engagement with the European Commission is ongoing to secure approval.

SECTION 12 - PRE-LETTING EXPENSES FOR PREVIOUSLY VACANT RESIDENTIAL PROPERTY

In order to encourage property owners to bring vacant property into the residential rental market, and following on from a policy option put forward in the report of the inter-Departmental working group on the tax treatment of landlords, the Bill introduces a new time-limited relief for pre-letting expenses incurred prior to the letting of a residential property that has been vacant for at least 12 months. A cap of €5,000 is to be placed on qualifying expenses per property. This value was chosen as it is the allowable expenditure threshold above which qualifying expenditure may qualify for the Home Renovation Incentive (HRI). The relief will be clawed back if the property ceases to be a rented residential property within 4 years of the first letting.

CAPITAL GAINS TAX

SECTION 28 - SECTION 604A OF TCA 1997 (7-YEAR CGT RELIEF)

A change to the CGT relief for assets (including property) purchased between 7 December 2011 and end-2014 (the qualifying period) and held for seven years is being provided for. It will retain the right to sell assets subject to the relief at or after the current seven year limit. It will allow for the full CGT relief to apply if an asset purchased during the qualifying period is sold at any time between the 4th anniversary of its purchase and the 7th anniversary of that purchase. This change could help encourage and promote the sale of properties that qualify for the CGT relief, as there would be no need to wait for the full seven years to pass in order to enjoy a full CGT relief.

CAPITAL ACQUISITIONS TAX & CAPITAL GAINS TAX

SECTIONS 29 AND 64 - SOLAR PANELS ON AGRICULTURAL LAND

Following an inter-departmental review of the tax treatment (CAT & CGT) of the installation of solar panels on farmland, it is proposed to allow solar panels on agricultural land to be considered a qualifying asset for Capital Acquisitions Tax Agricultural Relief and Capital Gains Tax Retirement Relief. In addition to existing conditions that apply to agricultural CAT and CGT reliefs, the solar panel infrastructure may not exceed 50 per cent of the total farm holding.

CORPORATION TAX

SECTION 21 - CAPITAL ALLOWANCES FOR INTANGIBLE ASSETS

In examining the sustainability of corporation tax receipts, in his Review of Ireland's Corporation Tax Code, Mr Seamus Coffey recommended that that the deduction for capital allowances for intangible assets, and any related interest expense, should be limited to 80% of the relevant income arising from the intangible asset in an accounting period. In light of this recommendation, the Minister for Finance introduced this change on Budget night through a financial resolution. This 80% cap now applies to claims made in respect of capital expenditure incurred by a company on intangible assets since the 11th October 2017. The Bill will provide for the amendment to Section 291A of the TCA 1997 to introduce this measure.

INDIRECT TAXES

EXCISE

SECTIONS 30 TO 42 AND SCHEDULE 4 - SUGAR SWEETENED DRINKS

A tax on sugar-sweetened drinks is to be introduced from April 2018 at a rate of 20c per litre for such drinks with 5 or more grams of sugar per 100ml and 30c per litre for these drinks when they have 8 or more grams of sugar per 100ml. Commencement is subject to approval from the European Commission.

SECTION 44 - TOBACCO

The excise duty on a packet of 20 cigarettes is being increased by 50 cents (including VAT) with a pro-rata increase on the other tobacco products, and an additional 25c on roll your own tobacco. This took effect from midnight on 10 October 2017.

VALUE-ADDED TAX

SECTION 51 - INCREASE IN THE VAT RATE ON SUNBEDS FROM 13.5% TO 23%

The VAT rate on sunbed services is being increased from 13.5% to the standard rate of 23% from 1 January 2018. This is in line with the Government's National Cancer Strategy, in recognition of the clear evidence of a link between sunbeds and skin cancer. Other services consisting of care of the human body will continue to be charged to VAT at the 13.5% rate.

STAMP DUTY

SECTION 55 - INCREASE OF RATE OF STAMP DUTY APPLICABLE TO NON-RESIDENTIAL PROPERTY

The Finance Bill will provide for an increase in the rate of stamp duty charged on transfers of non-residential property from its current level of 2% to 6%. In relation to commercial land purchased for the development of housing, the Bill will contain details of a refund scheme providing for a refund equating to two thirds of the 6% of the stamp duty paid when certain performance criteria are met.

SECTION 55 - EXTENSION OF CONSANGUINITY RELIEF

The current Consanguinity relief provides a 50% relief from the applicable stamp duty rate is available to certain farm transfers between closely related individuals until 31/12/2017. It is proposed to extend this relief for 3 years until 31/12/2020 and to remove the age cap which currently applies to the transferor. The rate of relief is also being changed to provide a fixed 1% stamp Duty rate for qualifying transfers.

PART 2 - FURTHER MEASURES INCLUDED IN THE FINANCE BILL

OTHER INCOME TAX

SECTION 8 - BENEFIT-IN-KIND CHANGES FOR CERTAIN INSURANCE RECIPIENTS (MOVE TO OTHER INCOME TAX)

An issue has come to the attention of the Revenue Commissioners where employees of health insurance companies are in receipt of free or reduced-cost health insurance and / or dental insurance policies provided by their employers. It is proposed that a new section be inserted into the Taxes Consolidation Act 1997 to bring such policies within the charge to tax as emoluments of employment.

SECTION 9 - SECTION 458

Section 458 of the TCA includes a comprehensive list of all tax credits and specifies that they are non-refundable. This technical amendment inserts references to the Earned Income and Fisher tax credits in the list of relevant tax credits. The effect of Section 458 is to ensure that the value of a tax credit cannot exceed the tax due, as such a scenario would result in a refund to the taxpayer from Revenue.

This is a technical measure.

SECTION 69 AND SECTION 1 - PAYE MODERNISATION

In addition to setting out a range of technical changes required to give effect to the significant PAYE Modernisation project being undertaken by Revenue, the Bill will clarify the manner in which a tax liability is to be calculated where it is identified that a payment has been made to an employee without the operation of PAYE. It will also provide for the payment made to the employee to be treated as being net of PAYE deductions and allow for the payment to be re-grossed in order to calculate the amount of income tax, USC and PRSI due thereon.

CAPITAL GAINS TAX

SECTION 13 - AMENDMENTS TO 4 ANTI-AVOIDANCE PROVISIONS TO ENSURE THEY ARE EU LAW COMPLIANT

Sections 579, 579A, 590 & 806 of TCA 1997, which are anti-avoidance provisions relating to non-resident trusts, controlled family companies not resident in Ireland and Irish resident individuals who transfer assets abroad, are being amended as their current form is deemed to be incompatible with EU Treaty freedom of establishment rules.

SECTIONS 22 TO 24 - SECTIONS 29, 626B & 980 OF TCA 1997

In Finance Act 2015, measures were introduced to limit CGT avoidance by non-residents where large amounts of "money" (cash) were transferred to a company before its sale, so as to tip its capital balance away from property assets to capital assets and avoid CGT. Revenue believe CGT is being avoided through the avoidance of these measures by the use of different (non-cash) financial assets. The relevant sections - sections 29, 626B & 980 of TCA 1997 - will be amended to curtail this avoidance.

SECTION 25 - SECTION 604B OF TCA 1997

This section provides for CGT relief for farm restructuring where the first transaction takes place by 31/12/2019. Under EU state aid rules details of aid granted after 01/07/2016 must be published on a publically accessible central website operated by the EU Commission. Revenue are currently unable to provide the necessary information to DAFM for uploading on the website, as there is no requirement for those availing of the relief to include it in their tax returns. A legislative change to 604B is required to ensure individuals provide the necessary information to Revenue to be forwarded to the Department of Agriculture, Food and the Marine.

SECTION 27 - CGT EXEMPTION FOR PAYMENTS MADE UNDER VOLUNTARY HOMEOWNERS RELOCATION SCHEME

The OPW’s Voluntary Homeowners Relocation Scheme provides monetary assistance (subject to conditions) for the demolition of flood prone homes, and the building of new homes on land that is not prone to flooding. As payments under such a scheme might give rise to CGT liabilities for those availing of it under the terms of section 535 TCA 1997 (Disposals where capital sums derived from assets), section 613 TCA 1997 (miscellaneous exemptions for certain kinds of property) is to be amended so that payments made to individuals under the Scheme will be CGT exempt.

CAPITAL ACQUISITIONS TAX

SECTION 62 - CAT EXEMPTION RELATING TO CERTAIN RETIREMENT FUNDS

Finance Act 2016 amended certain pension-related provisions of TCA 2007 to address the situation, where certain Personal Retirement Savings Accounts (PRSAs) and Retirement Annuity Contracts (RACs) passed to their owner's spouse or civil partner on the owner's death (after age 75) in a tax-free manner not intended by the legislation. One result of those amendments is that the assets in such PRSAs or RACs are now chargeable to income tax at the rate of 30% when they pass to anyone other than the deceased's spouse/civil partner or any of their children under 21 years of age. Section 85 CATCA 2003 already provides for a CAT exemption on the inheritance of certain retirement funds to prevent a double tax charge on the same event (i.e. income tax and CAT) where the inheritance is taken by a child who is over 21 years of age. Section 85 will now be amended to remove the potential for such a double charge in the case of certain PRSAs and RACs (i.e. ones that were not vested on the death of the disponer after the age of 75).

SECTION 63 - DWELLING HOUSE EXEMPTION

Two issues arose from the amendments made to section 86 Capital Acquisitions Tax Consolidation Act 2003 (CATCA) in Finance Bill 2016 which limited qualification for the 'dwelling house' exemption to the transfer of dwelling houses by inheritance except in the case of a gift of a dwelling house to a dependent relative. While a dependent relative can be gifted any house owned by a disponer they can under the current provisions only inherit the principal private dwelling of the disponer free of CAT. It is proposed that a dependent relative should be able to inherit any house owned by the disponer with no liability for CAT in the same way as the gifting provisions for dependent relatives. In addition, where a dependent relative receives a house by way of gift and the disponer dies within two years of the receipt of the gift, this can give rise to a charge to CAT. It is proposed that it would not be necessary to pay CAT in such cases. These amendments will ensure that disabled and elderly people (i.e. dependant relatives) will not be unintentionally excluded from enjoying the relief from CAT.

DOMICILE LEVY

SECTION 71 - SECTION 531AA, TCA 1997

Two amendments are to be made to the relevant section of the Domicile Levy legislation (section 531AA, TCA 1997) in respect of issues that have arisen during cases that were appealed to the Tax Appeals Commission in relation to aspects of the Domicile Levy legislation. The amendments proposed will ensure that capital allowances and losses are not allowed as a deduction for the purpose of the world-wide income test, and will delete the term "final decision" from section 531AA as it conflicts with section 531AC TCA 1997. These amendments will strengthen the legislation, thus reducing the number of domicile levy appeals and improving compliance.

CORPORATION TAX

SECTION 11 - ACCELERATED CAPITAL ALLOWANCES FOR ENERGY EFFICIENT EQUIPMENT

The Bill will provide for an amendment to Section 285A of the TCA 1997 to extend the availability of the scheme to the end of 2020. The Accelerated Capital Allowance scheme is designed to improve energy efficiency among Irish companies and sole-traders and assist Ireland in meeting our national targets and both binding and non-binding EU targets on energy savings. The scheme is currently due to expire on the 31st December 2017.

SECTION 14 - LIFE ASSURANCE

The Bill will provide for two technical amendments to the taxation of life assurance companies. The first amendment will provide that where the life policy is assigned to a Section 110 company which has acquired the mortgage, it will not trigger an exit tax charge. The second amendment provides that where the life company incurs foreign tax in respect of its policy holder business, the life company may not claim double tax relief for that tax against the Irish tax arising on its non-policy holder business.

SECTION 15 - IXBRL ACCOUNTS FOR INVESTMENT UNDERTAKINGS

The Bill will provide for a provision to require Investment Undertakings to provide financial statements annually to the Revenue Commissioners. It is proposed to require for the financial statements to be in iXBRL. This is in line with the format that most other companies are required to use.

SECTION 16 - IRISH REAL ESTATE FUNDS

Broadly, Irish Real Estate Funds (IREFs) are funds where 25% of the value of that undertaking is made up of Irish real estate assets. Finance Act 2016 introduced the IREF regime to provide for a withholding tax on certain distributions from IREFs. In applying the regime a number of shortcomings have been identified. It is proposed to make a number of technical amendments to address these shortcomings.

SECTION 17 - SECTION 110 TCA 1997

The Bill will provide for an amendment to Section 110 of the TCA 1997 to include shares that derive their value from Irish land in the definition of specified mortgages. In Finance Act 2016, amendments were made to the regime to restrict the ability of international investors to reduce their Irish tax liabilities on Irish property transactions. Currently the definition of specified mortgages does not include shares that derive their value from Irish land. In order to prevent any misuse of the section and erosion of the Irish tax base, it is proposed to include shares that derive their value from Irish land in the definition of specified mortgages.

SECTION 18 - KNOWLEDGE DEVELOPMENT BOX (KDB) LOSS RELIEF

The Bill will provide for the amendment to Section 769K of the TCA 1997 to ensure that where available KDB loss relief is restricted, then the amount of loss relief which can be carried forward is also restricted. At present, the legislation restricts the amount of loss which can be offset against other income, it fails to reduce the amount of the loss which can then be carried forward. A technical amendment is required to repair this unintended consequence.

SECTION 19 - ACCOUNTING STANDARDS (SECTION 76A TCA 1997)

The Bill will provide for an amendment to Section 76A TCA 1997 to ensure that where companies are changing their accounting policies or correcting errors within an accounting framework, no amounts are double counted for tax purposes and no amounts can fall out of the charge to tax. Further, to ensure smoothing of corporation tax receipts, it is recommended to provide that adjustments arising on a change in accounting standard within the same accounting framework must be spread over a period of five years.

SECTION 20 - INTEREST RELIEF

Section 247 TCA 1997 provides that interest paid by companies is allowable as a deduction where it is annual interest paid on loans used to acquire a shareholding in an Irish rental income company, a trading company, or the holding company of such companies. Interest relief is also available where the money is on-lent to any such company or is used to pay off a loan the interest on which would have qualified for relief if it were not paid off. Section 247 and section 249 TCA 1997 contains a number of targeted anti-avoidance rules which ensure that the interest relief is only available where loans are used for legitimate purposes. The Bill will provide for an amendment to legislate for a pre-existing Revenue administrative practice to allow for interest relief to companies on certain loans used to acquire a trading company where the trading company is held indirectly though one or more intermediate holding companies. To address the gap in the legislation, and to effectively legislate for the practice, it is proposed to make the necessary amendments to section 247 TCA 1997 and consequential amendments to section 249 TCA 1997.

SECTION 26 - CAPITAL GAINS TAX GROUP RELIEF

The Bill will provide for an amendment to extend the availability of capital gains tax group relief to companies in countries with which Ireland has a double tax agreement. This amendment will put capital gains tax groups on an equal footing with loss groups and will legislate for existing Revenue practice.

SECTION 72 - MULTILATERAL INSTRUMENT TO AMEND TAX TREATIES

In June this year, Ireland was one of almost 70 countries to sign up to the OECD BEPS Multilateral Instrument. This Instrument, once ratified, will update Ireland’s existing bilateral tax treaties to bring them into line with OECD BEPS recommendations. This Bill will complete the first step in ratifying this agreement in Irish law. It will do so by empowering the Government to make an Order, upon consent of Dáil Éireann, ratifying the Multilateral Instrument. It is a purely technical amendment which will provide a legal mechanism for ratifying the Instrument. The approach to ratifying the Multilateral Instrument is consistent with the approach previously used to ratify multilateral and bilateral international tax agreements.

SECTIONS 73 TO 75 AND SCHEDULE 2 - COMPANIES ACT 2014

The Companies Act 2014, which came into effect on 1 June 2015, consolidated and amended existing company law statutes. The main changes affecting the TCA 1997, the Stamp Duty Consolidation Act 1999 and the Capital Acquisitions Tax Consolidation Act 2003 (to be referred to as the Taxes Acts) related to company structures (i.e. the split of private limited companies between Designated Activity Companies (DACs) and a more simplified private company limited by shares (LTDs)) and the new streamlined procedures for the merger and division of companies. The Finance Bill provides for updating the referencing in the Taxes Acts and the insertion of provisions in the Taxes Acts to ensure that the intended tax consequences of a merger or division in Companies Act 2014 are provided for and do not have an unintended impact.

TAX ADMINISTRATION AND REVENUE POWERS

SECTION 66 - ADDRESSING AVOIDANCE ON PREFERENTIAL LOANS

In Finance Act 2011 a wording change was made to Section 122(1) of the Taxes Consolidation Act 1997 to prevent tax avoidance by misuse of preferential loan provisions. In the absence of a similar change being made to another section at the time, some avoidance schemes are still in use. It is proposed to rectify that omission and will mean that a loan where interest is not paid will be defined as a preferential loan and therefore liable to Benefit-In-Kind taxation.

SECTION 68 - ENSURING EU GDPR COMPLIANCE

In the context of the new General Data Protection regulation (GDPR), Revenue have been advised by the Department of Justice and Equality that that if no suitable legislation is in place to ensure that their operations are compatible with the new Regulation when it comes into effect, then there is a risk that those operations could be challenged. The advice is that each Department should legislate according to their own needs and operations and it is proposed to do this on behalf of Revenue by way of the insertion of a new section in Part 37, "Administration", of the Taxes Consolidation Act 1997.

SECTION 70 - ENSURING COMPLIANCE WITH INTERNATIONAL TAX TRANSPARENCY STANDARDS

A number of sections of the Taxes Consolidation Act 1997 have effect for the purposes of exchange of information in relation to liability to foreign tax. Some technical issues in relation to the sections were raised by the peer review assessment team of the *Global Forum on Transparency and Exchange of Information for Tax Purposes* in the course of last year's review. In order to ensure that Ireland meets the standards for international tax transparency as assessed by the *Global Forum* a number of amendments are proposed.

INDIRECT TAXES

EXCISE

SECTION 43 - GENERAL EXCISE LAWS

Provision is being made to define the term “receptacle” to permit and facilitate Revenue officers to search receptacles used by persons, in the course of the illegal selling of tobacco products.

SECTION 45 - BETTING

Provision is being made to replace the term "any means of telecommunications" with the more comprehensive definition of "remote means" to make it consistent with the Betting (Amendment) Act 2015.

SECTION 46 - SUBSTITUTE FUELS

Provision is being made to make two minor amendments to Substitute fuels legislation introduced in the Finance Act 2016 to ensure consistency and protect the revenue base.

SECTION 47 - DIESEL REBATE SCHEME

Amendment to address issues raised by the EU Commission that companies in financial difficulties cannot receive aid under the Diesel Rebate Scheme.

SECTION 48 - VRT CATEGORY DEFINITION

Amendment to the definition of Category A and B vehicles to more accurately differentiate between private passenger cars and commercial vehicles.

SECTION 49 - VRT REPAYMENT

Provision is being made to ensure that the amount of VRT repaid under the Export Repayment Scheme cannot exceed the amount of VRT originally paid on the vehicle.

VALUE-ADDED TAX

SECTION 52 - AMENDMENT TO VAT EXEMPTION ON EDUCATION

The VAT exemption for education services is being updated to ensure that all bona fide vocational training and retraining continues to be exempt from VAT. Changes made to this provision in Finance Act 2015 referred to education legislation which has yet to be implemented. In order to correct this the VAT exemption is being amended to explicitly provide that the supply of all vocational training is covered by the exemption.

SECTION 53 - VAT TECHNICAL AMENDMENTS

A number of technical amendments in the area of VAT are included in the Bill which serve to update references that are incorrect, obsolete or have since been repealed.

STAMP DUTY

SECTION 55 - INCREASE OF THRESHOLD FOR THE APPLICATION OF STAMP DUTY TO CERTAIN LEASES

Residential leases for less than 35 years and where the rent does not exceed €30,000 per annum are exempt from stamp duty. The threshold for the application of stamp duty to residential leases is being increased from €30,000 per annum to €40,000 per annum. This is to ensure that the vast majority of renters are under the liability threshold for stamp duty.

SECTION 56 - AMENDMENTS TO STAMP DUTIES CONSOLIDATION ACT

Four amendments to the SDCA are included, intended to:

1. address deficiencies in the SDCA in relation to the surcharge for the late filing of stamp duty returns vis-à-vis the corresponding provisions in the TCA 1997;
2. bring the SDCA into line with other acts regarding powers of delegations to Revenue Officers;
3. address an anomaly where, in the case of stamp duty clawback, the time limit for Revenue to raise assessments is limited to four years, whereas the exemption was granted provided that conditions were satisfied for a period of up to six years; and
4. align the stamp duty penalty regime with that of other taxes and duties.

SECTION 57 - STAMP DUTY EXEMPTION FOR HOUSING AGENCY

The Stamp Duty Consolidation Act is being amended to provide that the Housing and Sustainable Communities Agency (the Housing Agency) will enjoy an exemption from stamp duty.

SECTION 58 - SECTION 81AA OF SDCA 1999

This section provides for a stamp duty exemption for transfers of agricultural land to young trained farmers. In order for DAFM to receive EU approval for an extension of this state aid under the Agricultural Block Exemption Regulation (ABER) to end-2018, a statutory basis for it reflecting EU state aid requirements is required, in particular to require beneficiaries to provide a business plan to Teagasc. Section 81AA SDCA 1999 is to be amended to insert a reference to EU Regulation No 702/14 and the definition of "micro and small enterprises" and to include a requirement for a farmer availing of the exemption to submit a business plan to Teagasc.

SECTION 58 - SECTION 851A OF TCA 1997

This section "Confidentiality of taxpayer information" is to be amended so as to allow Revenue to provide information to DAFM on the relief granted under section 81D SDCA 1999 for the sole purpose of enabling compliance with the state aid related requirements under EU Regulation 1408/2013. Section 81D SDCA 1999 provides for a stamp duty exemption for certain leases of agricultural land to young trained farmers, but has yet to be commenced. This amendment will remove the impediment and allow it to be commenced.

SECTIONS 59, 60 AND SCHEDULE 2 - COMPANIES ACT 2014

Section 59 amends section 79 of the Stamp Duties Consolidation Act 1999 in relation to a stamp duty exemption for transfers of property between certain closely associated companies. The amendments update this section to take account of a ‘merger by absorption’ type of merger that is undertaken in accordance with the Companies Act 2014.

Section 60 amends section 80 of the Stamp Duties Consolidation Act 1999 in relation to a stamp duty exemption for property transfers in a company reconstruction or amalgamation.

SECTION 67 AND SCHEDULE 3 - CONSEQUENTIAL AMENDMENTS TO THE TAXES CONSOLIDATION ACT

A number of consequential amendments to the TCA 1997 arising from the reforms of the tax and duty appeals process under the Finance (Tax Appeals) Act 2015 are inserted as a Schedule to Finance Bill 2017.

Miscellaneous

Section 76 - Capital Services Redemption Account (CSRA)

The existing Section 67 (8) of the Finance Act 1988 requires the NTMA to pay interest earned on deposits and the Exchequer Accounts with the Central Bank into the CSRA. Following the simplification of the CSRA with the removal of the annuity in the 2014 Finance Act, NTMA no longer needs to operate the Capital Services Redemption Account in this manner and believes that it is simpler operationally and more transparent for such interest to be credited to the Exchequer Account directly. An amendment to the legislation is proposed to facilitate this through the introduction of the option to pay into either the CSRA or the Exchequer account.