



Taxing Times

Budget 2022 & Current Tax Developments



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Tom Woods
Partner

Introduction

The Minister for Finance introduced the 2022 Budget on 12 October 2021. Further detailed measures will be included in the Finance Bill to be published on 21 October 2021.

Budget 2022 was introduced by the Minister for Finance with the stated aim of investing in our future, of meeting the needs of today, while putting the public finances on a sustainable path. Last year, the Budget was shaped by the risks posed by Brexit and Covid-19.

This year the focus turns to the final stages of the Government support for the pandemic recovery, restoring public services and living standards, and repairing the public finances.

In summary, the tax measures announced were €0.5 billion of an overall budgetary package of €4.7 billion. To deal with the continued impact of Covid-19 on certain sectors of the economy, the minister announced the welcome extension of both the Employment Wage Subsidy Scheme (EWSS) until 30 April 2022, and the reduced VAT rate of 9% for the tourism and hospitality sector until 31 August 2022.

The minister emphasised the importance of tackling both housing and climate change, and supporting entrepreneurs and the wider business community as the core missions of the current Government, which can be seen in a number of the measures announced including:

- The extension of the Help-to-Buy scheme to the end of 2022
- The extension of pre-letting expenses for landlords to the end of 2024
- An increase in carbon tax of €7.50/tonne
- A tax disregard of €200 for personal income of households who sell excess electricity back to the grid
- Extension of, and amendments to, the accelerated capital allowances scheme for energy efficient equipment up to the end of 2024
- Extension of, and improvement to, the Employment Investment Incentive (EII) scheme for a further three years
- Extension of the relief for certain start-up companies up to the end of 2026
- Subject to European state aid approval, the introduction of a new tax credit for digital games to support to the design, production and testing of a digital game

The minister outlined the importance of the Government's decision to join the OECD international tax agreement in ensuring the minimum effective rate of tax for companies with revenues more than €750 million was set at 15%. This rate will apply to approximately 1,500 companies once introduced. The minister in turn reinforced the commitment to the 12.5% rate of corporate tax for companies operating here.

As expected, some small changes were announced in relation to the income tax standard rate band and income tax credits, along with some minor amendments to the USC bands. The minister also announced an income tax deduction for remote working of 30% of the cost of vouched heat, electricity and broadband to support remote working.

The total budgetary package of €4.7 billion was based on the Summer Economic Statement which forecasted a combined deficit of €34.5 billion for 2021 and 2022. Based on recent economic activity, this deficit is now forecasted at €21.5 billion, which represents a reduction of nearly 40%. Despite improving public finances, the budgetary package did not change. Recognising that our debt level needs to be managed, it is hoped that there will be investment in more measures to maintain our attractiveness to inward investment and entrepreneurs in the coming year.

Tom Woods

Head of Tax & Legal Services

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Personal Tax



Robert Dowley
Partner

Universal social charge

As was the case in last year's Budget, no adjustments have been made to the USC rates in this year's Budget.

The USC bands will be adjusted to keep a full-time worker earning the new minimum wage of €10.50 per hour outside of the higher rates of USC. This will be achieved by increasing the ceiling at which the 2% rate applies to €21,295 from €20,687. The increase in the minimum wage to €10.50 per hour and USC bands will apply from 1 January 2022.

The reduced rate of USC for medical card holders who earn less than €60,000 per annum was due to finish at the end of 2021 but has again been extended by a year to the end of 2022. There is also no change in USC for those earning less than €60,000 per annum, who are over 70 years of age. The position for both cohorts will likely be considered again in next year's Budget.

Full details of the revised rates and bands are included in the Tax Rates and Credits 2022 table at the end of this publication.

Income tax bands

There is a welcome increase in the standard rate band of €1,500 for all earners, increasing the band to €36,800.

Tax credits

The personal tax credit, employee tax credit and earned income credit will each rise by €50, from €1,650 to €1,700 thereby continuing to benefit both employed and self-employed individuals.



Employment Taxes



Eoghan Quigley
Partner

Employment Wage Subsidy Scheme ("EWSS")

A central element of the Government's response to the pandemic was the Employment Wage Subsidy Scheme (EWSS), providing much needed cashflow assistance to businesses during the pandemic and maintaining the relationship between the employer and employee.

The minister reiterated the Government's prior commitment to there being no "cliff-edge" end to the EWSS and announced an extension to the scheme until 30 April 2022, in a graduated form.

The operational aspects of the scheme will remain unaltered until 30 November 2021. Specifically, this means that the enhanced subsidy rates, reduced employer PRSI rate and employer eligibility criteria will remain in operation until this date.

However, for December 2021 to February 2022, a reduced two-rate subsidy structure of €151.50 and €203 per employee will apply.

In the final phase of March and April 2022, a flat rate subsidy of €100 per qualifying employee will be paid. Further, there will be a return to full rates of employer PRSI, with effect from March 2022.

Finally, the minister announced that the scheme will not be open to employers who have not availed of EWSS by 31 December and so new entrants will not be permitted to avail of the scheme after this date.

Remote Working

Covid-19 has fundamentally changed the way in which we work and indeed from where we work. As a result, employers and employees across the country had to adapt very quickly to remote working.

In a clear recognition that this trend is set to continue the minister announced an enhancement to the current working from home income tax reliefs with a promise of formal legislation to support the future of remote working by employees.

In light of Government policy to facilitate and support remote working, the current tax arrangements for working from home will be enhanced and formalised so that an income tax deduction of 30% of the cost of vouched expenses for heat, electricity and broadband in respect of days spent working from home can be claimed.

Benefit in Kind (BIK) on Electric vehicles

The BIK tax on the provision of electric company cars by employers to employees exemption will be extended out until 2025.

Employees who are provided with an electric vehicle with an open market value (OMV) of €50,000 or less are entitled to an exemption from a BIK charge. For vehicles with a higher OMV the amount of €50,000 is reduced from this value to provide the basis for the BIK calculation.

There will, however, be a tapering effect on the vehicle value for BIK purposes with effect from 2023. The OMV will decrease to €35,000 for 2023, €20,000 for 2024 and €10,000 for 2025 which will result in an increased BIK amount payable by employees.

Employer PRSI

The Budget provided for an increase in the employer PRSI threshold from €398 to €410 from 1 January 2022. This aligns the employer PRSI threshold with the salary/wages of a full-time employee earning the minimum wage.



Business Tax



Paul O'Brien
Partner



Alan Bromell
Partner



Corporation tax relief for certain start-up companies

Certain start-up companies carrying on a new business may qualify for relief from corporation tax on business profits in their first three years of trading.

The relief is granted by reducing the corporation tax payable on the profits of the new trade and gains on the disposal of any assets used for the purposes of the new trade. Currently the amount of relief available in any year is directly linked to the amount of Employers' PRSI paid in the same year and is capped at €40,000 per annum. Where the amount of the corporation tax liability is less than €40,000 in any year, any unused relief from the three year period may be aggregated and carried forward against future trading profits of the company.

The relief was due to end on 31 December 2021, but the Minister for Finance has announced an extension of the relief to 31 December 2026. In addition, recognising the difficulties qualifying companies have had in utilising the relief in the past two years (due to the impact of Covid-19 related support on Employers' PRSI payments) the relief is to be amended to extend

the period of availability from the first three years to the first five years of trading. It is still to be clarified whether this extension will apply to existing claimants who will not have fully utilised the relief available due to insufficiency of Employers' PRSI.

Employment Investment Incentive (EII)

The EII is a tax relief which is designed to encourage equity investment by individuals in SMEs. The minister acknowledged that while positive changes have been made to the EII rules in recent years, the relief has not yet reached its potential to become a real driver of investment in early stage companies and high potential start-ups. A number of further enhancements were announced in the Budget speech to continue the reform of the EII, the aim of which will be to make the scheme more attractive to investors.

Under existing rules, qualifying EII investments by individual investors can be made directly in an SME company or through a "designated investment fund" (as designated by the Revenue Commissioners). Once approved and designated, the fund can be used as

a collective investment vehicle which can invest in qualifying EII companies. A fund will only be designated where certain conditions apply and to date Revenue approval has been limited to funds formed under the Designated Investments Funds Act 1985. Following consultation with relevant stakeholders, the minister announced that the EII scheme will be amended to enable a broader range of investment funds to qualify as a "designated investment fund". We await further details in the upcoming Finance Bill of the proposed change, but the change is welcome and should assist in attracting more investors into the scheme.

The minister also announced some further amendments to the EII, which include:

- The extension of the scheme for a further three-year period to eligible shares issued on or before 31 December 2024.
- The removal of the rule requiring 30% of the funds raised by an EII company to be spent before relief can be claimed.
- A relaxation of the rules around the "capital redemption window" for investors to allow greater capacity



Ken Hardy
Partner



Damien Flanagan
Partner

for investors to redeem their capital without penalty. Under existing rules, an EII company can redeem shares, from any member other than an investor who is within their compliance period (called the “capital redemption window”) without triggering a clawback of EII relief in certain limited circumstances.

Innovation equity fund

The minister announced that, through a memorandum of understanding being developed between Enterprise Ireland, the Ireland Strategic Investment Fund and the European Investment Fund, up to €90 million is to be made available for potential investments in predominantly seed stage Irish SMEs (with funding of €30 million being contributed by each of the three parties).

The initiative is expected to be launched in early 2022 with the objective of increasing the availability of early stage funding for Irish SMEs.

Research and Development Incentives and Capital Allowances

Digital Gaming Tax Credit

Following exponential growth within the gaming sector over the past 10 years, the minister provided details of Ireland’s first Digital Gaming Tax Credit (“DGTC”) which was previously referred to by the minister in his Budget 2021 speech last year.

In order to support employment growth in the Digital Gaming sector in Ireland, a refundable DGTC of 32% will be available to companies for expenditure incurred on the design, production and testing of a game. A limit of €25m of eligible expenditure per project will apply, along with a minimum €100k of eligible expenditure being

required to make a claim. European State aid approval is required and therefore the relief will be subject to a commencement order.

While the full details of the new DGTC will be published shortly as part of Finance Bill, the initial details announced by the minister are welcomed. The rate of 32% is in line with the rate which applies for Film Relief and is also broadly in line (and in some cases exceeds) the rates for similar gaming tax credits in other jurisdictions throughout the world, such as France, Germany, UK and Ontario (Canada).

The minister described ‘eligible expenditure’ as being expenditure incurred on the design, production and testing of a game. With approximately 2,000 people working in the game development sector in Ireland, we would expect that presently companies are required to outsource aspects of game development and we await further detail on how such outsourced expenditure will be treated.

A claim for the DGTC can only be made in respect of a digital game which has been issued with a cultural certificate from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media. This is aligned with other jurisdictions which require Digital Gaming projects to pass a “cultural test” to establish whether the game developed is “culturally significant” based on certain criteria. Such a test can assist in the credit being approved by the European Commission.

From our review of similar DGTC schemes in other jurisdictions, what became apparent is that the incentives are usually linked to ‘the game’, which can see companies who develop supporting infrastructure and systems (which are critical to the game) not being eligible. For example, a company developing a communication platform which is used as part of a video game, may not be eligible to claim the DGTC as the communication platform may be not be considered as being related to the design, production or testing of the game itself. We await the full details





Olivia Lynch
Partner



Andrew Gallagher
Partner

behind Ireland's new DGTC scheme with respect to how such activities may be treated. However, it is worth noting that such a company may still avail of the R&D tax credit instead and interestingly, in any event a claimant will not be allowed to qualify for additional R&D tax credit relief if they are claiming the DGTC. It is currently not known how this will work in practice and we would expect that a company that claims the DGTC on a specific game can still claim the R&D tax credit on other qualifying work carried out within the company.

Accelerated Capital Allowances for Energy-Efficient Equipment

Accelerated capital allowances ("ACAs") are available to companies who purchase certain items of energy-efficient equipment which are used for the purposes of a trade. Instead of receiving allowances over the standard period of 8 years in respect of typical plant and machinery, allowances would be granted up front in year 1 at 100% of the cost of the relevant energy-efficient equipment.

Recognising the importance of energy efficiency at both domestic and international levels, the minister extended the ACA regime to gas vehicles and refuelling equipment for three years, up to the end of 2024. The scheme was also extended to include hydrogen powered vehicles and refuelling equipment.

In contrast, equipment directly operated by fossil fuels will no longer qualify for the ACA regime.

This policy is aligned with wider government policy to reduce Ireland's greenhouse gas emissions and achieve net zero carbon emissions by 2050.



Agri-business measures

During the course of his Budget speech, the Minister for Finance noted the central role that farming families can play in the long-term protection of the environment and the national recovery from Covid-19.

To support the next generation of farming families, and to guarantee the long-term future of the agri-business sector, the minister announced his intention to extend certain farming related reliefs.

General stock relief

General stock relieving provisions, which provide for stock relief at a rate of 25% of the amount by which the value of farm trading stock at the end of an accounting period exceeds the value of such stock at the beginning of the accounting period, is being extended for a further three years until the end of 2024.

Enhanced stock relief

Under existing legislation, young trained

farmers and registered farm partnerships are eligible for enhanced stock relief at a rate of 100% and 50% respectively. These enhanced reliefs are being extended for a further year until 2022.

Stamp duty relief for young trained farmers

Stamp duty relief for the conveyance of farmland to eligible young (i.e. under 35 years old) trained farmers, is being extended to the end of 2022. In the absence of this relief, such conveyances would generally be charged at a rate of 7.5%.

EU approval for measures to support young farmers

The minister noted that the abovementioned young farmer related measures are considered State aid by the EU but are currently allowable under the Agriculture Block Exemption Regulation. As the current exemption is scheduled to expire on 31 December 2022, the minister was only in a position to extend the specified reliefs until that date.



Joe O'Mara
Partner



Kevin Cohen
Partner

The Department of Agriculture are confident that reliefs of this nature will continue to be considered an acceptable form of State aid under the terms of any revised regulation. Therefore, the minister is hopeful that these reliefs can be further extended next year.

Anti-reverse hybrid rules

The minister confirmed that the anti-reverse hybrid rules which are required under the EU's Anti-Tax Avoidance Directives (often referred to as ATAD1 and ATAD2) will be contained in the Finance Bill.

Broadly, the anti-hybrid rules are aimed at preventing taxpayers from engaging in tax system arbitrage. The provisions seek to neutralise tax advantages, or mismatch outcomes, that arise due to arrangements that exploit differences in the tax treatment of an instrument or entity arising from the way in which that instrument or entity is characterised under the tax laws of two or more territories. Anti-hybrid rules were introduced in Finance Act 2019, as required by ATAD2, with anti-reverse hybrid rules to be implemented by 1 January 2022.

A reverse hybrid mismatch arises where an entity, referred to as a reverse hybrid entity, is treated as tax transparent in the territory in which it is established but is treated as a separate taxable person (or opaque) by an investor such that part of its income goes untaxed. ATAD2 sets out the rule to address reverse hybrid mismatches. In broad terms, it provides that where investors regard the hybrid entity as a separate taxable person then the hybrid entity will be regarded as a resident of the EU Member State in which it is established and will be taxed on its income to the extent that the income is not otherwise taxed under the laws of the EU Member State or any other territory.

ATAD2 specifies that Collective Investment Vehicles that are widely held, hold a diversified portfolio of securities and are subject to investor-protection regulation in their country of establishment are not within scope of the anti-reverse hybrid measure.

In July and August 2021 the Department of Finance undertook a consultation process which sought views in relation to possible approaches to some of the technical aspects of the anti-reverse hybrid rules. KPMG made a comprehensive submission in response to the consultation. Full details of the measure will be contained in the Finance Bill.

Income tax change for international flight crew

The minister indicated in his speech that there will be a change in the tax treatment of international flight crew as

a means of supporting the recovery of the aviation sector. Existing legislation provides that individuals exercising employment aboard an aircraft that is operated by an enterprise, whose effective place of management is in Ireland, are within the scope of Irish income tax regardless of where the individual is resident. This is to be amended to exclude non-Irish resident flight crew where a number of conditions are satisfied. Further details on the amendments and the relevant conditions will be included in next week's Finance Bill.

Bank Levy

The Budget includes provisions to extend the bank levy for a further year to the end of 2022. The bank levy was due to expire at the end of 2021. The annual yield from the bank levy has until now typically been set at approximately €150 million.





Colm Rogers
Partner

The minister announced his intention to exclude Ulster Bank and KBC Bank from the levy in 2022 as they are exiting the market in 2022. The remaining banks which continue to be within the scope of the levy will not pay any more in 2022 than they did in 2021. This means that the levy to be collected in 2022 will be approximately €87 million in total.

The minister confirmed that the future of the levy will be assessed over the course of the coming year.

Commission on Taxation and Welfare

On 19 April 2021, the Minister for Finance announced the establishment of the Commission on Taxation and Welfare, chaired by Professor Niamh Moloney. As set out in the Programme for Government, the Commission was established to independently consider

how best the taxation and welfare systems can support economic activity and promote increased employment and prosperity while ensuring that there are sufficient resources available to meet the costs of the public services and supports in the medium and longer term.

On its establishment, the Commission was asked to review and consider changes to the tax system (and welfare system where relevant) across a wide range of areas, including:

- Supporting economic activity and income redistribution, while promoting increased employment and prosperity
- How the taxation system can be used to help Ireland move to a low carbon economy.
- Achieving housing policy objectives.
- Attractiveness to foreign direct

investment in a changing global taxation environment.

- Review the taxation environment for SMEs and entrepreneurs.
- The rise of digital disruption.

The minister confirmed in his Budget speech that the Commission will have particular regard to the impact of the Covid-19 pandemic, as well as long-term developments such as ageing demographics, the move to a low-carbon economy, and the rise of digital disruption and automation. The minister also announced that a public consultation will be launched over the coming weeks to seek input and feedback from relevant parties in relation to these matters. The Commission is expected to submit its report to the minister by 1 July 2022.



Indirect & Environmental Taxes



Glenn Reynolds
Partner



David Duffy
Partner



VAT

VAT rate for tourism and hospitality sectors

The minister confirmed that the temporary reduced VAT rate of 9% applicable to certain goods and services, mainly in the tourism and hospitality sectors, will continue to apply until 31 August 2022. The temporary reduced rate is therefore due to revert to 13.5% on 1 September 2022.

The temporary 9% rate came into effect on 1 November 2020 in response to the challenges faced by the tourism and hospitality sectors as a result of the Covid-19 pandemic. The VAT rate decrease was originally due to expire on 31 December 2021.

The goods and services covered by the temporary 9% rate include supplies of certain food and beverages in the restaurant, take-away and catering sectors; admissions to certain attractions including cinemas, museums and exhibitions; hotel, guesthouse and other holiday or short-term accommodation; and hairdressing services.

The 9% rate also applies to the sale of printed newspapers, digital supplies of certain e-books and e-publications, and the provision of sporting facilities by profit making bodies. However, the 9% rate for these supplies is due to continue indefinitely beyond 31 August 2022.

Flat Rate Addition for Farmers

The flat rate addition payable to farmers who are not registered for VAT will decrease from 5.6% to 5.5% with effect from 1 January 2022. The flat rate addition compensates unregistered farmers for the VAT which they cannot reclaim on their purchases.

Other VAT rates

There were no other changes to the rates of VAT.

Climate and Environmental Tax Measures

Carbon Tax

The minister confirmed the previously agreed increase of €7.50 in the rate of carbon tax from €33.50 to €41 per tonne of CO₂ emitted. This increase will apply to auto fuels with effect from midnight 12 October 2021, and to other fuels with effect from 1 May 2022.

The €7.50 increase is the next in a series of annual increases in the rate of carbon tax provided for in Finance Act 2020, which will continue up to and including 2030, in order to achieve a target rate of €100 per tonne of CO₂ emitted by 2030.

Vehicle Registration Tax (VRT)

The minister announced that there will be revisions to the 20-band VRT table to increase the applicable rates with effect from 1 January 2022. For vehicles falling with bands 9-12 there will be

a 1% increase of the current rate, for bands 13-15 a 2% increase, and for bands 16-20 the increase will be 4%.

There will also be an extension of the €5,000 VRT relief for Battery Electric Vehicles in VRT categories A and B that are registered until the end of 2023.

Other Excise Duty Measures

Tobacco Products Tax

The excise duty on a packet of 20 cigarettes will increase by 50 cent (including VAT), with a pro-rata increase on other tobacco products. This measure will take effect from midnight on 12 October 2021 and will bring the price of a pack of 20 cigarettes in the most popular price category to €15.

Alcohol Products Tax

There were no increases in excise duty on alcohol announced in the Budget. The minister confirmed that the revised EU Alcohol Directive now permits the granting of up to 50 per cent excise relief to independent small producers of cider and other fermented drinks products.

The relief is due to be introduced in next year's Finance Bill following consultation with the industry. A similar relief is already in place for small independent producers of beer.

Customs Duty

There were no changes in respect of customs duty announced in the Budget.

Property & Construction



Jim Clery
Partner

The minister acknowledged on Budget Day that housing is a core challenge the country needs to overcome now and in the immediate future. As part of its Housing for All Plan announced in September 2021, the Government outlined its determination to build more homes in order to address the current housing shortage and to introduce measures to alleviate the fact that housing has become increasingly unaffordable.

In light of the Government's plan to deliver an average of 33,000 new homes per annum out to 2030, it is expected that the Government will introduce measures which have the primary objective of increasing the supply of residential property on the market, rather than raising revenue for the Government. With that stated objective, a new Zoned Land Tax was announced on Budget Day. It is expected that further developments and measures will be introduced by the Government in line with its ambitious

Housing for All Plan over the coming years.

Zoned Land Tax

To encourage the use of land for building homes, thereby increasing the supply of residential accommodation to the market, a new Zoned Land Tax will be introduced, replacing the Vacant Site Levy. The replacement of the Vacant Site Levy is perhaps unsurprising, given the difficulties that have been encountered by Local Authorities in the administration of the levy and its low yield since it was introduced in January 2017.

The Zoned Land Tax will apply to land which is serviced and zoned for residential development and also to mixed use land which includes an element of residential land (in circumstances where the land has not been used for the development of housing). A 3% rate of tax will be applied to the market value of the zoned residential land at the outset.

The minister has not proposed any minimum size exclusion for small plots of land, but has noted that there will be several exclusions for dwelling houses and their gardens, amenities, and infrastructure. We await further details on the exact mechanics of the new tax and the specific exclusions which will be included in the Finance Bill.

The minister proposed a two-year lead time for residential land that was zoned before January 2022, and a three-year lead time for land zoned after January 2022. Therefore, the new tax will likely start to be administered by January 2024. It will be paid on a self-assessment basis and managed by the Revenue Commissioners.

Local Authorities will be charged with preparing and publishing an annual map to identify the land within scope of the new tax. A process will be established to allow landowners apply to have their zoning status amended by their Local Authority.





Carmel Logan
Partner



Help-to-Buy Scheme

As anticipated following the Housing for All Plan, the minister announced that the Help-to-Buy Scheme for first time buyers will be extended in its current enhanced form for a further year to the end of 2022.

The current enhanced scheme provides for a refund of the lower of:

- 10% (previously 5%) of the cost of a new house,
- €30,000 (previously €20,000), or
- the income tax paid by the buyer for the previous four tax years.

To qualify for the relief, the value of the house must be no more than €500,000 and the mortgage on the property must amount to at least 70% of the value of the property.

This extension aligns in broad terms with the Housing for All Plan and it is expected that other measures to aid first time buyers in accessing the housing market will be introduced over the coming years (for example, the Shared Equity Scheme).

This extension is welcomed for prospective first-time buyers, many of whom continue to be locked out of the property market as a result of substantial delays in the supply of new housing.

Pre-letting residential expenses

In a move to continue to encourage the current owners of vacant residential property to bring such property to the rental market, the minister on Budget

Day announced that the rules which allow a deduction for certain 'pre-letting' expenses will be extended for a further three years. The relief was previously available for qualifying expenditure incurred up to the end of 2021 and has now been extended for qualifying expenditure incurred up to the end of 2024.

The rules allow for 'pre-letting' expenses of a revenue nature (for example, routine repairs and maintenance costs) incurred on a property which has been vacant for a period of 12 months or more. The relief is subject to a cap of €5,000 per property and subject to a clawback if the person who incurred the expenses ceases to let the property as a residential premises within four years.

Ireland's new Interest Limitation Rule



Gareth Bryan
Partner

In his Budget speech, the minister confirmed that the Finance Bill will introduce a new interest limitation rule (ILR) as required by the EU's anti-tax avoidance directive (ATAD). The ILR will cap deductions for net borrowing costs at 30% of a corporate taxpayer's earnings before interest, tax, depreciation, and amortisation (EBITDA) as measured under tax principles. The legislation will be published in the Finance Bill; however, we discuss below how the legislation may emerge based on two consultations run by the Department of Finance this year.

Borrowing costs

ATAD provides that the ILR should apply both to interest and amounts economically equivalent to interest (such as discounts and the finance element of finance lease payments, amongst others). There is uncertainty around how some items might be treated for these purposes e.g. fair value movements on debt instruments. It should be noted that the ILR will apply to net borrowing costs; consequently, a company's interest income will reduce its net borrowing costs.

Calculating EBITDA

The calculation of EBITDA starts with a taxpayer's "relevant profits," being the amount on which corporation tax finally falls to be borne but ignoring any losses carried forward or back.

In order to equalise the position in respect of income and gains which are taxable at different rates, the relevant profits are modified where they include amounts taxed otherwise than at the 12.5% rate of corporation tax. Such amounts are increased so that, if a 12.5% rate were applied to them, the same amount of tax would be due. For example, income taxed at the 25% rate of corporation tax is effectively doubled



in the calculations (as are the expenses deducted against that income).

The company's net borrowing costs, capital allowances and other tax-deductible amortisations are added back to its relevant profits to arrive at its EBITDA. As with relevant profits, where these amounts relate to activities taxed other than at the 12.5% rate, they are subject to a value adjustment.

Applying the restriction

Where net borrowing costs exceed 30% of EBITDA, the taxpayer disallows that amount of a tax deduction. The disallowed amounts are carried forward and are tax deductible in future years where the taxpayer has not exceeded its 30% threshold that year. The department's consultation suggests that where the disallowed amount would have otherwise created or increased tax losses for the taxpayer, its future use will be subject to the same restrictions that apply to carried forward tax losses. In other cases, the disallowed amount could be claimed against any taxable income of the taxpayer (provided that it has capacity to claim it).

Where net borrowing costs of the taxpayer are below the 30% of EBITDA threshold, the unused amount of capacity is carried forward as "limitation

spare capacity". Where a taxpayer has financing income in excess of borrowing costs, this excess is carried forward as "interest spare capacity". In future years where the taxpayer exceeds its 30% threshold, it can use this additional unused capacity to increase the threshold in that year. ATAD requires that limitation spare capacity be used within a 60 month period.

Local interest groups

ATAD allows ILR to be applied at a local group level. The Department's consultation proposes that a local interest group would mirror existing Irish tax loss groups (although membership would be elective). While this will be useful for many groups, there will be instances where companies in an accounting group may not form part of an Irish tax loss group. It has been suggested that the definition of local interest group should be broadened to facilitate such companies.

Where a local interest group exists, then the ILR calculations comprise all of the results of the members. The consultation suggests that in doing so it would be necessary to disregard the results of transactions between the members of the interest group. This would likely create a significant



Nancy Fallon
Partner

administrative burden on taxpayers as it would necessitate identification of each and every intra-group transaction. We hope this element is removed in the Finance Bill.

Exemptions

ATAD permits a number of exemptions from ILR, including where a taxpayer's net borrowing costs do not exceed €3 million. From the consultation, Ireland appears to be adopting this exemption. In an interest group, the €3 million limit applies to the group as a whole.

ATAD also allows Member States to exempt certain "financial undertakings" (such as banks, funds, insurance undertakings, and pension schemes). We understand that this exemption is still under consideration. In addition, ATAD contemplates an exemption in respect of legacy debt pre-dating 17 June 2016 and also provides for an exemption in respect of debt connected with long-term public infrastructure projects. Both exemptions are discussed in the consultation though we hope that certain enhancements will be included in the Finance Bill. In particular, we see the long-term public infrastructure exemption as an opportunity to support key infrastructure projects announced as part of the Project Ireland 2040 plan and support the building out of the State's renewable energy generation capacity.

There is also an exemption from the rules for certain "standalone entities" i.e. entities that have no foreign branches, are not included in a financial statements consolidation, and have no "associated enterprises" (essentially persons with a 25%+ equity relationship or voting rights). This exemption is also included in the consultation.

Worldwide reliefs

ATAD allows for two reliefs from the ILR linked to a worldwide accounting group of which the taxpayer is part. Basically, these reliefs aim to allow for deductions for third-party debt (that is, debt from outside the worldwide accounting group) provided that it is not disproportionately allocated to the relevant taxpayer.

The first relief, known as the equity ratio rule, compares the relevant taxpayer's ratio of equity-to-assets to that of the worldwide accounting group (using their accounting results). Under this relief, where the taxpayer's ratio of equity-to-assets is 98% or more of the worldwide group's ratio, ILR is disapplied. Essentially, this test measures the extent to which the taxpayer's assets are funded with equity, and, as a corollary, by debt. Where the proportionate level of equity funding of the taxpayer is as high as (or higher than) the group's equity funding,

no restriction is applied because the level of debt in the company is not greater than the group's third-party debt. Leeway of 2% is permitted, hence the 98% threshold.

The second relief, known as the group ratio rule, calculates the group's exceeding borrowing costs as a percentage of its EBITDA (using the group's consolidated financial statements). Where the group's percentage is higher than 30%, then the relevant taxpayer is permitted to use this higher percentage in its own calculations.

Conclusion

While the other strands of ATAD (most of which have already been implemented) affect many groups, the ILR will likely have a significantly wider impact given the widespread use of debt finance in all industries and sectors, both foreign and domestic. Indeed, other than the proposed change to the standard rate of corporation tax, this may well be one of the most significant changes to the Irish corporation tax regime of recent years.

Careful consideration must be given to its impact and matters such as whether to form a local interest group and the ability to access the various exemptions and reliefs. If you have not already done so, you should contact your KPMG contact to discuss ILR further.



BEPS 2.0 & International Tax Developments



Anna Scally
Partner



The last week has been a significant one for the future of the taxation of companies in Ireland and the global international taxation framework. On 7 October, the Minister for Finance announced that Ireland had agreed to sign up to the OECD BEPS 2.0 plan, having secured agreement on a number of important issues for Ireland, including:

- a commitment that the minimum effective rate of tax imposed on the profits of multinational groups under the agreement would be limited to 15%, as opposed to “at least 15%” which had been included in the July 2021 draft which Ireland did not sign up to, and
- a commitment by the European Commission that Ireland would not be challenged in retaining its 12.5% rate for corporate taxpayers not within the scope of BEPS 2.0 (the vast majority of corporate taxpayers in Ireland).

As noted by the minister in his Budget speech, “Due to our efforts, the minimum effective rate was set at 15 per cent for large multinational companies. It could have been far higher. It could have been more uncertain. We avoided those risks.”

As part of the implementation of the BEPS 2.0 plan, Ireland will increase its corporation tax rate to achieve a 15% effective rate for multinational groups within the scope of Pillar Two – those with turnover in excess of €750 million.

Ireland has also agreed to the Pillar One proposals which reallocate taxing rights to market jurisdictions for in-scope multinational groups. The OECD aims

for these changes to be implemented by 2023.

BEPS 2.0

On 8 October 2021, the OECD announced the high-level details of the agreement now reached by some 136 countries on BEPS 2.0. Only four members chose not to sign up to the current proposals; Kenya, Nigeria, Pakistan, and Sri Lanka. A summary of the key updates is included below.

US Tax Reform

A key question remains as to what extent proposed reforms to the US tax regime can be enacted and would be sufficiently comparable to the agreement reached under BEPS 2.0. In particular, whether the US will be able to implement Pillar One and how its GILTI regime may coexist with the Pillar Two proposals are fundamental issues. The answers to these questions may well determine whether the OECD BEPS 2.0 agreement will be implemented globally, as implementation of BEPS 2.0 without the US fully on-board may be difficult.

Impact for Ireland

The Economic and Fiscal Outlook document, released by the Department of Finance with the Budget, estimates the exchequer impact of BEPS 2.0 to be €2 billion per year from 2025. Although, as noted by the minister, estimating the impact for Ireland at this stage is “extremely challenging.”

It is important to note that in-scope

businesses operating in Ireland would have been subject to any agreed minimum rate regardless of whether Ireland signed up to BEPS 2.0. As such, securing a minimum effective rate of 15% for only large in-scope groups, and retaining the 12.5% rate for smaller taxpayers, is a positive result. As noted by the minister in his speech, “as a small open economy that depends on rules and order in global tax and trade, an agreement was in our interests.” The 15% rate is expected to apply to roughly 1,500 businesses in Ireland, primarily foreign owned groups. While the threshold for Pillar One remains at turnover of €20 billion and profitability above 10%, it is expected to apply to a very small number of businesses headquartered in Ireland. However, it is expected that the profits of certain foreign headquartered groups with Irish operations may be reallocated from Ireland to market jurisdictions.

As important to Ireland’s competitiveness as the 12.5% rate, if not more, is the certainty and stability that the Irish regime has offered over many years. In this context, it must be commended that this was not a Budget of surprises. Ireland did not rush into any agreement with the OECD in July but rather chose to reserve its position in favour of consulting openly and extensively with stakeholders and allowing businesses to have their voice heard. The Government negotiated to ensure that the interests of Ireland and of businesses operating in Ireland would be accommodated within the agreement.



Cillein Barry
Partner

This agreement is expected to be for the long term. It will preserve the integrity of our corporation tax regime and provide businesses with the certainty and long-term stability that Ireland has offered in the past, well into the future.

As noted by the minister in his speech, Ireland “will remain an attractive location for investment and we will continue to play to our strengths, centred on a highly educated and dynamic workforce that has consistently delivered innovation and profitability over many decades to businesses that have made Ireland their home.” In that context it will be critically important that Ireland continues to focus on all aspects of competitiveness to ensure that domestic tax and non-tax policies continue to remain fit for purpose and Ireland remains attractive to international business.

Some key elements of the announcement by the OECD on 8 October 2021 are set out as follows:

Pillar One

Pillar One will apply to the largest and most profitable multinational groups in the world (estimated to be 100) – those with revenues in excess of €20 billion (reducing to €10 billion after 7 years) and profitability of at least 10%.

All sectors are in scope with the exclusion of extractives and regulated financial services.

25% of the residual profits (profits exceeding 10% of revenue) will be reallocated to market jurisdictions (known as Amount A).

All unilateral Digital Services Taxes and similar measures (current and future) are to be withdrawn by participating jurisdictions – with a moratorium to apply on the introduction of new such measures until the earlier of 31 December 2023 or the coming into effect of Pillar One.

Pillar Two

The minimum effective tax rate applying to the profits of multinational groups on a jurisdiction by jurisdiction basis has been agreed at 15%. This applies to the Income Inclusion Rule and Undertaxed Payment Rule (together the Global Anti-Base Erosion Rules or GloBE)

While there is an acknowledgement that mechanisms to address timing differences will be included, it remains to be seen to what extent timing differences will be taken account of within the rules.

A substance based carve-out has been agreed which will exclude an amount of income from the effective tax rate calculation determined as a deemed return on the carrying value of tangible assets (of 8%) and payroll (of 10%). These deemed returns will be tapered down over 10 years to 5%.

There will be an exclusion from the GloBE rules for certain groups for up to five years during the initial phase of their international activity.

A de minimis exclusion will apply to groups where revenue in a jurisdiction is less than €10 million and profits are less than €1 million. Further safe harbours are also contemplated in the interests of simplification.

All sectors are in scope with the exception of certain funds, governmental entities, certain non-profit organisations and international shipping.

The Subject To Tax Rule (STTR) is a treaty based rule allowing source jurisdictions to impose taxes on certain related party payments not subject to a minimum nominal rate. The rate has been agreed at 9% i.e. it would apply to in-scope payments where the headline rate imposed on the recipient is less than 9%.

Looking ahead

- It is expected that the OECD will publish detailed model rules reflecting what has been agreed in respect of Pillar Two in November 2021.
- Two multilateral instruments are expected in 2022; to implement Amount A of Pillar One in early 2022, and to implement the STTR in mid-2022.
- The BEPS 2.0 agreement envisages that most of the rules will be implemented throughout the course of 2022 to apply from 1 January 2023.
- The UTPR will not apply before 2024 as further work will be required on the technical aspects of how it is implemented.
- It is also expected that the EU will seek to reflect what has been agreed by the OECD through implementing directives during the course of 2022.
- It is expected that the outcome of the proposed reforms to the US tax system will be known by the end of this year.

Climate Action



Mike Hayes
Partner



Climate Action backdrop

The Climate Action and Low Carbon Development (Amendment) Act 2021 initially announced in October 2020 set Ireland on a legally binding path to climate neutrality by 2050. The main tenet of the Act is to see Ireland become a climate neutral economy no later than 2050. One of the key mechanisms for securing a climate neutral economy is the introduction of a series of economy wide 5-year carbon budgets with sectoral emission ceilings for each relevant sector. A key milestone in this programme is 2030 whereby the first two carbon budgets should deliver emissions savings of 51% in line with the Programme for Government established in 2020. These ambitious emissions reductions are aligned to overall EU ambitions.

EU Climate Action changes

On 14 July, the European Commission (EC) passed a crucial milestone by adopting the EU "Fit for 55" package to transform the European economy. The

package of interconnected legislative proposals will align the EU's climate, energy, land use, transport and taxation policies with the target of reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels.

This commitment is part of the EU Green Deal, which is a comprehensive package of tax and non-tax measures aimed at developing a growth strategy whereby there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use. Within its toolkit the EU is proposing several tax and carbon price reforms as part of the Green Deal, namely:

- Extension of the Emissions Trading System (ETS), including possible phasing out of existing free permit allocations for many participants.
- Introduction of the Carbon Border Adjustment Mechanism (CBAM).
- Reform of the Energy Taxation Directive (ETD).

Emissions Trading System

The EU ETS puts a price on carbon and lowers the cap on emissions from certain economic sectors every year. Over the past approximately 16 years it has reduced emissions from power generation and energy-intensive industries by 43%. The EC is proposing to lower the overall emission cap even further, increase annual rates of reduction and phase out free emission allowances for aviation. A new separate emissions trading system to address the lack of emissions reductions in road transport and buildings is also proposed.

With the ETS carbon price above €60 per tonne as of October 2021, this mechanism now has material economic implications for corporates and has the potential to influence corporate decision making.



Shane O'Reilly
Director

Carbon Border Adjustment Mechanism

Increasing ambitions for emissions reduction raises concerns about potential "carbon leakage." This is the concern that consumers/producers in the EU with higher emissions ambition will be encouraged to purchase imports or move operations to low ambition regions where the cost of production is lower.

In order to address risks of carbon leakage from these developments, the EC released a consultation process in 2020 on the design features of alternative approaches to introducing a CBAM. This could take a number of forms, including:

- A tax on imports (a carbon border tax imposed through the tariffs);
- Importers being incorporated within the existing ETS;
- A mechanism based on the ETS but involving a separate system for importers; or
- A new (excise-style) tax charged both within the EU and on imports, based on the average carbon intensity of certain products (sometimes referred to as a carbon excise tax).

At this preliminary stage, it is understood that the products proposed to be covered in the first instance will include aluminium, steel, cement, glass, paper, and heavy chemicals. The precise form which the proposed CBAM will take will only become clear once the EC tables draft legislation in the form of a proposed directive.

Energy Taxation Directive – what is changing?

The existing Energy Taxation Directive (ETD) is close to 20 years old and does not reflect the current developments in green energy. The reformed ETD has several ambitions; to address harmful effects of energy tax competition; securing revenues for EU Member States



from green taxes; removing outdated exemptions and incentives of fossil fuels usage and promoting investment in new and innovative green industry.

To achieve these ambitions, the EC is proposing a new structure of tax rates based on the energy content (expressed in EUR/GJ, e.g. gas oil & petroleum at €10.75/GJ, renewable Hydrogen at €0.15/GJ) and broadening of the taxable base by adding products and removing exemptions such as those in the areas of aviation and shipping fuels. The ETD proposal suggests minimum rates of taxation that encourage a switch to more sustainable fuels while reflecting the extent to which they are at risk of carbon leakage. There is also a 5-year review period to keep the ETD up to date.

As the new ETD is a revision of an existing directive, its unanimous acceptance by all members of the EU Council is required. Provided unanimity is achieved, the ETD should come into force in January 2023.

What does this mean for corporates?

Companies that procure or consume

products covered within the scope of the EU ETS, e.g. manufacturing, could face significant additional cost pass-through from existing suppliers if the CBAM is implemented, due to the significant emissions occurring in geographies without commensurate low carbon policies and the emissions associated with transport of the goods to the EU. Corporates should ensure that they understand the geographical composition of their emissions to enable them to undertake a supply chain review, where required, making conscious cost versus carbon trade-offs and ensuring the resilience of their pricing model to the proposed changes.

The EC measures above are part of a programme of interventions, with individual components categorised as "pricing", "targets" or "rules"; that will operate together to achieve its objectives. These undertakings are a proactive approach to using tax policy as an instrument to fight climate change, a potential feature of the EU landscape for many years to come.

Tax Rates and Credits 2022


Personal income tax rates (changed)		
	At 20%, first	At 40%
Single person (increased)	€36,800	Balance
Married couple/civil partnership (one income) (increased)	€45,800	Balance
Married couple/civil partnership (two incomes) (increased)*	€73,600	Balance
One parent/widowed parent/surviving civil partner (increased)	€40,800	Balance
* €45,800 with an increase of €27,800 maximum		
Personal tax credits (changed)		
Single person (increased)	€1,700	
Married couple/civil partnership (increased)	€3,400	
Single person child carer credit	€1,650	
Additional credit for certain widowed persons/surviving civil partner	€1,650	
Employee credit (increased)	€1,700	
Earned income credit (increased)*	€1,700	
Home carer credit	€1,600	
* Applies to self employed income and certain PAYE employments not subject to the PAYE credit		
Capital gains tax (unchanged)		
Rate	33%	
Entrepreneur relief (reduced rate)*	10%	
Annual exemption	€1,270	
* Relief remains capped at lifetime limit of €1m chargeable gains		
Help to Buy Scheme		
Income tax rebate, capped at €30,000, for first time buyers of a principal private residence. The relief is 10% of the house value. No relief for houses valued greater than €500,000. Claimants must take out a mortgage of at least 70% of the purchase price. The scheme only applies to new builds, self builds or a converted building not previously used as a dwelling and not to second hand properties. The scheme has been extended until 31 December 2022.		
Local Property Tax (varying rates) (changed) based on the following bands:		
Bands €	Charge	
1 - 200,000	€90	
200,000 - 262,500	€225	
262,501 – 350,000	€315	
350,001 – 437,500	€405	
437,501 – 525,000	€495	
525,001 – 612,500	€585	
612,501 – 700,000	€675	
700,001 – 787,500	€765	
787,501 – 875,000	€855	
875,001 – 962,500	€945	
962,501 – 1,050,000	€1,035	
1,050,001 – 1,137,500	€1,189	
1,137,501 – 1,225,000	€1,408	
1,225,001 – 1,312,500	€1,627	
1,312,501 – 1,400,000	€1,846	
1,400,001 – 1,487,500	€2,064	
1,487,501 – 1,575,000	€2,283	
1,575,001 – 1,662,500	€2,502	
1,662,501 – 1,750,000	€2,721	
1,750,000 +	€2,721,+0.3% on value over €1.75m	
<div>- Next valuation date for LPT purposes is 1 November 2021 and will determine the LPT to be paid for 2022 - 2025.</div> <div>- Applies to residential (not commercial) properties.</div> <div>- Applies to new homes constructed on or before the new valuation date of 1 November 2021, which will be brought within the scope of LPT charges from 2022 onwards.</div> <div>- Various other exemptions will no longer apply.</div> <div>- Certain payment deferral options may be available for low income households</div> <div>- From 2015 onwards, local authorities can vary the basic LPT rates on residential properties in their administrative areas. These rates can be increased or decreased by up to 15%.</div>		
Value Added Tax (changed)		
Standard rate/lower rate	23%/13.5%	
Hospitality and tourism*, newspapers, electronically supplied publications and sporting facilities	9%	
Flat rate for unregistered farmers (rate decreased)	5.5%	
Cash receipts basis threshold	€2m	
* 9% rate applying to hospitality and tourism sector extended to 31 August 2022		

PRSI contribution (changed), Universal Social Charge (changed)		
	%	Income
Employer	11.05%	No limit
	8.8%	If income is €410 p/w or less
Employee* (class A1)		
PRSI	4%	No limit*
Universal Social Charge	0.5% (unchanged)	€0 to €12,012**
	2.0% (unchanged)	€12,013 to €21,295***
	4.5% (unchanged)	€21,296 to €70,044****
	8% (unchanged)	> €70,044
* Employees earning €352 or less p/w are exempt from PRSI. In any week in which an employee is subject to full-rate PRSI, all earnings are subject to PRSI. Unearned income for employees in excess of €3,174 p.a. is subject to PRSI. Sliding scale PRSI credit of max. €12 per week where weekly income between €352 and €424		
** Individuals with total income up to €13,000 are not subject to the Universal Social Charge		
*** Increase in upper limit of the 2% band from €20,687 to €21,295		
**** Reduced rate (2.0%) applies for persons over 70 and/or with a full medical card, where the individual's income does not exceed €60,000		
Self-employed PRSI contribution, Universal Social Charge (changed)		
	%	Income
PRSI	4%	No limit*
Universal Social Charge	0.5% (unchanged)	€0 to €12,012**
	2.0% (unchanged)	€12,013 to €21,295***
	4.5% (unchanged)	€21,296 to €70,044****
	8% (unchanged)	€70,045 to €100,000
	11% (unchanged)	> €100,000
* Minimum annual PRSI contribution is €500		
** Individuals with total income up to €13,000 are not subject to the Universal Social Charge		
*** Increase in upper limit of the 2% band from €20,687 to €21,295		
**** Reduced rate (2.0%) applies for persons over 70 and/or with a full medical card, where the individual's income does not exceed €60,000		
Tax relief for pensions (unchanged)		
- Tax relief for pensions remains at the marginal income tax rate		
- The Defined Benefit pension valuation factor is an age related factor that will vary with the individual's age at the point at which the pension rights are drawn down		
- Except where a Personal Fund Threshold applies, the Standard Fund Threshold is €2m		
Tax relief for remote working		
Income tax deduction amounting to 30% of the cost of vouched expenses for heat, electricity and broadband in respect of those days spent working from home.		
Capital acquisitions tax (unchanged)		
Rate	33%	
Thresholds		
Group A	€335,000	
Group B	€32,500	
Group C	€16,250	
Corporation Tax rates (unchanged)		
Standard rate	12.5%	
Knowledge Development Box rate	6.25%	
Land (not fully developed) and non-trading income rate	25%	
Exit tax*	12.5%	
* Applies to unrealised gains arising where a company migrates or transfers assets offshore, such that they leave the scope of Irish taxation		
Stamp duty - commercial and other property (unchanged)		
7.5%* on commercial (non residential) properties and other forms of property not otherwise exempt from duty.		
* There is a refund scheme available to reduce the rate of stamp duty to 2% on certain residential development property transfers.		
Stamp duty - residential property (changed)		
1% on properties valued up to €1,000,000		
2% on balance of consideration in excess of €1,000,000		
10% on the cumulative purchase of 10 or more residential houses in a 12 month period.		
Deposit Interest Retention Tax (unchanged)		
DIRT	33%*	
* 41% rate remains for exit taxes on financial products		
Dividend Withholding Tax (unchanged)		
Rate	25%*	
* A modified DWT regime which was to be introduced from 1 January 2021 was deferred. Under the modified regime it is proposed to use real-time data collected under the modernised PAYE system to apply a personalised rate of DWT to each individual taxpayer.		

Personal Tax Scenarios 2022




Single person employed, earning €45,000, property owner

2022 changes	Euro	
Change in Tax Bands	300	
Change to Tax Credits	100	
Change to PRSI	0	
Change to Universal Social Charge	15	
Net Saving		€415




Married couple, one employed, earning €50,000, three children, property owner

2022 changes	Euro	
Change in Tax Bands	300	
Change to Tax Credits	150	
Change to PRSI	0	
Change to Universal Social Charge	15	
Net Saving		€465




Married couple, both employed, one earning €150,000, one earning €30,000, property owner

2022 changes	Euro	
Change in Tax Bands	600	
Change to Tax Credits	200	
Change to PRSI	0	
Change to Universal Social Charge	30	
Net Saving		€830




Married couple, both self employed, one earning €150,000, one earning €30,000, property owner

2022 changes	Euro	
Change in Tax Bands	600	
Change to Tax Credits	200	
Change to PRSI	0	
Change to Universal Social Charge	30	
Net Saving		€830




Unmarried couple, living together, renting, both employed, one earning €80,000, one earning €35,000

2022 changes	Euro	
Change in Tax Bands	300	
Change to Tax Credits	200	
Change to PRSI	0	
Change to Universal Social Charge	30	
Net Saving		€530



Married couple, both employed, one earning €250,000, one earning €90,000, one child, property owner

2022 changes	Euro	
Change in Tax Bands	600	
Change to Tax Credits	200	
Change to PRSI	0	
Change to Universal Social Charge	30	
Net Saving		€830



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1 Stokes Place
St. Stephen's Green
Dublin D02 DE03

Telephone +353 1 410 1000
Fax +353 1 412 1122

1 Harbourmaster Place
IFSC
Dublin D01 F6F5

Telephone +353 1 410 1000
Fax +353 1 412 1122

85 South Mall
Cork T12 A3XN

Telephone +353 21 425 4500
Fax +353 21 425 4525

Dockgate
Dock Road
Galway H91 V6RR

Telephone +353 91 534 600
Fax +353 91 565 567

The Soloist Building
1 Lanyon Place
Belfast BT1 3LP

Telephone +44 28 9024 3377
Fax +44 28 9089 3893

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