



Northern Ireland delivers

Your gateway to the UK and the EU





Northern Ireland delivers

Whether you are an international business, a dynamic start-up seeking dual access to both the UK and EU markets or an established business looking to meet high performance objectives, Northern Ireland delivers.

KPMG has been committed to Northern Ireland since first opening our Belfast office back in 1974. Since then we've witnessed an incredible transformation in Northern Ireland's economy and society. As an office we have continually grown to meet the ever changing needs of our clients, invested heavily in our people and in our premises with our move in 2017 to the Soloist building at Lanyon Place. In 2021 we opened our Digital Centre of Excellence which delivers a range of consultancy services in areas such as cyber security, applied intelligence and digital transformation.

With a team now of over 450 (comprising 20 different nationalities) and growing, the continued evolution of our Belfast office extends, reinforces, and renews our confidence in Northern Ireland as a key business hub and its people as highly skilled and world class professionals.

However, don't just take our word for it – over 1200 international companies have located here and over 70 per cent of them have reinvested. Smart decision makers value our pro-business policies, exceptional talent and the region's reputation as a highly attractive place to live, work and play.

We are also famous for our warm welcome and 'can do' attitude, so please get in touch and we'll help ensure that Northern Ireland delivers for you!

Johnny Hanna

Partner in Charge,
KPMG in Northern Ireland

Northern Ireland delivers

- ✓ A unique opportunity, giving businesses established here access to both the UK and EU markets
- ✓ A proven pro-business environment
- ✓ A track record of delivering for international investors
- ✓ A transparent, consistent and certain tax environment
- ✓ A UK corporation tax rate that competes favourably with other rates in the G20
- ✓ A thriving R&D environment with strong government support
- ✓ 100 per cent access to broadband – the first region in Europe to have this
- ✓ An attractive quality of life

Northern Ireland **delivers** on track record



**Low Carbon
Economy**



**Tourism &
Hospitality**



**Fintech &
Financial Services**



**Health & Life
Sciences**



**Advanced
Manufacturing**



**Digital, ICT &
Creative Industries**



Northern Ireland delivers on track



Low Carbon Economy

A leader in the development of renewable energy projects, the Northern Ireland low carbon economy is considered a global exemplar. That's evidenced by the fact the region is making good progress towards meeting its 2030 climate targets, with c.50% of electricity consumption originating from renewable sources. An investment requirement in the region of £10 billion is needed by 2040 and opportunities in the Northern Ireland Green Economy include Green Energy Generation, Low Carbon Heat (Hydrogen / Biomethane) and Low Carbon Transport.

Northern Ireland delivers on track



Tourism & Hospitality

Northern Ireland's burgeoning tourism and hospitality scene has enhanced its reputation as a 'must-see' international destination. With growing tourist numbers has come multi-million pound investments in attractions ranging from the [Belfast Stories visitor experience](#), [Mourne Mountain Gateway Project](#), [Destination Royal Hillsborough](#) and [The Gobbins Phase Two](#). In addition, the region has secured the World's Best Conference and Events Destination title at the annual C&IT Awards for five out of the last six years (up to and including 2023).

Northern Ireland delivers on track



Fintech & Financial Services

A growing Fintech sector across Northern Ireland provides services and technical solutions to international banks, insurance and asset management companies. Belfast was ranked number two for Fintech Strategy among mid-sized European Cities of the Future 2023/2024 and is fast becoming the go-to location for Fintech and Financial Services foreign direct investment. Digital capability and a pipeline of outstanding talent has also made the region the go-to location for Fintech and Financial Services foreign direct investment.

Northern Ireland delivers on track



Health & Life Sciences

Northern Ireland is becoming a pioneering centre for Health & Life Sciences technologies. Belfast Region City Deal investment is leveraging opportunities at the interface of medical research and digital transformation helped by the particularly strong offering from local universities. Of note, Queen's University Belfast is home to the [Patrick G Johnston Centre for Cancer Research](#) which has revolutionised cancer research and the [Precision Medicine Centre of Excellence](#) which aims to translate genomics into clinical care.

Northern Ireland delivers on track



Advanced Manufacturing & Engineering

Northern Ireland has a rich manufacturing and engineering heritage which has continually honed and flexed its expertise to maintain a world-leading edge in advanced manufacturing. In aerospace engineering it is home to globally-renowned companies such as Spirit AeroSystems and Collins Aerospace. Key advanced manufacturing companies such as Wrightbus and Denroy Plastics are also based the region, alongside innovative new companies such as Artemis Technologies.

Northern Ireland delivers on track



Digital, ICT & Creative Industries

A young population and highly skilled workforce mean the Digital ICT and Creative Sectors in Northern Ireland have gone from strength to strength. Northern Ireland is the number one international investment location for US cyber security firms, assisted by the [Centre for Secure Information Technologies](#) which commercialises emerging cyber security technologies.

The region's stunning landscapes provide prime locations for film and television production, while the animation cluster is gaining in momentum. Meanwhile, [Studio Ulster](#), a £72 million virtual production studio is solidifying Northern Ireland's reputation as a global production hub.

Northern Ireland delivers on planning for future prosperity

The Northern Ireland Executive, UK Government and private sector partners have committed in excess of £1.5 billion over the next 10 years to Northern Ireland City & Growth Deals Programme, comprising four deals that will collectively support realisation of current Economic Vision for Northern Ireland.

In addition to improving productivity and addressing regional imbalance, the four deals will further strengthen Northern Ireland's offering in key sectors such as Health & Life sciences, Digital and Creative Industries, Advanced Manufacturing and Low Carbon Technologies and also enhance Northern Ireland's tourism offering.

Projects include:

- The c.£100 million [Advanced Manufacturing Innovation Centre](#) (AMIC) is a 10,500 square metre state-of-the-art Factory of the Future at Global Point Business Park in Newtownabbey. The open access manufacturing and engineering innovation centre will provide a specialised environment for advanced manufacturing, materials, and engineering sectors to access the latest digital, automation and robotics technology supported by experienced engineers and underpinned by academic excellence.
- [Studio Ulster](#), a project developed by Ulster University, in partnership with Belfast Harbour Studios, and supported by Northern Ireland Screen, is a unique 75,000 square feet facility that represents c.£72 million of investment which integrates Virtual Production solutions with traditional film and broadcast, animation, games and immersive content production and is situated in an industry with leading edge research and development capability.
- [The Mourne Gateway Project](#), will deliver a world-class international tourist attraction and more sustainable access to one of the world's most stunning regions. By protecting and enhancing the natural heritage and habitat of the Mourne Mountains and creating an appealing year-round, sustainable tourism offering, the project will also support the sustainable growth of tourism in the Mournes and will help to position the local area as one of the premier tourism destinations on the island.

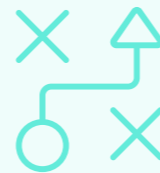
Northern Ireland delivers on tax



**Tax
Certainty**



**Corporation
Tax Rate**



**Excellent Tax
Treaty Network**



Dividends



**Capital Gains
Exemption**



**R&D Tax
Credit**



**Patent
Box**



**Capital
Allowances**



**Intellectual
Property**



**Employer Social
Security Costs**

Northern Ireland delivers on tax



Tax Certainty

Tax Certainty

As part of the UK, Northern Ireland shares the developed, stable and competitive tax system which is designed to support continued long-term economic development.



Excellent Tax Treaty Network



Dividends



Capital Gains Exemption



R&D Tax Credit



Patent Box



Capital Allowances



Intellectual Property



Employer Social Security Costs

Northern Ireland delivers on tax



Tax Certainty



Corporation Tax Rate

Corporation Tax Rate

The UK corporation tax rate of 25% compares favourably with other countries both within Europe and internationally.

Additionally Northern Ireland has been granted devolved tax setting powers by Westminster which could see this rate reduced in the future. This could include the possibility of a special NI tax rate of 12.5%, equal to that currently applicable on trading profits in the Republic of Ireland.



Dividends



Capital Gains Exemption



R&D Tax Credit



Patent Box



Capital Allowances



Intellectual Property



Employer Social Security Costs

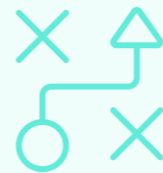
Northern Ireland delivers on tax



Tax Certainty



Corporation Tax Rate



Excellent Tax Treaty Network



Capital Gains Exemption



R&D Tax Credit



Patent Box



Capital Allowances



Intellectual Property



Employer Social Security Costs

Excellent Tax Treaty Network

Northern Ireland benefits from the UK's extensive tax treaty network of in excess of 150 treaties. This facilitates the minimisation of foreign taxes and withholding taxes on cross-border payments and flow of capital resources.

Northern Ireland delivers on tax



Tax Certainty



Corporation Tax Rate

Dividends
Dividends received by a Northern Ireland company from its overseas subsidiaries should be exempt in most cases from corporation tax. Furthermore dividends paid by a Northern Ireland company are not subject to withholding tax.



Dividends



Capital Gains Exemption



R&D Tax Credit



Patent Box



Capital Allowances



Intellectual Property



Employer Social Security Costs

Northern Ireland delivers on tax



**Tax
Certainty**



**Corporation
Tax Rate**



**Excellent Tax
Treaty Network**

Capital Gains Exemption for Substantial Shareholdings
While capital gains generally form part of a company's taxable income, there is an exemption from tax for companies on the disposal by a trading group of substantial shareholdings (of more than 10%) in both UK and foreign companies.



**Capital Gains
Exemption**



**R&D Tax
Credit**



**Patent
Box**



**Capital
Allowances**



**Intellectual
Property**



**Employer Social
Security Costs**

Northern Ireland delivers on tax



Tax Certainty



Corporation Tax



Excellent Tax Authority Network



Dividends



Capital Gains Exemption



R&D Tax Credit

R&D Tax Credit

An attractive R&D tax credit regime allows companies who carry out research and development to claim an immediate extra tax deduction for certain expenditure. Broadly, the credit either reduces the corporation tax liability or can be taken as a cash refund where the company is loss making. The credit can be taken 'above the line' for accounting purposes, i.e. before tax. Further credits may be available on capital expenditure used for R&D.



Capital Allowances



Intellectual Property



Employer Social Security Costs

Northern Ireland delivers on tax



Tax Certainty



Corporation Tax Rate



Excellent Tax Treaty Network



Dividends



Capital Gains Exemption



R&D Tax Credit



Patent Box

Patent Box

The UK "Patent Box" regime offers companies the opportunity to elect to apply an effective tax rate of 10% on profits generated from worldwide income received from patented innovations.



Intellectual Property



Employer Social Security Costs

Northern Ireland delivers on tax



Tax Certainty



Excellent Tax Treaty Network



Dividends



Capital Gains Exemption



R&D Tax Credit

Capital Allowances

The UK has an extensive range of capital allowances that permit the cost of certain capital assets such as plant and machinery to be written off against taxable profits using a predetermined writing down allowance each year.

HMRC have recently made full expensing, whereby companies can claim 100% capital allowances on qualifying plant and machinery investments and a first year allowance on special rate pool expenditure, permanent (originally a temporary measure due to end in March 2026). Therefore, for every pound a company invests in qualifying plant and machinery, the company's taxes are cut by up to 25 pence. As a result of this measure, the UK capital allowance regime will be world leading.



Capital Allowances



Intellectual Property



Employer Social Security Costs

Northern Ireland delivers on tax



Tax Certainty



Corporation Tax Rate



Excellent Tax Treaty Network



Dividends



Capital Gains Exemption



R&D Tax Credit



Patent Box

Intellectual Property

The costs of intellectual property, and certain intangible assets is treated as deductible expenditure in accordance with the accounting principles and amortised accordingly.



Intellectual Property



Employer Social Security Costs

Northern Ireland delivers on tax



Tax Certainty



Corporation Tax Rate



Excellent Tax Treaty Network



Dividends



Capital Gains Exemption



R&D Tax Credit



Patent Box



Capital Allowances



Property

Employer Social Security costs

The UK's social security rate of 13.8% applicable for employers is amongst the lowest in Europe.



Employer Social Security Costs

Northern Ireland delivers on talent

The workforce in Northern Ireland is highly skilled, innovative and results driven, with one of Europe's youngest and fastest growing populations. Nearly 70,000 full and part-time students are enrolled in higher education and almost 111,000 students enrolled in further education colleges, creating a pipeline of educated and adaptable young people.

The region's education system is regarded as among the best in Europe and consistently outperforms all other UK regions in academic qualifications.

There are two world-class universities - **Queen's University Belfast** and **Ulster University** and an extensive network of **further education colleges** providing excellent academic and vocational training.

Investment from a range of city deals and an enhanced focus on meeting the needs of business means that talent is matched to industry's ambitions. The **Assured Skills programme** delivers pre-employment training programmes to help companies interested in creating jobs in NI to secure a skilled workforce. **Higher Level Apprenticeships** are available through universities and further education colleges in Northern Ireland, in areas such as engineering, ICT, life sciences and accountancy.

Northern Ireland is also increasingly multilingual, with a wide range of skilled people able to converse fluently in languages in addition to English.





Northern Ireland **delivers** on location

In the wake of the UK's departure from the European Union, Northern Ireland has retained access to both the UK and European Union markets. This has been solidified in the Windsor Framework, which amends the provisions of the Northern Ireland Protocol to increase its effectiveness and is unique to the region. This provides a significant platform to attract new overseas investment into Northern Ireland, due to our unique dual market access.

In addition, Northern Ireland benefits from being part of the **Dublin Belfast Economic Corridor**, a collaboration between local government and universities aimed at using its economic heft to create a powerhouse capable of boosting exports and drawing inward investment.

Northern Ireland delivers on quality of life

Northern Ireland offers a first-class environment for living as well as doing business.

With a population of almost 1.9 million, Northern Ireland benefits from an excellent education system and world-class healthcare service. Property prices tend to be lower than those in other UK locations and in the Republic of Ireland.

It only takes about two hours to cross Northern Ireland by car – north to south or east to west but in between there is a rich variety of scenery, activities and a host of cultural attractions and leisure opportunities.

Visa and employment permits

New changes to the UK immigration system came into effect in December 2023. All European Economic Area (EEA, with the exception of Irish citizens) and non-EEA nationals require a Visa to work in the UK.

[Visas and immigration - GOV.UK](#)

The Windsor Framework

The post-Brexit trading rules for Northern Ireland have been further simplified following the Windsor Framework agreement reached between the UK and EU on 27 February 2023. This should provide significant opportunities for overseas investors to consider Northern Ireland as a great place to do business.

Some of the unique trading advantages that Northern Ireland now has under the Windsor Framework are outlined:

Unfettered market access for trade in goods into Great Britain and the EU (a position that no other part of the UK or the EU has)

- No customs formalities
- No customs tariffs
- Full access to trade in the EU single market
- Special XI EORI numbers allocated to Northern Ireland businesses providing flexible ways to import into and export from the EU
- Access to UK free trade agreements
- Seamless and complete barrier free trade across the island of Ireland
- Unique dual market access position makes NI a great option as a distribution hub.



VAT benefits of being in both the UK and EU VAT systems

- No import VAT implications for trade with the EU
- Able to avail of UK PIVA (postponed import VAT accounting) for non-EU imports, so no cash flow costs
- Able to avail of EU VAT simplifications such as triangulation and call off stock which simplify EU VAT registration requirements and remove VAT cash flow costs (not available in rest of UK)
- Access to use the Union One Stop Shop systems across the EU which simplifies ecommerce sales for businesses (not available in rest of UK)
- Northern Ireland based businesses can use the EU VAT Retail Export Scheme (VAT RES), to refund VAT to tourists outside the EU and Northern Ireland (not available in rest of UK).

Setting up your business



Setting up your business

01

Company Set Up

Before you start doing business in Northern Ireland you need to decide if you are going to operate through a branch or company. Most fast-growing businesses choose to operate through a company.

Northern Ireland companies are registered with Companies House and can be formed having public or private status, and with limited or unlimited liability. Nearly all companies operating in Northern Ireland are private limited companies. A company must have at least one shareholder, which may be an individual or corporate entity, along with a minimum of one director in most cases. A Plc company requires a company secretary.

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Setting up your business

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Government Financial Assistance

Northern Ireland offers an attractive and competitive support package of cash grants for capital investment and employment and support for R&D and training tailored to each company's needs. [Invest NI](#) works in partnership with investors to ensure all the necessary support is given throughout the lifetime of a commercial venture to develop and expand the business and to improve capability and international competitiveness.

Setting up your business

Invest NI support can include:

- Financial incentives such as grants for R&D, training and employment
- The Assured Skills programme which provides support to source a high quality workforce through recruitment and pre-employment training
- Assistance with property search
- Introductions to relevant business networks, universities and colleges.

Setting up your business

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Financing

Aside from equity and bank financing, Northern Ireland has a growing business angel and VC environment. Levels of angel and VC funding have increased in recent years, particularly in financing and developing high potential innovative companies.



Setting up your business

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Business support

Northern Ireland's success in attracting inward investment ensures a wide range of financial, accounting, tax and legal services are available. There is also a strong legal framework for development, exploitation and protection of intellectual property rights.



Setting up your business

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Catalyst

Based in Belfast and Derry, Catalyst is an environment and network that provides focus and support for knowledge based entrepreneurs, investors and global corporations. It fosters innovation to help companies grow together by collaborating, developing skills and seeking commercial opportunities.

Personal taxes

The personal tax regime of the UK applies equally to Northern Ireland.

Employee income tax and social security is accounted for through the payroll withholding tax system. This is known as the Pay As You Earn (PAYE) system.

The income tax year runs from 6 April to 5 April each year. The proposed rates of personal tax and social security for an employee/shareholder for the 2024/2025 tax year are set out here:

Tax Levies 2024/25	Rate
Personal allowance	£12,570
Income tax	20% from £12,571 to £50,270 (basic rate band) 40% from £50,271 to £125,140 (higher rate band) 45% over £125,140 (additional rate band)
Social Security and Apprentice Levy	<p>Employee 8% on earnings between £12,570 and £50,270 and 2% thereafter</p> <p>Employer 13.8% above £9,100 0.5% Apprenticeship Levy on annual company pay bill exceeding £3 million</p>
Capital gains tax	10% up to the basic rate band threshold of £50,270 10% rate for Business Asset Disposal Relief ("BADR") For residential property the capital gains tax rate is 18% up to the basic rate band threshold of £50,270, and 24% thereafter For carried interest the capital gains tax rate is 18% up to the basic rate band threshold of £50,270 and 28% thereafter
Inheritance tax	0% up to £325,000 and 40% thereafter Additional Residence nil rate band of £175,000 where the deceased taxpayers' home is left to a direct descendant A reduced rate of 36% applies if at least 10% of the 'net estate' is left to charity

Low Personal Tax Burden

As with the rest of the UK, the personal tax burden in Northern Ireland is one of the lowest in Europe when income tax and employee social security contributions are combined.

Companies are required to operate a payroll withholding tax system (PAYE) in respect of cash payments and benefits in kind, e.g. medical insurance and company cars provided to employees. This applies irrespective of whether the employment is a Northern Ireland employment or a foreign employment.

Share based remuneration is generally inside the scope of the PAYE system. If employees have taxable income (including share remuneration) which is not accounted for through the PAYE system, it is necessary to file an income tax return under the self-assessment system.

Share Incentive Schemes

It is possible to obtain revenue approval in respect of certain tax efficient share schemes e.g. share options schemes, and restricted share schemes, which can result in profits made upon the disposal of the shares being treated as capital rather than income.

Reliefs and incentives

There are a number of reliefs and incentives which can significantly reduce the personal income tax burden and the rate of tax arising on capital gains by UK tax residents. These include:



Business Asset Disposal Relief
("BADR")

Overseas Workday Relief



**Remittance Tax Regime applicable
for expatriates**

**Remittance Basis:
Business Investment Relief**

Relocation expenses and allowances

Reliefs and incentives

There are a number of reliefs and incentives which can significantly reduce the personal income tax burden and the rate of tax arising on capital gains by UK tax residents. These include:

Business Asset Disposal Relief (“BADR”)

It is possible to reduce the capital gains tax rate on gains of up to £1million arising on the disposals of shares and other business assets, provided certain conditions are met, to just 10%.

Remittance Tax Regime applicable for expatriates

Remittance Basis: Business Investment Relief

Relocation expenses and allowances

Reliefs and incentives

There are a number of reliefs and incentives which can significantly reduce the personal income tax burden and the rate of tax arising on capital gains by UK tax residents. These include:

Overseas Workday Relief



Income tax relief is available for certain UK resident employees who carry out both UK and overseas employment duties on the proportion of their earnings that relate to duties performed overseas and which is not remitted to the UK.

From 6 April 2025 the UK plans to introduce a new and more straight-forward residence-based Foreign Income and Gains ("FIG") regime. Under the proposed changes, qualifying individuals will not pay UK tax on FIG arising in the first 4 tax years after becoming a UK tax resident and will be able to bring these funds to the UK free of any additional charges.

[Relocation expenses and allowances](#)

Reliefs and incentives

There are a number of reliefs and incentives which can significantly reduce the personal income tax burden and the rate of tax arising on capital gains by UK tax residents. These include:

Remittance Tax Regime applicable for expatriates ✕

UK tax resident individuals who are domiciled abroad (e.g. US citizens) are subject to UK income tax and capital gains in the normal manner. However they can elect to pay only tax on their foreign income and gains on a remittance basis (i.e. only when the income/gains are remitted into the UK).

The remittance basis is being withdrawn to be replaced by the Foreign Income and Gains ("FIG") regime from 6 April 2025. Whilst qualifying individuals may become taxable on their worldwide income and gains on an arising basis after 4 years of UK residence, certain valuable transitional reliefs are planned to mitigate the impact of the withdrawal of the remittance basis for UK resident individuals, including; a temporary repatriation facility, a temporary 50% foreign income reduction and capital gains tax rebasing of assets.

Relocation expenses and allowances

Reliefs and incentives

There are a number of reliefs and incentives which can significantly reduce the personal income tax burden and the rate of tax arising on capital gains by UK tax residents. These include:

Remittance Basis: Business Investment Relief ✕

Foreign income or gains remitted to the UK by a person taxed on the remittance basis will be relieved from tax if invested by way of a qualifying business investment within a specified time period.

Following the introduction of the Foreign Income and Gains (“FIG”) regime from 6 April 2025, it is understood that Business Investment Relief will continue to apply to qualifying investments of pre-6 April 2025 FIG.

Relocation expenses and allowances

Reliefs and incentives

There are a number of reliefs and incentives which can significantly reduce the personal income tax burden and the rate of tax arising on capital gains by UK tax residents. These include:

Relocation expenses and allowances ✕

Other tax relieving provisions are available to employees coming to work in Northern Ireland. These include tax free relocation expenses and accommodation subsistence costs and travel expenses incurred by non-domiciled individuals travelling to the UK to attend a permanent workplace.

[for expatriates](#)

[Business Investment Relief](#)

[Relocation expenses and allowances](#)

How KPMG can help



As part of a global network we can draw on the experience of our colleagues around the world.

For further information, please contact one of our team or visit www.kpmg.ie

We understand the pressures faced by businesses of every type and size when locating to a new jurisdiction. We're the adviser of choice for a wide range of start-ups and established business who have set up operations in Northern Ireland.

Our approach is based on simplicity and total commitment and includes support and advice on:

Company set-up and tax registration	Shareholder and employee tax matters	ESG and decarbonisation planning and value creation	Immigration
Maximising group tax benefits and minimising group tax costs	Digital taxes	Processes and controls	Routine and complex legal matters
Transfer pricing	R&D tax credits	Regulatory matters	Data and analytics
VAT and customs duty	Intellectual property planning	Growth and market entry strategy	Cyber security
Patent box application	Buying and selling a business	Accounting advice and assistance	Automated intelligence
Expat tax matters	Government funding applications	Statutory and US GAAP audit	Both routine and more complex tax and legal matters



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