Taxation of international executives: Ireland

February 2024

Contents

01

Overview and Introduction

1 Overview and Introduction

The Irish tax year is a calendar year. Ireland operates two types of income tax. Pay As You Earn (PAYE) Income tax rates are 20 percent and 40 percent for the 2024 tax year. A separate type of income tax; Universal Social Charge (USC) is charged on a progressive basis of 0.5 percent to 11 percent of total income. Individuals may also be liable to employee Irish social security (PRSI) which is charged at 4 percent (4.1 percent from October 2024).

Individuals are liable to capital gains tax on chargeable gains arising on the disposal of assets. For 2024, most capital gains in excess of an annual exemption of 1,270 Euros (EUR) are taxed at 33 percent.

An individual who is resident and domiciled in Ireland during a tax year is liable to tax on worldwide income and capital gains. An individual who is resident but not domiciled in Ireland during a tax year is liable to tax on any income or capital gains arising from sources within Ireland together with any foreign income or gains remitted into Ireland during the tax year (see Expatriate Concessions).

An individual who is not resident or ordinarily resident in Ireland during a tax year is liable to income tax on any income arising from Irish sources and on capital gains arising from the sale of Irish specified assets. Relief may be available to exclude or reduce income or capital gains from Irish taxation under a double tax agreement. Ireland has entered into tax treaties with a number of countries/jurisdictions.

Herein, the host country/jurisdiction refers to the country/jurisdiction where the expatriate is going on assignment. The home country/jurisdiction refers to the country/jurisdiction where the expatriate lives when they are not on assignment.

The official currency of Ireland is the Euro (EUR).

02

Income tax

2 Income Tax

2.1 Tax returns and compliance

When are tax returns due? That is, what is the tax return due date?

31 October following the year of assessment. This can be extended to mid-November by Revenue concession under certain conditions including where the individual is filing and paying their tax liability online.

What is the tax year-end?

31 December.

What are the compliance requirements for tax returns in Ireland?

Residents

Every self-assessed individual is liable to pay Irish income tax or capital gains tax for any tax year- ending 31 December and is required to make a return of income and/or chargeable capital gains to the Irish Revenue no later than the 31 October following the relevant tax year.

Individuals who have no income or gains other than employment income subject to withholding Pay- As-You-Earn (PAYE) are generally not required to submit a tax return.

For the 2024 tax year, a tax return is due to be filed no later than 31 October 2025. Extension to the filing and payment date may be available where the individual uses the Revenue Online Service (ROS) web site of the Irish Revenue to both submit their tax return and make electronic tax payments from a designated bank account.

Individuals who do not use the facility are subject to the main filing deadline indicated (31 October). A mandatory filer who fails to file a tax return within 2 months of the relevant filing date results in an automatic penalty equal to 5 percent of the income tax and/or capital gains tax liability due before deduction of any preliminary tax paid for the tax year (capped at €12,695). The late filing penalty increases to 10 percent thereafter (capped at €63,485).

Individuals subject to tax under the self-assessment system are required to make a balance of income tax payment by 31 October following the end of tax year together with an estimated preliminary (income) tax payment for the current tax year. For 2024, a preliminary income tax payment is due no later than 31 October 2024 and the 2024 balance of tax is payable by 31 October 2025.

The required limits for the preliminary income tax payments are as follows:

- 100 percent of the income tax liability for the previous tax year
- 90 percent of the income tax liability for the current year, or
- 105 percent of the income tax liability of the pre-preceding tax year where payment is made via direct debit. (This option may only be chosen where the individual had a tax liability for pre-preceding tax year.)

Capital gains tax for disposals made during the period 1 January to 30 November is due by 15 December of that tax year. Capital gains tax on disposals of assets during the period 1 December to 31 December must be paid by 31 January following the end of the relevant tax year. The relevant transactions are also reportable on the annual tax return relating to the year of disposal.

Failure to make tax payments on time, or within the required limits, results in interest penalties effective from the due date for payment.

Generally, if an individual (other than a director of an Irish company) does not have income that is taxed otherwise than under the PAYE system, there is no requirement to file a tax return unless they have chargeable capital gains during the tax year.

However, Irish company directors are generally required to make returns even if taxed only under the PAYE system.

Non-residents

Non-residents are liable to Irish tax on Irish-source income only (subject to DTA relief).

2.2 Tax rates

What are the current income tax rates for residents and non-residents in Ireland?

Residents

Income tax table for 2024

Personal income tax rates

	At 20% first	At 40%
Single person	EUR42,000	Balance
Married couple/ civil partnership (one income)	EUR51,000	Balance
Married couple/ civil partnership (two incomes) *	EUR84,000	Balance
One parent/ widowed parent/ surviving civil partner	EUR46,000	Balance

*EUR49,000 with an increase of EUR31,000maximum

Personal tax credits

Single person	EUR1,875
Married couple/ civil partnership	EUR3,750
Single person child carer credit	EUR1,750
Additional credit for certain widowed persons/ surviving civil partner	EUR1,875
Employee credit	EUR1,875
Earned income credit*	EUR1,875
Home carer credit	EUR1,800

*Applies to self-employed income and certain PAYE employments not subject to the PAYE credit

PRSI contribution, Universal Social Charge

	Percentage	Income
Employer	11.05% (11.15% from October 2024)	No limit
	8.80% (8.9% from October 2024)	If income is EUR410 p/w or less
Employee (class A1)**		
PRSI	4% (4.1% from October 2024)	No limit*
Universal Social Charge	0.5%	EUR0 to EUR12,012**
	2.0%	EUR12,012 to EUR25,760***
	4%	EUR25,760to EUR70,044****
	8%	>EUR70,044

*Employees earning EUR 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

EUR 3,174 p.a. is subject to PRSI. Sliding scale PRSI credit of max. EUR12 per week where weekly income between EUR 352 and EUR 424.

** Individuals with total income up to EUR13,000 are not subject to the Universal Social Charge.

*** Increase in upper limit of the 2.0 percent band to EUR25,760 to ensure anyone on minimum wage is not subject to more than the 2% USC tax band on any of their employment income.

**** Reduced rate (2.0 percent) applies for persons over 70 and/or with a full medical card, where the individual's income does not exceed EUR60,000.

Self- employed PRSI contribution, Universal Social Charge

	Percentage	Income
PRSI	4% (4.1% from October 2024)	No limit*
Universal Social Charge	0.5%	EUR0 to EUR12,012**
	2.0%	EUR12,012 to EUR25,760 ***
	4%	EUR25,760 to EUR70,044****
	8%	EUR70,044 to EUR100,000
	11%	>EUR100,000

*Minimum annual PRSI contribution is EUR500

** Individuals with total income up to EUR13,000 are not subject to the Universal Social Charge

*** Increase in the upper limit of the 2.0 percent band to EUR25,760.

**** Reduced rate (2.0 percent) applies for persons over 70 and/or with a full medical card, where the individual's income does not exceed EUR60,000

Non-residents

Income tax table for 2024

Taxable income bracket (single person)		Total tax on income below bracket	Tax rate on income in bracket
From EUR	To EUR	EUR	Percent
0	42,000	0	20
42,001	Over	8,400	40

Universal Social Charge

The Universal Social Charge (USC), which came into effect on 1 January 2011, is a levy payable on gross income, including notional pay, before any relief for any capital allowances, losses or pension contributions.

All individuals are liable to pay the Universal Social Charge if their gross income exceeds the threshold of EUR13,000. In the case of individuals aged 70 or over, and individuals who hold full medical cards, the 2 percent rate applies to all income over EUR13,000. This reduced rate however is only available for those whose gross income is less than EUR60,000 per annum.

The USC is essentially another form of income tax and is usually regarded as an admissible tax for the purposes of Ireland's Double Taxation Agreements.

	2024		2023
Per year	Rate of universal social charge	Per Year	Rate of universal social charge
EUR	Percent		Percent
Up to EUR12,012	0.5%	Up to EUR12,012	0.5%
Between EUR12,012 and EUR25,760	2.0%	Between EUR12,012 and EUR22,920	2.0%
Between EUR25,760 and EUR70,044	4%	Between EUR22,920 and EUR70,044	4.5%
Between EUR70,045 and EUR100,000	8%	Between EUR70,045 and EUR100,000	8%

There is a surcharge of 3 percent on individuals who have non-PAYE income that exceeds EUR100,000 in a year regardless of age.

2.3 Residence rules

For the purposes of taxation, how is an individual defined as a resident of Ireland?

Residence is based solely on physical presence in Ireland. Residency is acquired in respect of a tax year where an individual spends either of the following:

- 183 days in Ireland during that tax year
- aggregates 280 days in Ireland over 2 consecutive tax years with at least presence of 30 days in the second tax year.

Under the aggregation test, the individual is regarded as resident for the second tax year. An individual is considered present in Ireland if they spent any part of that day in Ireland.

Ordinary residence begins once an individual has been resident in Ireland for 3 consecutive tax years. Similarly, it ceases at the end of the third consecutive year in which an individual is not resident.

Irish Individuals who are no longer resident but who retain ordinary residence and are Irish domiciled are taxable on worldwide income subject to certain exclusions. Excluded income includes: income from an employment, trade, or profession the duties of which are exercised wholly abroad and foreign investment income not exceeding EUR3,810 during a tax year.

Where annual foreign income exceeds EUR3,810, the total amount of such income remains taxable in Ireland subject to relief under a tax treaty.

Is there, a de minimus number of days rule when it comes to residency start and end date? For example, a taxpayer can't come back to the host country/jurisdiction for more than 10 days after their assignment is over and they repatriate.

No. There is no de-minimus for residency purposes. However, a 30-day de-minimus is applied where individuals who are employed abroad come to perform duties of their employment in Ireland.

What if the assignee enters the country/jurisdiction before their assignment begins?

Each case should be considered on its own merits. Typically, their first day in Ireland will be the date of arrival as opposed to when the assignment is projected to start. Note that Irish workdays pre-arrival could impact an employee's ability to avail of the Special Assignee Relief Programme.

2.4 Termination of residence

Are there any tax compliance requirements when leaving Ireland?

There are no special procedures on the termination of residence.

What if the assignee comes back for a trip after residency has terminated?

Each case should be considered on its own merits. When determining residency any part of a day spent in Ireland, whether during or outside the assignment period will be counted – this includes days of arrival and departure.

Communication between immigration and taxation authorities

Do the immigration authorities in Ireland provide information to the local taxation authorities regarding when a person enters or leaves Ireland?

Yes.

Filing requirements

Will an assignee have a filing requirement in the host country/jurisdiction after they leave the country/jurisdiction and repatriate?

Each case should be considered on its own merits. In general, a tax return will be required if the assignee has Irish-source income.

2.5 Economic employer approach

Do the taxation authorities in Ireland adopt the economic employer approach1 to interpreting Article 15 of the Organisation for Economic Co-operation and Development (OECD) treaty? If no, are the taxation authorities in Ireland considering the adoption of this interpretation of economic employer in the future?

No - from 1 January 2020 onwards Ireland applies the “legal employer” .

De minimus number of days

Are there a de minimus number of days before the local taxation authorities will apply the economic employer approach? If yes, what is the de minimus number of days?

Per the above, this is no longer applicable.

2.6 Types of taxable compensation

What categories are subject to income tax in general situations?

All benefits, whether in-cash or in-kind, arising from an employment form part of taxable income, subject to certain exceptions. The following are examples of remuneration that would be included as income for tax purposes:

- reimbursement of taxes
- reimbursement of school fees [although school fees of up to EUR5,000 per child can be reimbursed tax free where an individual qualifies for SARP – see section on ‘Expatriate Concessions’]
- cost-of-living allowances
- housing allowances and housing provided by the employer on a non-arm’s length basis
- moving allowances (but excluding direct reimbursement of expenses incurred in moving to take up a new employment)
- use of company car
- the benefit of loans at reduced or zero interest rates provided directly or indirectly by the employer
- round sum expense allowances
- medical insurance or other medical benefits provided by the employer
- any sums paid by the employer to provide pension or other retirement benefits, except where such sums are paid under a pension scheme approved by the revenue commissioners
- share options (except options granted under a scheme for which revenue approval has been granted).

Intra-group statutory directors

Will a non-resident of Ireland who, as part of their employment within a group company, is also appointed as a statutory director (i.e. member of the Board of Directors in a group company situated in Ireland) trigger a personal tax liability in Ireland, even though no separate director’s fee/remuneration is paid for their duties as a board member?

If Directors have not been specifically remunerated for their Director roles, there is a risk that the Irish Revenue could attribute a portion of their total remuneration as Irish Director fees. Since the Directorship of an Irish company is considered an Irish office, the fee (or deemed fee) derived from this position is taxable in Ireland via PAYE, irrespective of where the duties are performed. Occasionally there are exceptions to this rule, so each case should be reviewed on its own merits and advice should be sought.

A) Will the taxation be triggered irrespective of whether or not the board member is physically present at the board meetings Ireland?

As above

b) Will the answer be different if the cost directly or indirectly is charged to/allocated to the company situated in Ireland (i.e., as a general management fee where the duties rendered as a board member is included)?

No, as the Directorship of an Irish company is considered an Irish office, the charging/allocation of costs is not relevant.

c) In the case that a tax liability is triggered, how will the taxable income be determined?

Irish Revenue could attribute a portion of their total remuneration as Irish Director fees. If the employer allocates an amount of the employee's employment income to Irish director fees the Irish Revenue may still impute an increased amount where they feel this does not reflect the actual value of those duties.

2.7 Tax-exempt income

Are there any areas of income that are exempt from taxation in Ireland? If so, please provide a general definition of these areas.

The following items are not subject to tax:

- contributions by an employer to an Irish revenue approved pension scheme foreign pension contributions in certain circumstances
- contributions by an employer to an Irish revenue approved profit-sharing scheme
- certain relief is available in respect to non-contractual payments made in connection with the termination of an employment
- provision by an employer of a travel (bus or train) pass to employees or directors of the company
- provision of bicycles for employees and directors aimed at encouraging more employees to cycle to and from work.
- a maximum of two vouchers/gifts, with a combined value of EUR 1,000 per employee per annum (known as Small Benefit Exemption, and subject to certain conditions)
- Computer/laptop, printer, scanner, software provided by the employer to employees to allow remote working, telephone.
- Mobile, broadband and office furniture provided by the employer to employees required to work remotely provided private use is incidental
- An allowance of €3.20 per workday paid to an eWorker to cover expenses incurred such as heating and electricity costs.
- Revenue are prepared to accept that tax free subsistence that relates to the provision of accommodation and utility charges may be paid or reimbursed for the first 12 months of a temporary assignment provided that the period of assignment in Ireland does not exceed 24 months.

2.8 Expatriate concessions

Are there any concessions made for expatriates in Ireland?

Special Assignee Relief Programme (SARP)

A Special Assignee Relief Programme (SARP) was introduced in 2012 which applied to individuals arriving in Ireland during 2012, 2013 or 2014. The relief was further extended to end on 31 December 2025.The relief operates on the basis of providing a tax-free deduction from remuneration based on a formula as follows:

(A-B) X 30%

Where A is the total remuneration of the employee and B is EUR100,000 (75,000 still applies for arrivals pre-1 January 2023).

Since 2020, 'A' is capped at EUR1,000,000 for all individuals.

The following conditions must be met.

- The employee must have been employed by a non-Irish company for 6 months prior to arriving in Ireland. The employee should not have more than 5 Irish workdays in this 6-month period.
- This employer must be incorporated and tax resident in a country/jurisdiction with which Ireland has a) a Double Taxation Agreement or tax information exchange agreement or b) an associated company of a relevant employer.
- The employee can be seconded to work in Ireland under their existing employment contract or be employed directly by an Irish Group company.
- The employee must be Irish resident but may be resident elsewhere. If not Irish resident in the year of arrival, relief may start from the following year.
- The employee must have a minimum base salary of EUR100,000 (EUR75,000 for arrival pre-2023) per annum.
- A certification procedure has also been introduced whereby the employer must certify within 90 days of arrival in Ireland that the employee meets the conditions to avail of the relief.
- The employee must not have been tax resident in Ireland for the 5 years preceding the year of arrival.
- The employee must arrive in Ireland to work in any of the tax years 2015 to 2025 (inclusive). The employee must work in Ireland during each of the first 12 months of the employment – recent correspondence with Revenue suggests that employees must have at least one Irish workday each month for the first 12 months to satisfy this condition.

You must also hold a PPS Number (identification number that the individual is present in Ireland) at the time of making the application.

The relief will apply for the first 5 years of the individual's residency in Ireland.

Foreign Earnings Deduction (FED)

In 2012 a Foreign Earnings Deduction (FED) for employees who travel to develop markets in BRICS countries/jurisdictions namely Brazil, Russia, India, China and South Africa.

With effect from 1 January 2013, the number of countries/jurisdictions was extended to include Algeria, Democratic Republic of Congo, Egypt, Ghana, Kenya, Nigeria, Senegal and Tanzania.

Finance Act 2014 extended the number of qualifying countries/jurisdictions to include Japan, South Korea, Singapore, the United Arab Emirates, Saudi Arabia, Qatar, Bahrain, Indonesia, Vietnam, Thailand, Chile, Oman, Kuwait, Malaysia and Mexico.

Finance Act 2017 extended the qualifying countries/jurisdictions to include Colombia and Pakistan.

Finance Act 2022 confirmed that FED will continue to apply until 31 December 2025.

The deduction will apply to an Irish resident individual who has 30 qualifying days working outside Ireland in any of the qualifying countries/jurisdictions in a continuous 12-month period.

A qualifying day is one of at least 3 consecutive days throughout the whole of which the individual is performing the duties of their employment in any of these countries/jurisdictions. Days of travel, between Ireland and the qualifying country/jurisdiction, can be included as qualifying days. This was a new provision under Finance Act 2014.

The FED is calculated based on the following formula:

$$\frac{\text{Number of qualifying days in a year of assessment x Qualifying Income}}{\text{Aggregate number of days in the year of assessment that the individual held a relevant employment}}$$

- Qualifying income excludes remuneration in the form of benefits in kind. Share remuneration is included.
- The income qualifying for FED is capped at a maximum of EUR35,000.

Remittance Basis

An expatriate who is resident in Ireland but not domiciled is not liable to Irish tax on income from a foreign employment performed outside of Ireland, unless it is remitted into Ireland. A remittance includes direct and indirect transfers of money to Ireland or importation of value through cash, gifts, assets or loans.

The remittance basis also extends to foreign investment income/capital gains in the case of non-domiciled but resident individuals.

2.9 Salary earned from working abroad

Is salary earned from working abroad taxed in Ireland? If so, how?

Please see previous discussion, as remittance basis may apply, where an individual is resident, non-domiciled and working under a non-Irish employment contract.

2.10 Taxation of investment income and capital gains

Are investment income and capital gains taxed in Ireland? If so, how?

Rents derived from an Irish property are liable for Irish taxes regardless of the residency position of the recipient. For resident and domiciled individuals, rents from worldwide properties are subject to Irish taxes (subject to certain exemptions). Individuals' resident but not domiciled in Ireland will be taxed on Irish rental income in full, and rents derived from other foreign properties if remitted to Ireland.

When calculating assessable rental income, most expenses incurred in renting the property are deductible. Such expenses would include agents' fees, advertising costs, repairs etc. If the property is furnished, an annual wear and tear allowance equal to 12.5 percent of the total cost of the fixture and fittings, is available for 8 years starting from the year in which the cost is incurred. A deduction is available against gross rents for mortgage interest paid on borrowings for the purchase, improvement or repair of a rental property.

From 1 January 2019 a full claim for mortgage interest is allowable against the rental income in the year incurred. The entitlement to a reduction for mortgage interest paid against rental income is also conditional on compliance with the registration requirements of the Residential Tenancies Act 2004.

The Private Residential Tenancy Board (PRTB) was established to operate a national tenancy registration system, to provide information and policy advice on the private rented sector. Landlords are now required to register details of all of their tenancies within 1 month of the commencement of the tenancy. The tenancy must be registered with the PRTB and the appropriate registration fee paid. A form PRTB1 should be completed and submitted to the PRTB in this regard.

In certain instances, Irish residents can claim an exemption of up to EUR14,000 on rental income received from a room, which is made available as rented residential accommodation in a principal private residence. Where annual rental income exceeds this amount all rental income received during the tax year is taxable subject to the deductions available as outlined. Certain conditions need to be satisfied in order to exclude this type of rental income from Irish tax; namely, the occupation of the property by the taxpayer wholly as their sole residence throughout the tax year. This exemption is therefore not available to individuals on assignment from Ireland during a tax year. The exemption is also not available where the rent is paid to an employee/office holder of the person making the payment.

Landlords who keep their rental property in the rental market for the next four years (2024 to 2027) can avail of an additional annual tax credit which will reduce the tax due on rental income.

Dividends and interest income are taxable as part of total income. Individuals' resident but not domiciled in Ireland and in receipt of investment income from sources outside Ireland will only be taxable to the extent that the income is remitted into Ireland.

Dividends from Irish resident companies carry a tax credit in the form of dividend withholding tax, which is included in total income but is deductible from income tax payable. Double taxation relief is available in respect of foreign withholding tax on foreign dividends received under a relevant tax treaty. In the case of a non-domiciled individual, no credit is available for foreign dividend withholding tax unless the dividend is remitted into Ireland.

Interest paid by Irish banks, building societies, and similar financial institutions (including Irish branches of foreign banks) are subject to Deposit Interest Retention Tax (DIRT) (33 percent for 2024). No additional income tax is payable on the interest regardless of the individual's marginal tax rate, but Universal Social Charges may be payable.

A non-resident person is entitled to exemption from this withholding tax if the appropriate non- resident's declaration is made to the bank or other financial institution.

Individuals are liable to capital gains tax on chargeable gains, that is, capital gains as computed in accordance with the rules prescribed in the Irish Capital Gains Tax Acts. An individual, resident and domiciled in Ireland, is liable to capital gains tax on worldwide chargeable gains. An individual, who is resident but not domiciled in Ireland, is liable on chargeable gains from Irish situated assets, but not on chargeable gains from other assets if the proceeds of the disposal are not remitted into Ireland.

Non-resident and non-ordinarily resident individuals are liable on chargeable gains from the disposal of certain Irish specified assets, but not on the disposal of any assets situated outside Ireland. The main assets on which a non-resident is liable are Irish land, buildings and interests in such land (such as a leasehold interest or mineral rights).

Certain specified assets are exempted so that capital gains from their disposal are not chargeable gains. Exempted assets include an individual's principal private residence (but not a second home), Irish government securities, most life assurance policies, tangible movable assets with a predictable life of less than 50 years (such as a racehorse).

In the case of a gain on the disposal of a principal private residence carrying development value (sale value in excess of current use value), the exemption does not apply to the part of the gain attributable to the increase in the development value since the date of acquisition.

Chargeable gains are calculated after making an indexation adjustment to the base cost to allow fully for inflation between the year of acquisition and the year of sale. However, in the case of gain on the disposal of Irish situated land or buildings carrying development value, only the current use value at the date of acquisition is indexed. Indexation (relief for inflation) does not apply after 31 December 2002. Any individual liable to capital gains tax is exempted from the first EUR1,270 of chargeable gains in each tax year. There is no transfer of any unutilized allowance between married couples.

The rate of capital gains tax is 33 percent except for gains arising from the sale of certain foreign life assurance policies and units from offshore funds not based in either the EEA or in an OECD country/jurisdiction with which Ireland has a double tax agreement.

A special 10 percent rate can apply where an individual qualifies for Entrepreneur Relief. There is a lifetime limit on gains you can claim the relief on of €1 million. Additional advice should be sought.

Dividends, interest, and rental income

Interest

In general, deposit interest received from Irish, or EU lending institutions is liable to Irish income tax at 33 percent with effect from 1 January 2020.

Dividends

From 1 January 2020 the rate of DWT increased to 25 percent. It applies to distributions made by an Irish resident company.

Gains from stock option exercises

Residency status	Taxable at:		
	Grant	Vest	Exercise
Resident	N	N	Y – potential for liability to be based on Irish workdays in vesting period set tax treaty provisions
Non-resident	N	N	Y – based on Irish workdays in vesting period
Other (if applicable)	N/A	N/A	N/A

Foreign exchange gains and losses

A gain arising on a foreign exchange transaction can be regarded as a chargeable gain for Irish Capital Gains Tax purposes.

Principal residence gains and losses

A gain accruing to an individual on the disposal of their private residence and grounds up to one acre which has been occupied by the individual throughout the period of ownership as their only or main residence is exempt from Irish capital gains tax.

Partial relief is available on gains on the disposal of a property which was an individual's principal residence for part of the period of ownership only. In addition, certain periods of absence may be regarded as periods of occupation for the purposes of calculating the relief such as, the last 12 months of ownership, periods of foreign employment if the individual occupies the residence both before and after the periods.

An individual may only hold one principle private residence for the purposes of the relief. Married individuals are treated as a single entity for the purposes of establishing a principle private residence.

Capital losses

Chargeable gains for a year of assessment are aggregated with allowable losses for the year in computing the net amount assessable to capital gains. Losses may also be brought forward from previous years. Allowable losses which remain unrelieved may be carried forward indefinitely.

Personal use items

Depends on the nature of the item.

Gifts

Assets acquired by inheritance or gift are deemed to have been acquired at market value at the date of the death or gift.

2.11 Additional capital gains tax (CGT) issues and exceptions

Are there additional capital gains tax (CGT) issues in Ireland? If so, please discuss?

Capital gains exit tax

Anti-avoidance legislation has been introduced in respect of temporary non-residents who dispose of certain assets during a tax year of non-residence for the purpose of avoiding Irish capital gains tax. It applies with respect to the 2003 tax year onwards.

For the restriction to apply, an individual must beneficially own "relevant assets" on the 31 December of the tax year of departure. These are defined as shares in a company or a right to acquire shares or other rights in a company. The market value of the relevant assets on this date must be equal to or exceed either 5 percent of the value of the issued share capital of the company or EUR500,000 for the restriction to apply.

Where an individual leaves Ireland and during a period of non-residence sells relevant assets but returns to Ireland within 6 tax years of departure, the individual is deemed to have disposed of and immediately reacquired the relevant assets as at the 31 December of the tax year of departure at the market value on that date. Any chargeable gain accruing must be included in the tax return applicable for the year of return.

This legislation will not apply where, as a resident of Ireland, the individual would not have been assessable to Irish capital gains tax in respect of gains on a disposal of relevant assets.

Pre-CGT assets

Not applicable

Deemed disposal and acquisition

Not applicable.

Local Property Tax

An annual self-assessed Local Property Tax (LPT) charged on the market value of all residential properties in Ireland (whether rented or occupied) is now in force in Ireland. A half year charge applied in

2013 with a full year charge applying in 2014 and thereafter. The LPT charge for a property is based on the market value on the “valuation date”. The last valuation date was 1 November 2021 with four-year reviews thereafter.

The amount of LPT due depends on the value declared for the property on the valuation date and also the LPT rate applying to your property for 2021. Under the proposed changes, the charge will range from EUR 90 per annum (for properties valued under EUR 200,000).

In order to be within the charge to LPT for 2024, an individual must own (co-own or have an interest in) the residential property on 1 November 2023. Individuals who have sold their residential property after 1 November 2023 will be liable to pay LPT on the property for 2024, even if it was sold before the end of 2023.

Payment of the tax can be made via the payroll system on a monthly basis or via direct debit or once off payments directly to the Irish Revenue.

General deductions from income

What are the general deductions from income allowed in Ireland?

The only deductions allowed in computing income from an employment are in respect of expenses incurred by the employee wholly, necessarily and exclusively in the performance of the duties of the employment. In practice it is very difficult to obtain a deduction on this basis. In any case, it is usual for the employer to reimburse such expenses directly to the employee.

Most allowances are now granted by way of a tax credit.

2024 tax credits	EUR
Single/separated	1,875
Married couple	3,750
Widowed (no children)	2,415
Home carer	1,800
Employment (PAYE)	1,875

The home carers’ credits are claimable by married persons who are jointly assessed and where one spouse works at home to care for children, the aged or incapacitated persons. The career spouse’s income is not in excess of EUR7,200. A reduced tax credit applies where the income is between EUR7,200 and EUR10,800.

The credit and the increased standard rate band for certain two earner couples are mutually exclusive, but a person may opt for whichever is the more beneficial.

The employee PAYE credit is only available to Irish employment income or other EU employment income, which is subject to a similar system of wage withholding.

A deduction is available for alimony made pursuant to a court order. Such payments constitute taxable income (from which the payer deducts tax at the standard rate) of the recipient. No deductions are available for maintenance paid in respect of child support. In general, a deduction from total income is given for interest paid on any loan used to purchase, repair, develop, or improve an individual’s principal private residence.

A rent tax credit of up to EUR 750 (EUR 1,500 for jointly assessed married couples/civil partners) is available in 2024 for individual's paying rent in the period. This credit was introduced in 2022 to help ease the burden on taxpayers impacted by increased costs of living.

2.12 Tax reimbursement methods

What are the tax reimbursement methods generally used by employers in Ireland?

Current year gross-up is the normal method of recognizing tax reimbursements paid by the employer.

Calculation of estimates/prepayments/withholding

How are estimates/prepayments/withholding of tax handled in Ireland? For example, Pay-As-You-Earn (PAYE), Pay-As-You-Go (PAYG), and so on.

Each individual, other than one whose income is fully taxed under the Pay-As-You-Earn (PAYE) system, is required to make a prepayment, known as preliminary tax. In order to avoid interest, the amount of preliminary tax paid must be of an amount at least equal to the lesser of the following:

- 90 percent of the tax due for the year as determined after the tax return has been filed
- 100 percent of the individual's tax liability for the immediately preceding tax year, or
- 105 percent of the income tax liability of the pre-preceding tax year where payment is made via direct debit. (This option may only be chosen where the individual had a tax liability for pre-preceding tax year).

In determining the preliminary tax payment under each of these tests, the relevant percentage is applied to the aggregate of the individual's liabilities to income tax, PRSI and USC. However, any of these taxes or levies that have been withheld by an employer under the PAYE system is credited before applying the relevant percentage.

In practice, the Irish Inspector of Taxes may issue a notice stating the amount of preliminary tax that the inspector thinks are likely to be due based on the previous year's tax return. The amount in the Inspector's notice becomes payable on the preliminary tax due date unless the individual displaces the inspector's figure by paying their own estimate before that date. The individual is not required to make any preliminary tax payment for a year if their liability to Irish tax (excluding tax under PAYE) for the preceding year was zero. For example, an expatriate starting to work in Ireland has no preliminary tax to pay in the first tax year in which they are a resident. However, such a person has the normal obligation to make a tax return and pay their tax liability after the end of that year.

Pay-as-you-earn (PAYE) withholding

Calculated on monthly cash remuneration and benefits-in-kind.

PAYE instalments

Generally, paid monthly.

When are estimates/prepayments/withholding of tax due in Ireland? For example, monthly, annually, both, and so on.

Monthly.

2.13 Relief for foreign taxes

Is there any Relief for Foreign Taxes in Ireland? For example, a foreign tax credit (FTC) system, double taxation treaties, and so on?

Normally, relief for foreign income tax suffered on any income is granted as a credit against the Irish income tax on the same income. A credit is only available under the following circumstances:

- the recipient of the income is resident in Ireland for the relevant tax year
- the income is derived from a country/jurisdiction with which Ireland has a tax treaty.

Ireland has currently 76 tax treaties (73 of which are in effect) with most major countries/jurisdictions.

An individual resident but not domiciled in Ireland is not allowed a credit for foreign tax to the extent that it is attributed pro rata to foreign income not remitted into Ireland.

The only form of unilateral relief from double taxation given is by deducting the foreign tax from the relevant foreign income. Unilateral relief is given for foreign tax suffered on income not covered by a tax treaty and may, if the taxpayer elects, be taken instead of a tax credit available under a tax treaty.

Similarly, relief for any foreign tax suffered on any chargeable capital gain is given against Irish capital gains tax on the same chargeable gain, but only where permitted under a tax treaty. If not so permitted, unilateral relief is available in calculating the chargeable gain in the form of a deduction of the foreign tax.

2.14 General tax credits

What are the general tax credits that may be claimed in Ireland? Please see list below.

- single
- married
- home career's allowance
- employee tax credit
- widow
- one parent
- medical insurance (if paid gross by employer)
- deposit interest retention tax (DIRT)
- dividend withholding tax (DWT)
- college fees.
- rent
- unreimbursed medical expenses

2.15 Sample tax calculation

This calculation assumes a married taxpayer resident in Ireland with two children whose 4-year assignment begins 1 January 2021 and ends 31 December 2024. The taxpayer's base salary is 100,000 US dollars (USD) and the calculation covers 4 years.

	2021 USD	2022 USD	2023 USD	2024 USD
Salary	100,000	100,000	100,000	100,000
Bonus	10,000	10,000	10,000	10,000
Cost-of-living allowance	10,000	10,000	10,000	10,000
Housing allowance	12,000	12,000	12,000	12,000

Company car	6,000	6,000	4,500	4,500
Moving expense reimbursement	10,000	0		10,000
Home leave	0	0	5,000	
Education allowance	3,000	3,000	3,000	3,000
Interest income from non- local sources	6,000	6,000	6,000	6,000

Exchange rate used for calculation: USD1.00 = EUR0.7350 for comparative purposes.

Other assumptions

- All earned income is attributable to local sources.
- Bonuses are paid at the end of each tax year and accrue evenly throughout the year.
- Interest income is not remitted to Ireland.
- The company car is used for business and private purposes and originally cost USD20,000. Category A CO_2 emissions (company car BIK for 2023 onwards based on CO_2 emissions)
- The employee is deemed resident throughout the assignment.
- Tax treaties and totalization agreements are ignored for the purpose of this calculation
- Moving expense reimbursement is not taxable as relocation expenses meeting certain conditions are exempt.
- The individual’s spouse and children accompany them on assignment and the spouse is not in receipt of any income which is taxable in Ireland.

Calculation of taxable income

	2021 EUR	2022 EUR	2023 EUR	2024 EUR
Days in Ireland during year	**365**	**365**	**365**	
Earned income subject to income tax				
Salary	73,500	73,500	73,500	73,500
Bonus	7,350	7,350	7,350	7,350
Cost-of-living allowance	7,350	7,350	7,350	7,350
Housing allowance	8,820	8,820	8,820	8,820
Company car	4,410	4,410	3,308	3,308
Moving expense reimbursement	0	0	0	0
Home leave*	0	0	0	0
Education allowance	2,205	2,205	2,205	2,205
Interest income from non- local sources**	0	0	0	0

Calculation of tax liability

	2021 EUR	2022 EUR	2023 EUR	2024 EUR
Taxable income as above	103,635	103,635	102,533	102,533
Irish tax thereon	0	0	0	0
Less:				
Domestic tax rebates (dependent spouse rebate)	0	0	0	0
Foreign tax credits	0	0	0	0
Total Irish (PAYE) tax	26,044	25,594	24,188	23,388
Total USC	5,142	5,127	4,998	4,706

* It is assumed that the home leave amount is exclusive of one home leave trip per year and therefore not taxable.

** It is assumed that the other income represents non-Irish income which has not been remitted to Ireland and therefore not taxable.

It is assumed that an A1/Certificate of Coverage has been obtained; therefore, Irish social security contribution has not been included in any calculations.

Footnotes

[1]Certain tax authorities adopt an "economic employer" approach to interpreting Article 15 of the OECD model treaty which deals with the Dependent Services Article. In summary, this means that if an employee is assigned to work for an entity in the host country/jurisdiction for a period of less than 183 days in the fiscal year (or rolling 12-month period in the case of some treaties), the employee remains employed by the home country/jurisdiction employer but the employee’s salary and costs are recharged to the host entity, then the host country/jurisdiction tax authority will treat the host entity as being the "economic employer" and therefore the employer for the purposes of interpreting Article 15. In this case, Article 15 relief would be denied, and the employee would be subject to tax in the host country/jurisdiction.

[2]For example, an employee can be physically present in the country/jurisdiction for up to 60 days before the tax authorities will apply the ‘economic employer’ approach.

[3]Sample calculation prepared by KPMG, the Irish member firm affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity, based on the revenue commissioners of Ireland.

03

Special considerations for short term assignments

3 Special considerations for short-term assignments

For the purposes of this publication, a short-term assignment is defined as an assignment that lasts for less than 1 year.

3.1 Residency rules

Are there special residency considerations for short-term assignments?

No, the Irish residency rules are the same, irrespective of the assignment duration. However, in the case of a short-term assignment, the assignment start/end date will dictate whether the assignee triggers Irish tax residency in the tax year of arrival and/or departure.

3.2 Payroll considerations

Are there special payroll considerations for short-term assignments?

Yes

Incidental duties

The exercise of incidental duties in Ireland (no more than 30 days in aggregate in a tax year), should not give rise to a tax charge.

Short-term business trips

Revenue will not require an employer to operate PAYE where an application for treaty exemption is made and the following conditions are satisfied.

- The individual is resident in a country/jurisdiction with which Ireland has a double taxation agreement and is not resident in Ireland for tax purposes for the relevant tax year.
- There is a genuine foreign office or employment.
- The individual is not paid by, or on behalf of, an employer resident in Ireland. Ireland uses the 'legal employer' concept
- The cost of the office or employment is not borne, directly or indirectly, by a permanent establishment in the State of the foreign employer. The Irish authorities apply the DTA literally, so a subsidiary will typically not be considered a permanent establishment or fixed base of the foreign employer.
- The duties of that office or employment are performed in Ireland for not more than 183 days in total in a relevant period. The relevant period is determined by reference to the appropriate DTA (i.e., calendar/fiscal year or rolling 12-month period).

Treaty relief

Exemption from Irish payroll tax may be available under the relevant employment article contained in a double taxation agreement if a clearance in writing from the revenue commissioners is made within 30 days of the date the assignee takes up duties in the State. Where the employee was present in Ireland for no more than 60 workdays, then an application to the Revenue commission is not required – relief applies automatically.

We note that effective from 1 January 2020, employers are required to consider the number of workdays spent in the state in a single year of assessment only for the purposes of the 30/60 workday thresholds referred to above. Prior to that it was necessary to consider consecutive/multiple years.

The rules regarding business travellers into Ireland are complex, and we await clarity from Revenue in certain areas – professional advice should be sought.

3.3 Taxable income

What income will be taxed during short-term assignments?

In general, income derived from Ireland and income derived from employment duties exercised in Ireland.

Tax free subsistence may be paid or reimbursed for the first 12 months of a temporary assignment provided the period of assignment in Ireland does not exceed 24 months.

3.4 Additional considerations

Are there any additional considerations that should be considered before initiating a short- term assignment in Ireland?

Exemption from Irish tax may be available under the relevant employment article contained in a double taxation agreement. An application must be made to be excluded from the requirement to operate PAYE.

04

Other taxes and levies

4 Other taxes and levies

4.1 Social security tax

Are there social security/social insurance taxes in Ireland? If so, what are the rates for employers and employees?

Employer and employee

Type of insurance	Paid by employer	Paid by employee	Total
PRSI	11.05% (11.15% from October 2024)	4.00% (4.1% from October 2024)	15.05% (15.25% from October 2024)

An individual working in Ireland and their employer are required to contribute to the pay- related social insurance system (PRSI). There are three exceptions.

- An individual on temporary assignment from another EEA country/jurisdiction who can prove they will continue contributing to the social insurance system in their home country/jurisdiction.
- An individual on temporary assignment from a country/jurisdiction with which Ireland has a reciprocal agreement who can provide a certificate of coverage from their home country/jurisdiction.
- An individual on assignment for up to 52 weeks from a country/jurisdiction not covered by either of the above and who is not employed by an Irish employer.

For 2024, employee PRSI contribution is payable at the rate of 4 percent of employment income increasing to 4.1% from October 2024. In any week in which in which an employee is subject to full-rate PRSI, all earnings are subject to PRSI. Unearned income for employees in excess of EUR3,174 per annum is subject to PRSI. There is also a sliding scale PRSI credit of a maximum EUR12 per week where an individual's weekly income is between EUR352 and EUR424. Employees earning less than EUR352 per week are exempt from employee PRSI.

Employer PRSI contributions are uncapped and levied at a rate of 11.05 percent (11.15% from October 2024) on all taxable employment income including benefits-in-kind (but excluding certain share settled remuneration).

In the case of a foreign employee resident but not domiciled in Ireland and not covered by a reciprocal social security agreement, the employee PRSI contribution is payable at 4 percent on all employment income whether or not remitted to Ireland.

4.2 Gift, wealth, estate, and/or inheritance tax

Are there any gift, wealth, estate, and/or inheritance taxes in Ireland?

Capital acquisitions tax in Ireland consists of a gift tax charged on lifetime gifts and an inheritance tax charged on property passing on death or gifts made by a person within the 2 years of their death.

From 1 December 1999, a liability to Irish gift and inheritance tax can arise where either the donor or beneficiary is resident or ordinarily resident in Ireland. In addition, the gift or inheritance of all Irish situated assets remains within the charge to Irish capital taxes regardless of the residency position of the individual.

Foreign domiciled individuals will not be considered resident or ordinarily resident in Ireland for this purpose unless they have been resident in Ireland for the 5 consecutive tax years prior to the gift or inheritance. This legislation was introduced on 1 December 1999.

Consequently, expatriates consecutively resident in Ireland since 1 December 1999 will fall prey to these rules from 1 December 2004.

It is worth noting that anti-avoidance provisions also exist to prevent Irish domiciled but non- resident individuals artificially changing the locality of Irish situated assets to avoid a tax charge.

There is an exemption for gifts received from an individual provided the annual value received does not exceed EUR3,000 per year. Lifetime exemption thresholds apply to gifts/inheritances and depend upon the nature of the relationship between the donor and beneficiary. The following are 2021 CAT threshold limits:

Group	Threshold EUR	Relationship
Group A	335,000	Son/daughter/foster-child
Group B	32,500	Parent/niece/nephew/brother/ sister/grandchild
Group C	16,250	Stranger/cousin

A flat rate of 33 percent applies to any taxable excess over the threshold.

From 6 December 2000, foster-children will be treated the same as other children for the purpose of gifts or inheritances, that is the Class A threshold will apply. In order to qualify for this equality of treatment, a fostered individual must have been cared for and maintained from a young age up to the age of 18 for a successive period amounting to 5 years. In addition, the individual must have resided with the donor (that is the foster parent) for this period.

From 1 January 2010 a domicile levy of EUR200,000 will apply to individuals:

- who are Irish domiciled in the tax year. It should be noted that for the tax years 2010 and 2011, there was an additional requirement that the individual was also an Irish citizen for the levy to apply.
- whose worldwide income for the tax year is more than EUR1,000,000
- whose liability to income tax in the State for the tax year is less than EUR200,000
- whose Irish property has a market value on the valuation date in the tax year in excess of EUR5,000,000. Irish property does not include shares in a trading company.

4.3 Real estate tax

Are there real estate taxes in Ireland?

An annual self-assessed Local Property Tax (LPT) charged on the market value of all residential properties in Ireland (whether rented or occupied) is now in force in Ireland. A half year charge applied in 2013 with a full year charge applying in 2014 and thereafter. The LPT charge for a property is based on the market value on the “valuation date”. The charge ranges from EUR90 per annum (for properties valued under EUR200,000 on the valuation date from 2021 onwards) to over EUR2,830 depending on the value of properties over EUR1.75m on the valuation date.

The valuation date for 2022 is 1st November and property valuations will be reviewed every four years. In order to be within the charge to LPT for 2024, an individual must own (co-own or have an interest in) the property on 1 November 2023. Individuals who have sold their residential property after 1 November 2023 will be liable to pay LPT on the property for 2024, even if it was sold before the end of 2023.

Payment of the tax can be made via the payroll system on a monthly basis or via direct debit or once off payments directly to the Irish Revenue.

4.4 Sales/VAT tax

Are there sales and/or value-added taxes in Ireland?

Yes, there is VAT.

4.5 Unemployment tax

Are there unemployment taxes in Ireland?

No.

4.6 Other taxes

Are there additional taxes in Ireland that may be relevant to the general assignee? For example, customs tax, excise tax, stamp tax, and so on.

Local taxes

There are no local taxes imposed on income of individuals in Ireland.

Stamp duty

Stamp duty is payable on the acquisition of property in Ireland.

Stamp duty on residential property is applied at flat rate of 1 percent on property values up to EUR1 million and 2 percent on any amounts over EUR1 million.

From 9 October 2019, commercial property attracts a rate of 7.5 percent stamp duty. The old rate of 6 percent continues to apply for purchasers with binding contracts in place before 9 October 2019, provided the instrument for the transfer is executed before 1 January 2020 and contains a statement to this effect.

Foreign Financial Assets

Is there a requirement to declare/report offshore assets (e.g., foreign financial accounts, securities) to the country/jurisdiction's fiscal or banking authorities?

Yes.

Non-Irish bank accounts

Irish tax resident individuals must report on their Irish tax return if they opened any non-Irish bank accounts during the tax year in question. The following must be disclosed:

- date bank account was opened
- name and addresses of the institution where the bank account was opened the amount initially deposited upon the opening of the account
- the account number
- if the account was opened through an intermediary, details of this intermediary must be provided.

Please note that the individual who opens a non-Irish bank account is regarded as a chargeable person for the tax year the bank account was opened and is therefore required to file a tax return for that year.

Non-disclosure of 'Offshore Matters'

From 1 May 2017, taxpayers no longer have the opportunity to make settlement under a qualifying disclosure (which can abate penalties and help the taxpayer avoid being disclosed as a tax defaulter to the public), in the case where the settlement is in relation to an 'Offshore Matter'. The Term 'Offshore Matter' is broadly defined and can include any income, gains, accounts or assets arising, held or situated outside of Ireland.

05

Immigration

5 Immigration

Following is an overview of the concept of Ireland's immigration system for skilled labour.

(E.g., which steps are required, authorities involved, in-country/jurisdiction and foreign consular processes, review/draft flow chart illustrating the process)

Citizens from the European Economic Area (EEA) which includes all European Union (EU) member states as well as Iceland, Liechtenstein and Norway and separately citizens from Switzerland and the United Kingdom do not require permission to work or reside in Ireland. However, citizens from the EEA and Switzerland who wish to stay in Ireland for more than 3 months must:

- be engaged in economic activity (employed or self-employed); or
- have enough resources and sickness insurance to ensure that they do not become a burden on the social services of Ireland; or
- be enrolled as a student or vocational trainee; or
- be a family member of an EU citizen in one of the previous categories.

There are three parts to the Irish immigration system for non-EEA nationals:

- **Employment Permit:** In order to work in Ireland an employment permit must be applied for before entering Ireland. This is a requirement for all work in Ireland which will be for 15 days or more.
- **Irish Residence Permit:** All non-EEA individuals over 16 years of age who intend on residing in Ireland for over 90 days are required to register in-country/jurisdiction for an Irish Residence Permit.
- **Visas:** Ireland makes a distinction between non-EEA individuals who require a visa to enter Ireland and those who do not. In addition to the Employment Permit, visa required nationals must also apply for the relevant visa prior to entering Ireland.

5.1 International Business Travel/Short-Term Assignments

Describe (a) which nationalities may enter Ireland as non-visa national, (b) which activities they may perform and (c) the maximum length of stay.

(a) The following list is published by the Department of Justice and notes all countries/jurisdictions which do and do not require a visa prior to entry to Ireland:

Visa & Non-Visa Required Nationalities - Immigration Service Delivery - https://www.irishimmigration.ie/(b) and (c) Business visitors

Individuals may travel to Ireland to conduct the following business activities:

- attend meetings; or
- negotiate or sign agreements or contracts; or
- work for 14 days or less, provided that the work starts and ends within a single 14-day period. This rule may only be used once within a 90-day window.

Please note that the above is a non-exhaustive list and there is no defined list of business activities provided by the Irish authorities. The authorities tend to take a pragmatic approach when deciding if someone should be granted entry for business reasons. Therefore, we take the view that if the activities form part of an individual's home role, then they could fall into productive work activities limiting them to one 14-day period within a 90-day window. In any event, as the split between what is considered as ‘business activities’ and ‘work’ is not clear, we generally advise that business visitors do not spend longer than 14 days without any further work authorization.

Short Term Assignments

Where work activities of 15 – 90 days will be conducted an Atypical Working Scheme permission may be applied for. This must be applied for and granted prior to entering Ireland. Permission under the Atypical Working Scheme will be granted for up to 90 days over a six-month period and can support intermittent travel into and out of Ireland over this six-month period. A cooling off period of one month will apply from the end of the six-month period before any new entry to Ireland under a subsequent Atypical Working Permission can occur. All work-related activities may be conducted under this type of permission except those on the list of Ineligible Categories of Employment. The individual may not enter Ireland whilst this type of application is processing.

Describe (a) the regulatory framework for business traveller being visa nationals (especially the applicable visa type), (b) which activities they may perform under this visa type and the (c) maximum length of stay.

(a) Visa required nationals are required to obtain a Short Stay ‘C’ Business Visa for visits of 90 days or less. This visa must be obtained before entering Ireland.

(b) and (c) Business visitors may travel to Ireland to conduct the following activities:

- attend meetings; or
- negotiate or sign agreements or contracts; or
- work for 14 days or less, provided that the work starts and ends within a single 14-day period. This rule may only be used once within a 90-day window.

Please note that the above is a non-exhaustive list and there is no defined list of business activities provided by the Irish authorities. The authorities tend to take a pragmatic approach when deciding if someone should be granted entry for business reasons. Therefore, we take the view that if the activities form part of an individual’s home role, then they could fall into productive work activities limiting them to one 14-day period within a 90-day window. In any event, as the split between what is considered as ‘business activities’ and ‘work’ is not clear, we generally advise that business visitors do not spend longer than 14 days without any further work authorization.

Where work activities of 15 – 90 days will be conducted an Atypical Working Scheme permission may be applied for. This must be applied for and granted prior to entering Ireland. Permission under the Atypical Working Scheme will be granted for up to 90 days over a six-month period and can support intermittent travel into and out of Ireland over this six-month period. A cooling off period of one month will apply from the end of the six-month period before any new entry to Ireland under a subsequent Atypical Working Permission can occur. All work-related activities may be conducted under this type of permission except those on the list of Ineligible Categories of Employment. The individual may not enter Ireland whilst this type of application is processing.

Outline the process for obtaining the visa type(s) named above and describe (a) the required documents (including any legalization or translation requirements), (b) process steps, (c) processing time and (d) location of application.

- The documents required for a business visa:
  - Application summary
  - Application letter
  - Invitation letter
  - Accommodation details
  - Medical/travel insurance

- Passport which must be valid for at least 6 months after the date on which the individual plans to leave Ireland
- 2 passport sized photographs no older than 6 months
- Proof of finance plan – the individual must have enough money to support themselves in Ireland during their stay
- Proof the individual will return home in the form of pay slips and a company letter from the employer
- Previous visa refusals

Please note that this list is non-exhaustive and further documentation may be required before or during the visa application process.

The Atypical Working Scheme application is a two-step process which involves the issuance of an approval letter followed by an entry visa application. The documents required will be similar to those listed above for the business visa application.

- An application for a visa is made online and is then submitted to the relevant Irish Embassy either by post or in person along with all the supporting documentation. A fee is usually payable in the manner prescribed by the particular Irish Embassy.
- Processing times for visas can vary from 1 week to 12 weeks depending on the Irish Embassy location and whether the application needs to be sent to Dublin in Ireland for review.

Are there any visa waiver programs or specific visa categories for technical support staff on short-term assignments?

Short stay visa waiver program

If an individual is present in the UK pursuant to a short stay visa and they intend to visit Ireland before the UK visa expires and the individual holds a passport from one of the below lists of countries/jurisdictions, then the individual may be able to visit Ireland for less than 90 days without the requirement for a separate Irish visa. The visit to Ireland must conclude before the individual's permission to stay in the UK ends.

Eastern Europe	Middle East	Asia	South America
• Bosnia and Herzegovina • Kosovo • Montenegro • Republic of North Macedonia • Serbia • TürkiyeUkraine	• Bahrain • Kuwait • Oman • Qatar • Saudi Arabia	• India • Indonesia • Kazakhstan • People's Republic of China • Philippines • Thailand • Uzbekistan • Vietnam	• Colombia • Peru

There are particular entry requirements associated with this Scheme. As previously advised the authorities tend to take a pragmatic approach when deciding if someone should be granted entry.

British Irish Visa Scheme

Individuals from China and India may be able to avail of the British Irish Visa Scheme (the "Scheme") which allows the individual to travel around the Common Travel Area ("CTA") on a single visa. The CTA provides Irish and British citizens the right to live and work in Ireland and the UK (including the Channel Islands and the Isle of Man) without the requirement for further permissions. Under the Scheme tourists and business visitors who wish to travel between Ireland and the UK (with the exception of the Isle of Man and the Channel Islands), will be able to travel on one visa. The Scheme operates through a reciprocal visa arrangement, whereby Ireland and the UK recognize short-stay visas issued by the other for travel to their jurisdiction. This allows the holder of such a visa issued by the country/jurisdiction of first arrival thereafter to travel freely between Ireland and the UK, for the duration of that visa. The Scheme is confined to Chinese nationals who are living in China (including Hong Kong and Macau) and to Indian nationals living in India.

These Schemes are generally only used for business visit purposes under the above marked guidelines.

5.2 Long-Term Assignments

What are the main work permit categories for long-term assignments to Ireland? In this context outline whether a local employment contract is required for the specific permit type.

- **Critical Skills Employment Permit:**

  Designed to attract highly skilled people in the market. The role must not be on the occupations listed on the Ineligible List of Occupations for Employment Permits list.

  The Critical Skills Employment Permit is only issued in respect of a job offer on a local contract of employment with a minimum of 2 years' duration.

  The employee must remain with the initial employer for at least 12 months.

  The spouse of a Critical Skills Employment Permit holder may take up work without the requirement for a separate employment permit.

  The salary threshold is EUR64,000. This may be reduced to EUR38,000 if additional skill thresholds can be met.

- **General Employment Permit**

  This type of permit is open to all occupations unless the occupation is listed on Ineligible List of Occupations for Employment Permits.

  It may be obtained in respect of a contract of employment of any duration. A local contract of employment is required.

  The salary threshold is EUR34,000.

  A Labour Market Needs Test will be required unless the salary is over EUR64,000 or the job is listed on the Critical Skills Occupations List or where the role is supported by the IDA or Enterprise Ireland.

- **Intra-Company Transfer Employment Permit**

  Designed to facilitate the transfer of individuals in specific roles to an Irish branch of an overseas employer.

  A letter of assignment is required in sending the individual between two connected companies. This type of employment permit is strictly limited to the following eligible positions:

  - senior management earning a minimum annual remuneration of EUR46,000 and who have worked at the overseas branch for a minimum period of 6 months;
  - key personnel earning a minimum annual remuneration of EUR46,000 who have worked at the overseas branch for a minimum period of 6 months; or
  - personnel undergoing a training program earning a minimum annual remuneration of EUR34,000 – such individuals need to have been with the overseas branch for 1 month prior to the transfer

Provide a general process overview to obtain a work and residence permit for long- term assignments (including processing times and maximum validation of the permit).

The process differs for visa required nationals and non-visa required nationals:

<u>Non-visa required nationals</u>

- Document gathering from the employee and the company
- Preparation of the online employment permit application and filing online (Current processing times (as of February 2024) are approximately 2-4 weeks, however, these are subject to change and may also depend on the type of employment permit and whether the company holds the faster processing route of Trusted Partner status)
- The employment permit is issued and is sent to the employee
- Instructions are provided on entry to Ireland
- On entry to Ireland the person's passport is stamped for up to 90 days during which they need to attend at the relevant immigration office to obtain their Irish Residence Permit

The Irish Residence Permit is usually renewable on an annual basis.

Visa required nationals

- Document gathering from the employee and the company
- Preparation of the online employment permit application and filing online (Current processing times (as of February 2024) are approximately 2-4 weeks, however, these are subject to change and may also depend on the type of employment permit and whether the company holds the faster processing route of Trusted Partner status)
- Draft multi-entry visa application is prepared and sent to the employee for review
- The employment permit is issued and is sent to the employee
- The visa application is finalized online, and instructions provided on how to file the visa at the relevant Irish Embassy (1-12 weeks depending on the Irish Embassy)
- Visa is issued and instructions are provided on entry to Ireland
- On entry to Ireland the person's passport is stamped for up to 90 days during which they need to attend at the relevant immigration office to obtain their Irish Residence Permit.

The Irish Residence Permit is usually renewable on an annual basis.

Is there a minimum salary requirement to obtain a long-term work and residence permit for assignments? Can allowances be taken into account for the salary?

The different types of employment permits and work permissions have different minimum salary thresholds:

- Atypical Working Scheme: The salary must align with the published salary requirements for a General Employment Permit of EUR34,000.
- Critical Skills Employment Permit
  - EUR64,000 with relevant experience or
  - EUR38,000 if the job is on the Critical Skills Occupations List and the individual holds a degree qualification or higher relevant to the functions of their role
- General Employment Permit
  - Minimum annual remuneration of generally EUR34,000 (with a few specific exceptions)

There are quotas in relation to certain occupations, including meat boners.

- Intra-Company Transfer Employment Permit
  - Senior management earning a minimum annual remuneration of EUR46,000.
  - Key personnel earning a minimum annual remuneration of EUR46,000.
  - Personnel undergoing a training program earning a minimum annual remuneration of EUR34,000.

All of the above salaries are based on a 39 hour a week contract.

Is there a fast-track process which could expedite the visa/ work permit?

The Department of Enterprise Trade and Employment in Ireland operates a Trusted Partner Initiative which eases the administrative burden placed on a company holding Trusted Partner status and gives such companies access to their own suite of employment permit application forms. Trusted Partner employment permit applications are often processed faster than standard employment permit applications, although, the processing times can change regularly. Visa applications cannot be expedited.

At what stage is the employee permitted to start working when applying for a long-term work and residence permit (assignees/ local hire)?

Non-visa required nationals

An individual may enter the State and commence employment in line with the validity dates of their employment permit and once they have the electronic copy of their employment permit.

Visa required nationals

An individual may enter the State and commence work in line with their employment permit and entry visa validity dates, once they have the electronic copy of their employment permit and on receipt of the relevant entry visa.

Can a short-term permit/ business visa be transferred to a long-term permit in Ireland?

An individual on a short-term permit or business visa would be required to leave the State prior to the filing of an employment permit application and it would not be recommended that they re-enter the State during the processing of the employment permit application.

Is it possible to renew work and residence permits?

Employment Permits and Irish Residence Permits can be renewed and are done so in country/jurisdiction.

Is there a quota or system or a labour market test in place?

Certain types of employment permits require a Labour Market Needs Test unless the salary is EUR64,000 or above based on a 39-hour working week, or the job is on the Critical Skills Occupations List or the role is supported by one of two development agencies: Enterprise Ireland or the IDA.

50 percent or more of the employees of the employer must be EEA/Swiss/UK nationals at the time of an employment permit application. This is known as the 50:50 rule and there are certain exceptions to this rule depending on the particular circumstances.

There are also quotas in relation to certain occupations, including meat boners.

5.3 General Immigration Related Questions

Would it be possible to bring family members to Ireland?

The holders of Critical Skills Employment Permits and Intra-Company Transfer Employment Permits have the right to immediate family reunification.

The holders of General Employment Permits do not have the right to immediate family reunification until the holder of same has been legally working in Ireland for 12 months.

Immediate family reunification applies to the following groups of people:

- spouses and children under the age of 18 or under the age of 23 if in full time education; and
- unmarried de facto partners. This would require an application to the Department of Justice to have their status recognized.

An application for any other family members would have to be made to the relevant authorities.

Is it possible to obtain a permanent residence permit?

Long Term Residency is the Irish equivalent. An application for Long Term Residency takes 9 -12 months to process and is valid for 5 years. It enables the individual the right to work and reside in Ireland without the requirement for further sponsorship.

Additionally, a Critical Skills Employment Permit holder may be able to apply for an Irish Residence Permit Stamp 4 after completing 21 months of residence in Ireland under their employment permit, as well as satisfying other criteria. The holder of an Irish Residence Permit Stamp 4 can reside and work in Ireland without a separate employment permit.

A General Employment Permit holder may be able to apply for an Irish Residence Permit Stamp 4 after 5 years of residence working under an employment permit. Again, the holder of an Irish Residence Permit Stamp 4 can reside and work in Ireland without the need for a separate employment permit.

What if circumstances change after the Work and Residence application process (e.g., change of employment or personal situation, including job title, job role or salary)?

A notification to the relevant authorities in respect of changes to a person's employment would be required and under certain circumstances a new employment permit application may have to be made.

How long can a permit holder leave Ireland without their permit becoming invalid?

Frequent absences or an extended absence which constitute part of an employment permit holder's employment may not be considered grounds for revocation of the permit, an employment permit holder must however work at least 183 days in a full calendar year in Ireland to be considered employed in the State (this is in line with the Irish Revenue Commissioner's requirements for tax residence).

Separate to this prolonged absence from the State of 90 consecutive days may have a negative impact on residency permissions which may impact on future applications such as Long-Term Residency and Citizenship. Absences from the State of 4 weeks or more should be reported to Ireland's Immigration Service Delivery.

Must immigration permissions be cancelled by the end of the assignment/employment?

A surrender of a current employment permit is required within 4 weeks of termination of the employment.

Whilst not legislated for we also recommend that a surrender of an Irish Residence Permit be made for completeness in particular where an Irish Residence Permit is in itself permission to work and reside in Ireland.

Are there any penalties for individuals and/or companies in place for non-compliance with immigration law?

There are penalties for breaches of the Employment Permit Acts which set out the rules and regulations regarding employment permits in Ireland with fines up to EUR250,000 and/or a term of imprisonment up to 10 years.

Employers and employees may also be restricted from making further employment permit applications if they have been found to have contravened certain employment legislation.

5.4 Other Important Items

List any other important items to note, or common obstacles faced, in Ireland when it comes to the immigration processes.

- Changes to job role, salary, job title: It is of importance that should any of this information change that the relevant authorities be notified. It may be in some instances that a new employment permit should be applied for. A failure to do so may result in a refusal.
- Documentation which is not in English or Irish will be required to be officially translated.

- For the purposes of entry visas, documents may need to be attested/apostilled by the Ministry of Foreign Affairs in the State the document was issued. Also, for the purposes of entry visas, translations done outside of the EEA or Switzerland must be attested/apostilled as genuine by the Ministry of Foreign Affairs in the country in which the translation occurs.
- Executed contracts of employment or letters of assignment are required to be submitted to the Department of Enterprise, Trade and Employment when an employment permit is being submitted. A contract of employment which is executed but where the commencement date has already passed may need to be reissued with a new start date with of a date after the employment permit is due to be filed.
- Certain roles are not eligible for employment permits or have particular requirements in order to make them eligible.

Back to top

Disclaimer

All information contained in this publication is summarized by KPMG Ireland, the Irish member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. The information contained in this publication is based on the Irish tax, social security and immigration legislation in force as of 1 January 2023.

kpmg.com