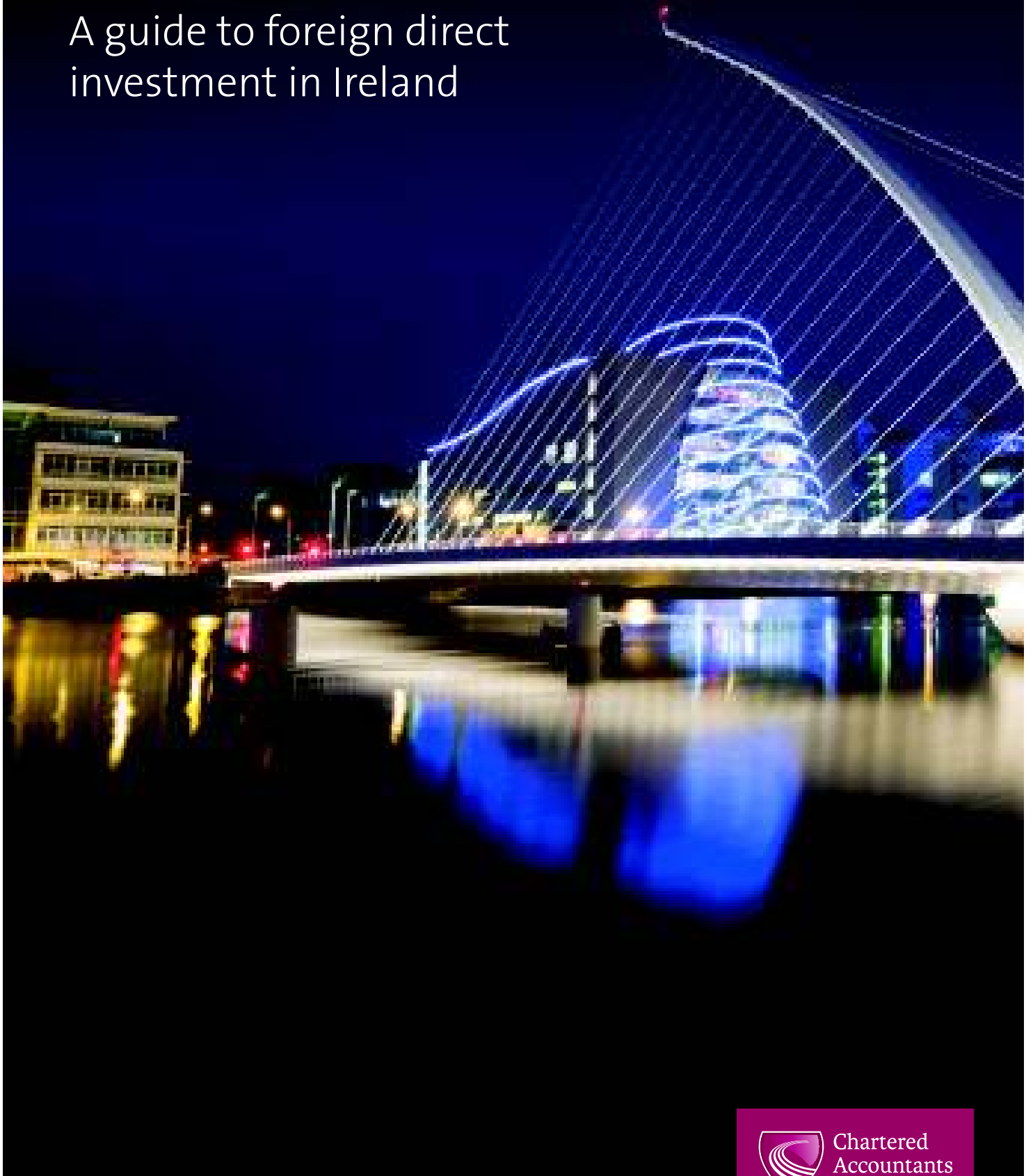
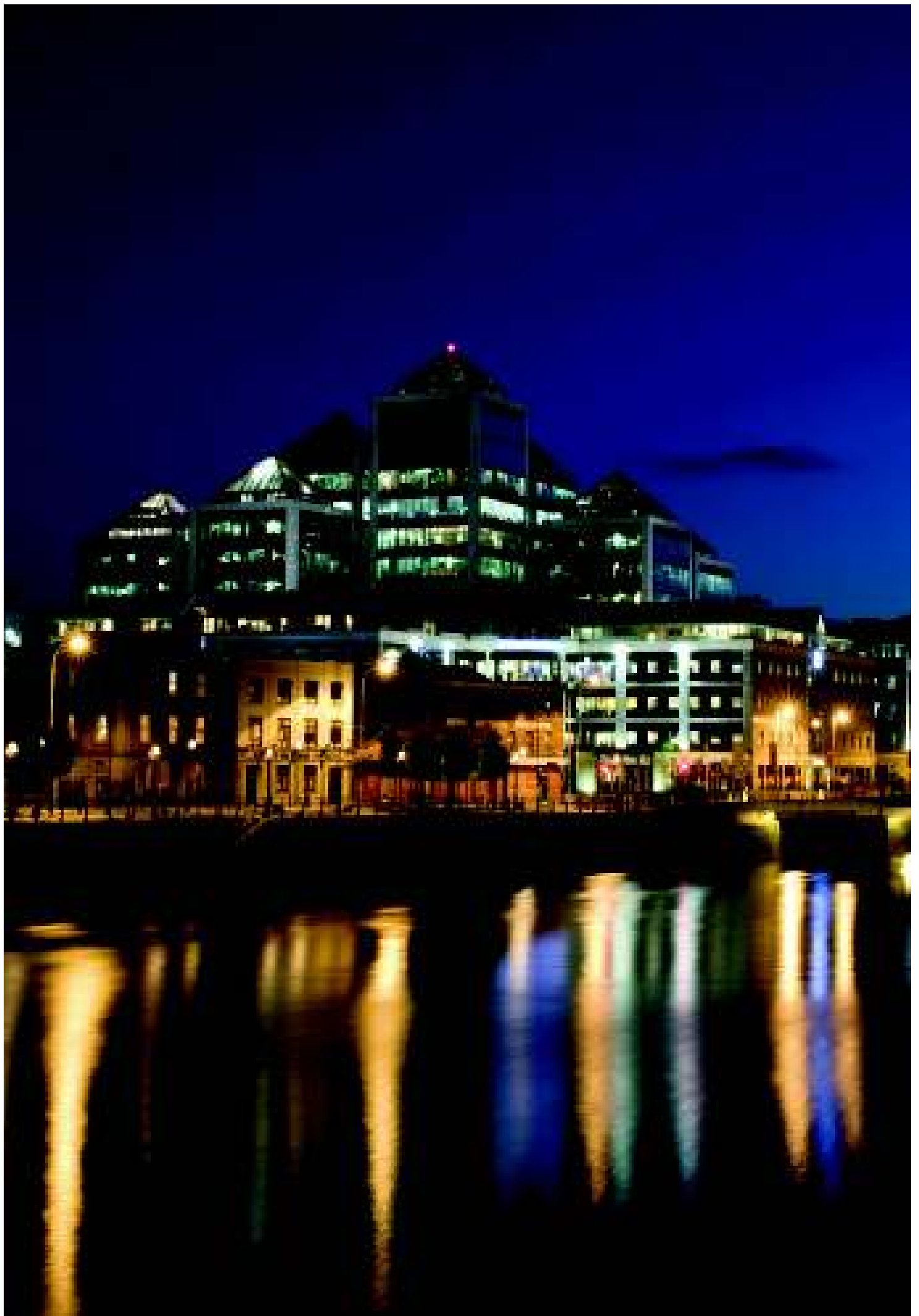


INVESTING IN IRELAND

A guide to foreign direct
investment in Ireland



Chartered
Accountants
Ireland



Contents

Foreword	2	Taxable profits	16
Chartered Accountants Ireland's role in Foreign Direct Investment	3	Losses	16
1. FDI and the Irish economy	4	Groups of companies	17
Ireland – statistical information	5	Dividends received	17
2. What business structures are available in Ireland?	8	Dividends paid	17
Limited company	8	Royalties	17
Unlimited company	8	Interest	18
Partnership	8	Tax compliance	18
Foreign companies	8	Tax incentives available for companies	19
Financial services	8	CGT exemptions on share disposals	19
What are my duties as a company director?	10	Research and development credit	19
What are the filing requirements for my company?	11	Extensive double-tax-treaty network	20
Irish companies	11	How individuals are taxed	21
Foreign companies	12	Income tax	21
Does my company require an audit?	13	Social security (PRSI) and universal social charge	21
Irish companies	13	Taxation of foreign workers in Ireland	21
Foreign companies	13	Special Assignment Relief Programme	21
Financial reporting	14	Other taxes	22
US GAAP extension	14	Capital gains tax	22
Future of Irish/UK GAAP	14	Stamp duty	22
3. Headline tax advantages of establishing an Irish company	15	Capital acquisitions tax	22
How companies are taxed	16	Value-added tax	22
Corporation tax	16	Funding and incentives	23
Rates of corporation tax	16	IDA Ireland	23
Irish tax residency	16	Government supports through Enterprise Ireland	24
Qualifying for the 12.5% rate	16	4. Get involved	26
		ConnectIreland	28
		The Gathering 2013	28

Please note: Like all aspects of this publication, the information provides only a reference and is not intended as a substitute for legal, financial or taxation advice. If you are considering taking the next steps in making an investment decision, you should seek the appropriate professional advice.

Data given is correct at time of going to press, May 2012.

© Chartered Accountants Ireland May 2012

Foreword



As Chief Executive of Ireland's largest accountancy body, I am pleased to introduce the Chartered Accountants FDI Guide. This guide acts as a single reference point for information on business structures available in Ireland, company director requirements, filing, auditing, and tax and grants available for businesses investing in Ireland.

Our Foreign Direct Investment (FDI) Guide is one part of a wider programme that seeks to leverage our unique set of networks of Chartered Accountants in Ireland and around the world. The central objective of the institute's FDI project is to facilitate conversations between potential investors and institute members who share a common sector or industry. In this way, our members' experiences can be harnessed, expertise shared and hopefully much of the risk and uncertainty dissipated.

Ireland's position as the gateway to the European market is unparalleled and has been further underlined by recent welcome investment decisions. The reasons for Ireland's success are as compelling as they are well-documented. Ireland's 12.5% corporate tax rate on trading profits is a major factor in attracting businesses to locate in Ireland. As a committed member of the European community, we are located within an open market of 500 million consumers.

The Irish Government agency tasked with attracting overseas business to Ireland is the Industrial Development Agency (IDA Ireland). We commend its work in delivering investment

and employment for this country. While some headline statistics on Ireland's economy are provided in section one (FDI and the Irish economy), we leave the wider promotion of Ireland to the IDA. Instead, this guide provides information consistent with our position as a leading commentator on accounting, finance, tax and business matters in Ireland.

The institute's FDI project will provide support to our members at home and overseas in their work promoting Ireland as the ideal place to locate operations and we have a number of initiatives to support this. For example, overseas online networks will be expanded to include a sub-group on FDI and we will encourage members to network there.

This guide will be part of a process that we hope will lead to successful investment in Ireland. Certain topics will demand much more involved investigation and specific advice is available from many Irish firms of Chartered Accountants.

We would ask members at home and overseas to join us in the FDI project. You can do this by being conscious of every opportunity to promote Ireland as a great place to do business. Please contact us at FDI@charteredaccountants.ie and we would be pleased to support you.

A handwritten signature in dark ink, appearing to read 'Pat Costello', written in a cursive style.

Pat Costello
Chief Executive
Chartered Accountants Ireland

Chartered Accountants Ireland's role in foreign direct investment



Chartered Accountants Ireland is the largest and longest established accountancy body in Ireland. It represents more than 21,000 members across the world and 5,750 students. It is the leading voice of the accountancy profession in Ireland. Our members, Chartered Accountants, are Ireland's leading business advisors, represented in senior positions in every sector and industry.

The institute's central purpose is to support and represent our members in every aspect of their profession. Increasingly, this role takes a more outward focus. Chartered Accountants Ireland has long been involved in the foreign direct investment (FDI) debate and has brought our technical skills and contacts to bear in supporting overseas investment in Ireland – serving Ireland as well as serving our members' interests. This institute has been to the fore in the campaign in Europe to protect Ireland's 12.5% corporation tax rate, the cornerstone of Irish FDI policy, in the face of mooted tax harmonisation proposals.

Ours is an influential and powerful diaspora and the respect in which Irish chartered accountants are held extends across the globe. Some 3,500 Irish Chartered Accountants now hold senior financial and management positions in 93 countries worldwide, including more than 1,400 in Great Britain, 800 in

Australia and 400 in the USA. Therefore, our members are ideally placed to positively influence overseas investment decisions. Moreover, our Ireland-based members are dealing with an increasingly globalised working environment. The harnessing of this important resource in a structured manner to support the good work of Government agencies is the core objective of this publication.

Our institute, Chartered Accountants Ireland, enjoys a global profile in the accountancy profession and beyond. We play a central role in a number of international bodies that represent the interests of accountants at all levels. The institute is a founding member of the Global Accounting Alliance, an international accountancy body representing more than 700,000 accountants worldwide, as well as FEE (Fédération des Experts Comptables Européen – The European Federation of Accountants) and IFAC (International Federation of Accountants).

This guide is only one aspect of a wider programme designed to support members with exposure to FDI. Chartered Accountants Ireland will deliver an integrated service including guides, online resources and events to assist members at home and overseas.

1. FDI and the Irish economy

FDI has been identified as a key driver of Ireland's return to economic prosperity. The Irish Government has continued to demonstrate its commitment to the FDI sector by establishing a business environment that is conducive to FDI activity and Ireland remains a location of choice for many of the world's leading companies. Indeed, almost 1,000 companies, including many of the world's leading brands, have decided to place Ireland at the hub of their European operations. Factors that contribute to this include:

- a competitive economic and business environment that includes a low corporation tax regime and a well-educated and young workforce;
- improving productivity levels (the IMD World Competitiveness Yearbook 2011 places Ireland 10th for GDP per capita ahead of Singapore, 14th, France, 17th, and the UK, 20th);
- membership of the European Union with consequent ease of access to EU markets;
- its strategic location, with easy access and excellent transport links.

In addition, Ireland's education system enjoys a reputation to rival the world's best, being ranked ninth in the world for higher education achievement (IMD World Competitiveness Yearbook 2011).

Like most jurisdictions, Ireland has experienced significant economic challenges during the current financial crisis. However, this has also had a positive influence in helping Ireland regain much of the competitive advantages that had been eroded during the economic boom of the late 1990s and the first half of the 2000s. Figures show, for example, that office rents have reduced significantly from their peak. A recent survey by DTZ shows Ireland falling from 20th to 33rd in terms of office occupancy costs. Dublin, according to Mercer, now ranks as the 42nd most expensive city in the world compared to 16th in 2008.

The key State agency with responsibility for driving Ireland's

FDI strategy is IDA Ireland. With more than 40 years' experience in fostering and encouraging Ireland's FDI activity, its track record in attracting and developing this sector in Ireland is significant.

Today, Ireland hosts most of the significant players across a range of sectors including:

- information and communications technologies;
- life sciences;
- medical technology;
- international financial services;
- entertainment and media.

Government strategy and support – in particular for research, development and innovation (RD&I) – has been particularly successful in attracting significant FDI to Ireland in the above sectors.

In February 2012, the Irish Government launched its Action Plan for Jobs. This plan restates Ireland's commitment to fostering deeper connections with FDI. Ireland intends to be the 'place to go' to start a business and has set itself ambitious targets to achieve this. New support measures to be implemented include:

- incentives to support the continued success of the international funds industry, corporate treasury sector, international insurance sector and the aircraft leasing industry;
- the introduction of the Special Assignment Relief Programme (SARP) for multinational and indigenous companies to attract people to Ireland to create employment and facilitate the expansion of business in Ireland;
- harnessing the goodwill of the significant Irish diaspora to assist in identifying FDI investment opportunities;
- establishing attractive immigration arrangements to facilitate and encourage entrepreneurs from outside the European Economic Area (EEA).

Ireland – statistical information

The economy

In common with most jurisdictions, Ireland has experienced a contraction in economic activity. With significant downturns in construction investment, employment levels and growth have suffered, as demonstrated in the tables below.

Real GDP Growth				
Country	2009	2010	2011	2012(f)*
Ireland	-7%	-0.4%	0.7%	0.5%
UK	-4.4%	2.1%	0.7%	0.8%
France	-2.7%	1.5%	1.7(f)%	0.5%
Germany	-5.1%	3.7%	3%	0.6%
Spain	-3.7%	-0.1%	0.7%	-1.8%
Euro area	-4.3%	1.9%	1.5%	-0.3%
USA	-3.5%	3%	1.7%	2.1%

Source: Eurostat *IMF April 2012 World Economic Outlook
f=Forecast

Unemployment (% of labour force)				
Country	2009	2010	2011	2012(f)*
Ireland	11.9%	13.7%	14.4%	14.5%
UK	7.6%	7.8%	8.0%	8.3%
France	9.5%	9.8%	9.7%	9.9%
Germany	7.8%	7.1%	5.9%	5.6%
Spain	18.0%	20.1%	21.7%	24.2%
Euro area	9.6%	10.1%	10.2%	10.9%
USA	9.3%	9.6%	8.9%	8.2%

Eurostat *IMF April 2012 World Economic Outlook
f=Forecast

Inflation (Harmonised index of consumer prices)				
Country	2009	2010	2011	2012(f)*
Ireland	-1.7%	-1.6%	1.2%	1.7%
UK	2.2%	3.3%	4.5%	2.4%
France	0.1%	1.7%	2.3%	1.9%
Germany	0.2%	1.2%	2.5%	2.0%
Spain	-0.2%	2.0%	3.1%	1.9%
Euro area	0.3%	1.6%	2.7%	2.1%
USA	-0.3%	1.6%	3.1%	2.1%

Source: Eurostat *IMF April 2012 World Economic Outlook
f=Forecast

Population

Preliminary results from Ireland's Central Statistics Office for Census 2011 show that Ireland's population stands at 4,581,269, an increase of 8% on the previous census figure from 2006. The appeal of Ireland as a destination for many multinationals has been its young and adaptable work force with a 'can do' attitude.

Flexibility and adaptability of workforce 2011 when faced with new challenges – rankings	
Country	Ranking
Ireland	7
USA	17
UK	35
Czech Republic	47
Spain	53
Japan	54
Hungary	59

Source: IMD World Competitiveness Yearbook 2011

Skilled labour 2011 – rankings	
Country	Ranking
Ireland	1
Japan	6
USA	7
Czech Republic	8
Germany	16
Spain	20
UK	30
Hungary	52

Source: IMD World Competitiveness Yearbook 2011

Population under 25 in the years 2015 and 2020		
Country	Population under 25 (%)	
	2015	2020
USA	33.4	32.7
Ireland	33.8	33.6
France	30.3	29.9
UK	29.8	29.3
Europe	26.8	26.4
Hungary	26.2	25.6
Czech Republic	25.7	24.9
Spain	25.0	24.9
Japan	22.5	22.0

Source: Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects: The 2010 Revision



Education

Ireland is regarded as having a world-class education system. According to the IMD World Competitiveness Yearbook 2011, it ranks ninth for higher education achievement. In 2008, social science, business, law and arts constituted 48% of all undergraduate output. Engineering, manufacturing and construction awarded the highest proportion of first-class honours, followed by science. Some 24% of undergraduates graduated with engineering, manufacturing and construction qualifications.

The education system 2011 meets the needs of a competitive economy – rankings

Country	Ranking
Switzerland	2
Belgium	7
Ireland	9
USA	24
UK	25
France	26
Spain	40

2. What business structures are available in Ireland?

The starting point for any commercial investment decision is the choice of investment vehicle. The choice of which structure to adopt is an important one for filing and auditing requirements. There are a number of different business structures operating in the Republic of Ireland, starting with a company.

A company is a legal form of business that is a separate legal entity and is therefore separate and distinct from those who run it. In the event of litigation, the company is liable (as opposed to the shareholders or owners). The Companies Acts and related statutory instruments regulate the formation and dissolution of companies in the Republic of Ireland.

Generally one or more persons are permitted to form a company for any lawful purpose by subscribing to a memorandum of association, which sets out the company objectives. A company will not be incorporated unless it appears to the Registrar of Companies that the company will carry on an activity in the Republic of Ireland. Prior to the formation of a company, the memorandum of association and the articles of association (which regulate the manner in which the affairs of the company are conducted) are required. Once formed, every company is required to keep 'proper books of account'.

All public statutory information on Irish companies is kept in the Companies Registration Office (CRO). The CRO's Information Unit may be contacted between 9:30am – 4:30pm at 00 353 1 804 5200. The CRO may also be contacted by email at info@cro.ie. The different types of business structures available are outlined below.

Limited company

The shares of a limited company are owned by its shareholders. The liability of the shareholders is limited to the greater of the amount of the nominal value of the shares or the amount agreed to be paid in respect of the issue of the

shares. A limited company can either be a public limited company (plc) or a private company. A plc may seek subscriptions from the public and apply to have its shares quoted on a stock exchange. A private company is prohibited from inviting the public to subscribe for shares in the company. The majority of Irish companies are private companies. A private company can be limited by shares or guarantee (which can be with or without share capital).

Unlimited company

As opposed to a limited company, an unlimited company has no limit on the liability of the members. Therefore the personal assets of the shareholders can be seized by creditors which the company has failed to pay. On application to the CRO, an unlimited company may be converted into either a private or a public company and vice versa.

Partnership

A partnership is an association of persons wishing to carry on business in common. They normally share both the management and profits. A partnership consists of at least two persons and a normal maximum of 20. A partnership is not a separate legal entity but it is possible to create a partnership in which some members have limited liability for the debts of the firm.

Foreign companies

A foreign company (those incorporated outside of Ireland) may conduct business in Ireland either through a branch or a place of business, depending on the level of independence of the Irish operation. It is important that all taxation and company law implications are considered in making this decision.

Financial services

More than 250 global financial institutions have established operations in Ireland. Ireland's International Financial Services Centre (IFSC) in Dublin was created by the Irish

Government in 1987. It is home to a broad range of global financial services companies such as banks, insurance operations, leasing, fund management, fund administration, securitisation and more recently Islamic financing. The industry is supported by a sophisticated network of financial advisors such as lawyers, accountants, fund administration and regulatory specialists. All financial institutions are licensed and regulated by the Central Bank of Ireland. Companies can raise funds on the Irish stock exchange provided they meet the criteria required prior to making a public offer. Listed companies are also required to comply with the listing rules.

Investment funds are entities that pool investors' funds to provide the investors with professional investment management. A fund will usually sell shares, invest the proceeds and distribute profits back to shareholders. Ireland provides funds with an established network of expertise in the industry, making it a preferred location for the domiciliation and administration of funds. Funds are categorised as UCITS (undertakings for collective investment in transferable securities) or non-UCITS. UCITS are regulated under the UCITS IV European Directive and can be sold cross-border via a 'UCITS passport'. Non-UCITS are required to comply with the principle of risk spreading but do not comply with the Central Bank of Ireland's minimum diversification requirements.

A recent innovation in Ireland has been the establishment of a framework to accommodate **Shari'a compliant investment funds**. An Islamic financing regime was established to allow Islamic financing houses to use Ireland as the base location for their EU product offerings. The Central Bank of Ireland has created a dedicated team to manage the establishment of such funds.

The **insurance** sector in Ireland is well developed and includes risk securitisations, insurance broking, underwriting, back-

office management and reinsurance. Ireland has become the location of choice for large multinational insurers seeking to exit offshore financial locations. In relation to cross-border life insurance, Ireland operates a special tax regime for domestic and cross-border life insurance. It defers any tax on policyholder investment returns until there is a payout to the policyholder.

The **banking** sector in Ireland includes a broad range of activities such as treasury, asset financing, international loan syndications, back-office activities, credit card operations, liquidity management and debt factoring. Since the implementation of MiFID (the Markets in Financial Instruments Directive), banking entities are permitted to provide services throughout the EU, not just in the state in which they have their head offices.

Aircraft leasing has grown significantly over the past decade as a result of the favourable Irish tax regime. Ireland has played an important role in the development of aircraft-financing structures, including aircraft lease securitisations. Irish tax law contains special provisions that allow lessors of short-life assets to be taxed in accordance with their accounting results, instead of the conventional tax depreciation regime. This has resulted in an active market in small-ticket financing and leasing.

Securitisation is the process of taking an illiquid asset or group of assets and, through financial engineering, transforming it into a security. Qualifying securitisation companies attract specific tax incentives. Securitisation vehicles can take the legal form of a private company or a plc. There is no general licensing or registration required for securitisation companies operating in Ireland.

What are my duties as a company director?



The executive powers of a company lie with the directors who are responsible for the day-to-day running of the company. A director is defined as 'including any person occupying the position of director by whatever name called'. All companies must have one secretary and a minimum of two directors, one of whom is required to be an EEA-resident, unless the company holds a bond to the value of €25,400. Formal qualifications are not required to become a director. However, certain persons are precluded from becoming directors including a body corporate, an undischarged bankrupt and the auditor of the company. There are restrictions on the number of directorships a person may hold if they are director of a financial institution as regulated by the Central Bank of Ireland.

It is the responsibility of each director to ensure that his or her company is not in breach of the Companies Acts. The Companies Acts 1963-2009 contain extensive provisions detailing how the affairs of companies are to be conducted. Common and statute law are the sources that govern

directors. Under common law, the director is a fiduciary who is required by law to act in the best interests of the company. Common law duties can be summarised into three principles:

- Directors must exercise their powers in good faith and in the interests of the company as a whole. Therefore, it is important to consider what a director means to do rather than what he actually does.
- Directors are not allowed to make an undisclosed profit from their position and must account for any profit that they derive from their positions as directors.
- Directors are obliged to carry out their functions with due care, skill and diligence.

Each year, the directors of Irish companies are obliged to provide an annual report to the shareholders, together with the financial statements for the year. The financial statements are required to give a true and fair view of the profit or loss for the year and the state of affairs at the year-end date.

What are the filing requirements for my company?



All Irish companies and some foreign companies operating within the Republic of Ireland are required to file an annual return. Depending on the type of company incorporated, accounts may also be required to be filed with the annual return, as outlined below.

Irish companies

All Irish companies, whether trading or dormant, are required to file an annual return with the CRO at least once every calendar year. The annual return contains details of the company's directors, secretary, registered office, shareholders and share capital. The annual return must be filed within 28 days of the statutory annual return date (ARD), which can be checked on the CRO website www.cro.ie. As outlined below, different types of companies are subject to individual filing requirements. In most cases, however, audited accounts must be filed with the annual return.

Limited companies (public and private) are required to file accounts with the annual return. The accounts include a profit and loss account, balance sheet, directors' report and auditor's report.

An **unlimited company** where at least one of its members is either an individual or a non-EU unlimited company is not required to file annual accounts with the annual return. In this case, a special auditor's report that confirms the accounts were audited is required to be filed with the annual return. An unlimited company in which all the members are companies with limited liability is required to file accounts with the annual return, in line with the Companies Amendment Act (1986).

Limited partnerships where all the general partners are limited companies are obliged to file accounts for public record to the CRO.

Unlimited partnerships that are not subject to the Companies Amendment Act (1986) are not required to file accounts as they are not bodies corporate.

Small and medium private companies may be permitted to abridge accounts for filing purposes that provide less information than the annual financial statements prepared for the shareholders. The fact that the company is entitled by size to file abridged accounts must be certified by its auditors (see page 13).



Foreign companies

Foreign companies have separate filing requirements depending on whether they are a branch or a place of business. EU regulations impose a similar registration regime on branches as that which is imposed on local companies.

- A **branch** being set up by a foreign company in Ireland is required to submit basic information with the CRO, including the date of incorporation, the country of incorporation, the registered address of the company and details regarding the directors. A certified copy of the foreign company's certificate of incorporation, the foreign company's constitution and a copy of the latest accounts must also be filed. On an annual basis, accounting documents – including the accounts of the company for the period, consolidated accounts, annual report of the directors, audit report and any report of the auditors on the directors' report – are required. Separate branch financial statements are not required.

- A **place of business** operating in Ireland by a foreign company must file with the CRO a copy of its constitution, a list of directors of the company and the address of its established place of business. Foreign companies that have a place of business in Ireland that would be regarded as a plc if registered in Ireland are required to file annual accounts with the CRO.

If the company is a **holding company**, group accounts are also required.

If an external company operating a place of business in Ireland is also a **credit institution**, accounts are required to be filed under Regulation 14 of the European Communities (Credit Institutions: Accounts) Regulations 1992.

A Societas Europaea is required to deliver an annual return at least once every year to the CRO.

Does my company require an audit?



The requirement for company financial statements to be audited is determined by their size and nature. The majority of Irish companies require an audit by independent accountants, unless they are entitled to claim exemption on the basis of size, as discussed below. An audit is the process of checking that the way an organisation presents information about its financial position is true and fair. True and fair means that, in the auditor's opinion, the company's financial statements offer a true and fair view of its actual financial position and that any assumptions they include are reasonable.

Irish companies

Accounts of all companies must be audited by independent accountants, unless the company is entitled to claim an audit exemption. Unaudited accounts consist of a balance sheet and the notes to the accounts where applicable. They must include an exemption statement on the balance sheet. A private limited company that is not a parent or subsidiary may claim an audit exemption if all of the following conditions are satisfied in both the financial year and the year immediately preceding that year:

- Turnover must not exceed €7.3m.
- The balance sheet total is less than €3.65m.
- Average employees must not exceed 50.
- Annual returns must be filed on time.

The audit exemption does not grant a company any exemption from the requirement to prepare a full statutory

set of accounts that give a 'true and fair' view of the state of affairs of the company and to lay those accounts before the AGM of the company. Also, it does not grant a company any exemption from the requirement to annex accounts in the format laid down by the Companies Acts 1963-2006 to its annual return that is filed in the CRO (as outlined on page 11 – What are the filing requirements for my company?). The company will be unable to file unaudited accounts with its annual return unless it files that return on time with the CRO. The return to which the company's accounts for its preceding financial year were attached must also be filed on time.

As a matter of law, no public company is eligible for the audit exemption. Any company that is not a private company is by default a public company. All Irish domiciled funds are required to submit audited financial statements to the Central Bank within four months of the year end. A private company limited by guarantee without a share capital is not entitled to claim audit exemption as it is a public company. Auditors are required to report to the relevant authority certain instances of their clients, or officers, committing indictable offences under the Companies Acts and to report any suspicions of theft, fraud or money laundering.

Foreign companies

A company branch in Ireland that is not required by its own state law to have an audit has no obligation to have an audit for Irish filing requirements.

Financial reporting

The financial statements of most Irish companies may be prepared in accordance with either international financial reporting standards (IFRS), as adopted by the EU, or in accordance with generally accepted accounting principles (GAAP) in Ireland. Accounting standards generally accepted in Ireland are those issued by the UK Accounting Standards Board (ASB), which are amended for Irish company law when relevant and published by Chartered Accountants Ireland.

EU regulation requires all listed EU groups to prepare their consolidated financial statements in accordance with standards and interpretations issued (or adopted) by the International Accounting Standards Board (IASB) that have been adopted in the EU (EU-adopted IFRS). Where IFRS accounting is adopted by companies, specific tax legislation is in place to deal with the changes in accounting and the transition adjustments to the accounts on the change to IFRS, such as the tax treatment of leasing, the tax treatment of securitisation companies using a different accounting framework and clarity around disallowance of fair value charges through the income statement for tax purposes. The tax legislation is supplemented by detailed guidance notes. In addition, there is on-going consultation with industry groups and the large accountancy practices with a view to identifying areas where additional clarification on the tax issues is required. The area of taxation is covered in more detail later in the guide.

US GAAP extension

The Companies (Miscellaneous Provisions) Act 2009 provides an exemption, until 2015, to the requirement for foreign companies reporting under US GAAP that operate in Ireland to prepare separate accounts using either Irish GAAP or IFRS. The Minister for Enterprise, Richard Bruton, confirmed in December 2011 that proposals will be brought forward shortly for this legislation to be extended until 2020 to avoid additional costs being imposed on foreign companies.

Future of Irish/UK GAAP

In October 2010, the ASB began setting out proposals for the future of financial reporting in the United Kingdom and Republic of Ireland. Revised proposals published at the end of January 2012 propose replacing all extant FRSs, SSAPs (statements of standard accounting practice) and UITF (Urgent Issues Task Force) abstracts in the UK and the Republic of Ireland with a single FRS, introducing a reduced disclosure framework for the financial reporting of certain qualifying entities and retaining the Financial Reporting Standard for Smaller Entities (FRSSE), with a further consultation on how to update it following European Commission proposals for the future of financial reporting for small and micro companies.

The ASB is proposing to adapt IFRS for SMEs into FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. In this way, the UK and Republic of Ireland will operate under one consistent, international accounting framework. The proposals are aligned with the requirements of company law and do not extend the application of EU-adopted IFRS beyond that set out in company law or other relevant regulations.

The proposals are to apply for accounting periods beginning on or after 1 January 2015. Early application is permitted for accounting periods beginning on or after the date of issue of corresponding standards, subject to the additional requirement for a public benefit entity that it must also apply a public benefit entity SORP (statement of recommended practice) that has been developed in accordance with those standards.

3. Headline tax advantages of establishing an Irish company



There are some very compelling reasons to establish a company in Ireland. These include:

- the availability of a 12.5% corporation tax rate for trading activities;
- a capital gains tax (CGT) exemption on disposals of subsidiaries by Irish holding companies;
- tax relief for foreign dividends;
- tax relief for expenditure on research and development (R&D)
- stamp duty exemption on intellectual property transfers;
- an extensive double-tax-treaty network;
- industry standard transfer pricing rules;
- full or partial exemption from withholding tax on interest payments to EU/treaty countries;
- full or partial exemption from withholding tax on dividends to EU/treaty countries;
- moderate income tax rates;
- tax reliefs for workers assigned from abroad to take up a position in Ireland.

How companies are taxed

Corporation tax

Irish corporation tax applies to all profits (income and gains) of an Irish-tax-resident company. An Irish branch or agency of a foreign-resident company is also liable to Irish corporation tax on profits derived from its Irish-based activity.

Rates of corporation tax

- A 12.5% rate of corporation tax applies to profits of a trading activity.
- A 25% rate of corporation tax applies to non-trading income, including rental income and interest, patent royalties, and foreign income. Also included in this rate is income from activities consisting of working minerals, petroleum activities and dealing in or developing land.

Irish tax residency

The liability to corporation tax is primarily based on the concept of residence. Resident companies are taxable on their worldwide income. Non-resident companies may be subject to corporation tax if they have Irish-source trading income. Non-resident companies that do not trade in Ireland are not subject to corporation tax but may be subject to Irish income tax on Irish-source income, for example on rental income from Irish property.

Irish tax residency is based on a test of management and control and whether the company is incorporated in Ireland.

The place of management and control is determined by a number of factors, including the location of directors' meetings, where negotiation of major contracts is undertaken and where shareholders' meetings are held.

An Irish incorporated company is tax resident subject to exceptions that broadly include companies satisfying residency tests under taxation treaties agreed with Ireland, trading companies quoted in the EU or in a tax-treaty state, or

a trading company controlled by residents of an EU member state or a tax-treaty state.

However, a company whose central management and control is exercised in Ireland is regarded as Irish tax resident whether or not the company is Irish incorporated.

Qualifying for the 12.5% rate

The rate of corporation tax for trading activities is 12.5%. To avail of this rate, it is necessary to demonstrate that value-added activities are carried on in Ireland. While Ireland does not operate a formal ruling system, the Irish tax authorities (known as the Revenue Commissioners) will provide a view as to whether a particular transaction or operation amounts to a trade or qualifies for the 12.5% rate.

Taxable profits

In calculating taxable profits of a company, the profit in the statutory accounts (IFRS or GAAP) is adjusted for tax purposes. Expenses are generally tax deductible if they are not of a capital nature and are incurred wholly and exclusively for the purposes of the trade, broadly in line with international practice.

While depreciation in the accounts is not deductible for tax purposes, a form of tax depreciation (known as capital allowances) is available for certain assets used in the trade of a company. Plant and machinery is depreciated for tax purposes over an eight-year period on a straight-line basis. New industrial buildings are depreciated for tax purposes over a 25-year period. Capital allowances are also available on certain intangible assets such as patents, designs, trademarks and know-how.

Losses

Trading losses can be offset against trading income of the same and immediately preceding accounting period on a

euro-for-euro basis. Any unused trading losses can then be offset against non-trading income, including chargeable gains on a 'value basis', i.e. by reference to the prevailing rate.

Trading losses can be carried forward for offset against future accounting period profits of the same trade. Trading losses can also be offset against profits of another company within the same tax group in the same accounting period.

Group of companies

Members of a group may surrender current year losses, excess charges on income, excess management expenses and excess capital allowances relating to rental activities. Two companies will be members of a group if one is a 75% subsidiary of the other or both are 75% subsidiaries of a third company. A company is a 75% subsidiary of another company where not less than 75% of the ordinary share capital is owned directly/indirectly by that company. Group relief is available to Irish parent companies subject to certain conditions in respect of trading losses incurred by their non-Irish subsidiary companies where such a company is resident in an EU member state or EEA member state with whom Ireland holds a double-taxation agreement.

Loss relief can also be surrendered by a trading company to members of a consortium. A company is owned by a consortium if 75% or more of its share capital is directly and beneficially owned by five or fewer companies.

The public sector can arrange for projects such as roads, public transport, waste management and water services to be undertaken by entering into a public-private partnership (PPP) arrangement. This involves a private sector company (or consortium) agreeing to design, build and, possibly, operate the project in return for annual service charges that are paid by the public sector body. While tax issues surrounding PPPs are often complex, Ireland has established tax practices in matters relating to PPPs.

Dividends received

Dividends received by an Irish company from another Irish company are exempt from Irish corporation tax.

Dividends received from a company located in the EU or in a country with which Ireland has a double-taxation agreement are subject to 12.5% corporation tax provided that the dividend is paid out of trading profits.

The 12.5% rate also applies to dividends paid out of trading profits of a quoted group or a company resident in a country with which Ireland has ratified the Convention on Mutual Assistance in Tax Matters.

Ireland also operates an on-shore pooling system that allows withholding taxes and underlying taxes from high and low tax jurisdictions to be pooled and reduces the overall level of Irish corporation tax on dividends from foreign companies.

Dividends paid

Dividends and other distributions (including certain types of interest) are not tax deductible in the calculation of tax profits.

Withholding tax of 20% of a gross dividend must be applied by a company paying a dividend. However, there are extensive exemptions from withholding tax so that, in general, withholding tax only applies to dividends paid to Irish-resident individuals.

Royalties

Payments for patent royalties are tax deductible. A withholding tax of 20% prima facie applies to patent royalties and other forms of annual royalty payments. However, royalties can be paid free of withholding tax from Ireland to companies resident in the EU or double-tax-treaty countries where certain conditions are satisfied.



Interest

Interest on loans used for the company's trade is generally tax deductible. However, some restrictions are in place on the tax deductibility of interest, for example on loans used for non-trade purposes and on intra-group borrowings used to acquire certain assets.

Withholding tax of 20% is also capable of applying to all payments of annual interest. Extensive exemptions are again in place, which include an exemption from Irish withholding tax where the recipient is resident in the EU or a double-tax-treaty country, where certain conditions are fulfilled.

Tax compliance

Ireland operates a self-assessment system for the payment and filing of tax returns for companies and branches. In

general, there is one corporation tax return filing requirement per accounting year and two/three corporation tax payment requirements per accounting year.

Tax returns and payments for companies must be electronically filed using the Revenue's Online Service (ROS) www.ros.ie.

An international survey on the ease of paying taxes for a small to medium-sized company in 183 economies placed Ireland in the top 10. The survey found that, on average, it takes a company 76 hours to fulfil its tax obligations in respect of corporate taxes, labour taxes and consumption taxes. This compares to 110 hours in the UK and 187 hours in the USA. ('Paying Taxes 2012 – The Global Picture' by the World Bank/IFC and PwC).

Tax incentives available for companies



CGT exemptions on share disposals

Irish CGT of 30% applies to gains arising on the disposal of shares. Ireland operates a participation exemption, which exempts gains arising to an Irish-based holding company on the disposal of shareholdings in EU/double-tax-treaty agreement resident companies. The exemption applies to shareholdings of at least 5% in trading companies or trading groups resident in Ireland, the EU or countries with which Ireland has a double-taxation agreement in place.

Research and development credit

In addition to a tax deduction, a 25% tax credit for qualifying R&D expenditure is available for companies engaged in in-house qualifying R&D undertaken within the EEA. The credit is also available to overseas companies with branches carrying on a trade in Ireland.

To qualify for the credit, the expenditure must be incurred on scientific or technical advancement that involves the resolution of a scientific or technological uncertainty.

The first €100,000 of R&D expenditure qualifies for the 25% credit. Expenditure above €100,000 must be compared to

expenditure in the base period of 2003 with the incremental expenditure qualifying for the credit. If a company commences trade after 2003, then all qualifying expenditure will be eligible for the credit on a volume basis.

The credit is used to reduce a company's corporation tax liability in the current period. Excess credits can be used to shelter corporation tax paid in the immediately preceding period. Any remaining excess can be carried forward for use against future corporation tax. Alternatively, the company may claim to have any remaining excess refunded to it by the Revenue Commissioners subject to certain restrictions. A R&D tax credit of 25% is also available for expenditure incurred on buildings used for R&D purposes. There is no base year or incremental expenditure concept. Therefore, 100% of the cost of the building can be claimed as qualifying expenditure in the year of expenditure.

Companies with a corporation tax liability may also choose to use a portion of its R&D credit to make tax-free payments to key employees (subject to restriction) involved in the Irish R&D activity.

Extensive double-tax-treaty network

Ireland has signed comprehensive double-taxation agreements with 65 countries, of which 59 treaties are fully ratified.

Ireland has double-tax treaties with the following countries (listed on right, correct as of May 2012).

These agreements cover direct taxes, which in the case of Ireland are income tax, corporation tax and capital gains tax. Ireland's double-taxation agreements contain the following important mechanisms for avoiding double taxation:

- the elimination or reduction of withholding taxes;
- the reduction in territorial scope of taxation of certain forms of income and gains from taxation, in particular by reference to permanent establishments;
- credit for taxes;
- residence tie-breaker clauses;
- procedures for the resolution of disputes between two competing claims of tax authorities, typically in transfer pricing situations;
- non-discrimination provisions.

Where a double-taxation agreement is not in place with a particular country, domestic Irish tax law provides for unilateral relief against double taxation in respect of certain types of income.

- Albania
- Armenia (signed 14 July 2011 – not yet in effect)
- Australia
- Austria
- Bahrain
- Belarus
- Belgium
- Bosnia & Herzegovina (signed 3 November 2009 – not yet in effect)
- Bulgaria
- Canada
- Chile
- China
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Egypt (9 April 2012 - not yet in effect)
- Estonia
- Finland
- France
- Georgia
- Germany
- Greece
- Hong Kong
- Hungary
- Iceland
- India
- Israel
- Italy
- Japan
- Korea
- Kuwait (signed 23 November 2010 – not yet in effect)
- Latvia
- Lithuania
- Luxembourg
- Macedonia
- Malaysia
- Malta
- Mexico
- Moldova
- Montenegro
- Morocco (signed 22 June 2010 – not yet in effect)
- Netherlands
- New Zealand
- Norway
- Pakistan
- Panama (signed 28 November 2011 – not yet in effect)
- Poland
- Portugal
- Romania
- Russia
- Saudi Arabia (signed 19 October 2011 – not yet in effect)
- Serbia
- Singapore
- Slovak Republic
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- The Republic of Turkey
- United Arab Emirates
- United Kingdom
- United States
- Vietnam
- Zambia

How individuals are taxed

Income tax

Income tax is payable on Irish-source income and on income for services performed in Ireland. The most common form of income tax is PAYE (pay as you earn), which is a salary-withholding tax deducted by the employer from the employee's pay. Income tax is operated under a progressive tax system that applies tax at rates of 20% and 41% depending on income levels.

Social security (PRSI) and universal social charge

Employed persons are compulsorily insured under a State-administered scheme of pay-related social insurance (PRSI). Contributions are made by both the employee and the employer on all employment income, including benefits in kind. The PRSI contribution for employers is 10.75% of the salary payments and is deductible in the calculation of taxable profits. A reduced rate of PRSI can apply.

Employees also pay PRSI but at lower rates to that payable by employers. Many foreign assignees are exempt from PRSI. The universal social charge (USC) is also payable by all employees who pay Irish income tax, and is applied at progressive rates of up to 7%.

An example of tax (income tax, PRSI and USC) payable by individuals with various income levels is as follows:

- A single individual earning a salary of €35,000 will pay an effective rate of 20% in tax.
- A single individual earning a salary of €55,000 will pay an effective rate of 31% in tax.
- A single individual earning a salary of €100,000 will pay an effective rate of 41% in tax.

Taxation of foreign workers in Ireland

A foreign executive coming to work in Ireland will be tax resident in Ireland if he/she spends 183 days in Ireland in a tax year or 280 days over two tax years (ignoring a tax year where he spends less than 30 days in the State). The Irish tax year is aligned with the calendar year.

A foreign executive is subject to tax on Irish-sourced income in full, but the taxation of foreign income is restricted to remittances. Usually, Irish tax is payable on employments exercised in Ireland even where the employment is under a foreign contract of employment. However, relief is available on income from foreign contracts of employment under SARP (see below).

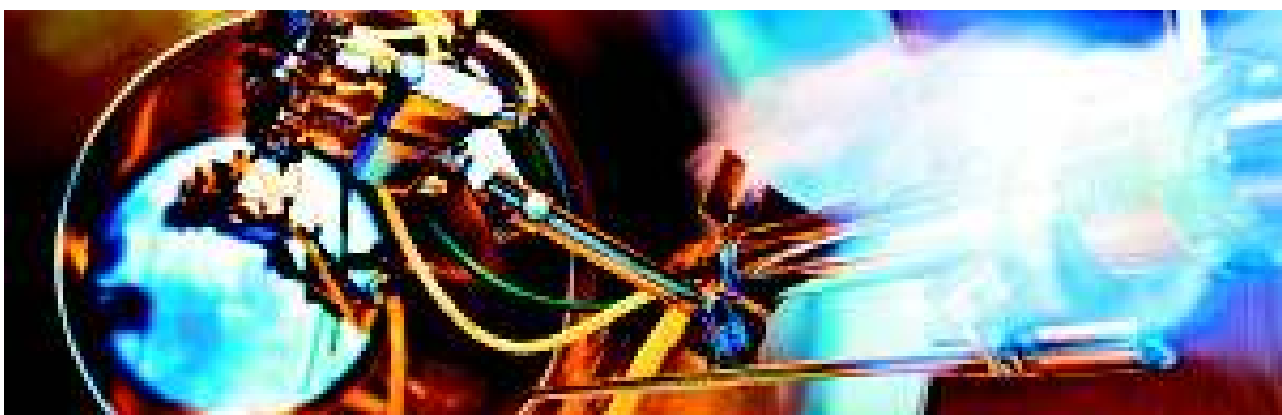
Special Assignment Relief Programme

SARP applies to an employee who:

1. takes up residence in Ireland after 1 January 2012 having not been tax resident in Ireland for five years preceding the date of arrival;
2. carries out employment duties for his foreign employer, who must be tax resident in a double-tax-treaty state, or an associated company including an Irish-resident company;
3. was employed by his employer for 12 months before arriving in the State;
4. performs substantially all of his duties in Ireland for 12 consecutive months.

Relief operates by providing an exemption from income on 30% of salary between €75,000 and €500,000 for the first five years of an individual's residency in Ireland.

Other taxes



Capital gains tax

CGT is chargeable on gains arising on the disposal of assets. Most forms of property, including an interest in property (for example, a lease), are assets for CGT purposes. The standard rate of CGT is 30% in respect of disposals made on or after 7 December 2011.

Stamp duty

Stamp duty is payable on the transfer of most forms of property where such a transfer is executed under a legal document. The transfer of commercial property is subject to stamp duty of 2%. Transfers of stocks and shares are subject to stamp duty of 1%.

Relief from stamp duty is available on transfers between associated companies (90% common shareholding) and on transfers of shares and assets under reconstructions and amalgamations where certain conditions are fulfilled.

An exemption exists for stamp duty on any instrument for the sale, transfer or disposition of intellectual property. The term intellectual property includes patents, trademarks, registered designs, design rights and inventions or domain names.

Capital acquisitions tax

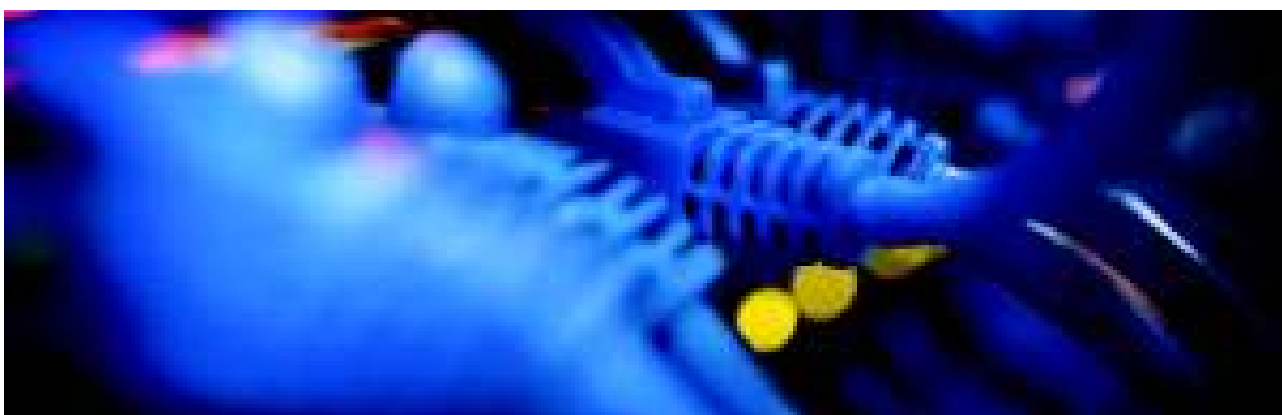
Capital acquisitions tax (CAT) is a tax payable by the recipient of gifts and inheritances at a rate of 30% of the value of the benefit received. Tax-free thresholds are available to reduce the tax payable and these depend on the relationship between the donor and the recipient.

Value-added tax

Value-added tax (VAT) is a tax on consumer spending. It is collected by VAT-registered traders on their supplies of goods and services within the State to their customers. Generally, each trader in the chain of supply, from manufacturer to retailer, charges VAT on his or her sales. The trader is then entitled to deduct from this amount the VAT paid on his or her purchases. For the final consumer, VAT simply forms part of the purchase price. The Irish VAT system follows EU VAT directives.

The standard rate of VAT is 23% (this rate applies to most professional services) but lower rates of 13.5% (e.g. for the supply of electricity and heating), 9% (e.g. on meals in restaurants) and 0% (e.g. for financial services) also apply.

Funding and incentives



IDA Ireland

IDA Ireland is Ireland's inward investment promotion agency. The agency works with foreign companies to secure new investment. It also collaborates with existing foreign investors in Ireland to help expand and develop their businesses.

A range of services and incentives, including funding and grants, are available to those considering FDI in Ireland. IDA Ireland continues to work with investors once they are in Ireland to encourage and assist them to expand and develop their businesses.

IDA Ireland services include:

- the provision of information and statistics on key business sectors and locations within Ireland;
- assistance in setting up a business in Ireland;
- an introduction to potential investors to local industry, government, service providers, and research and educational institutions;
- advice on property solutions for international investors.

IDA Ireland works in collaboration with other State agencies such as Science Foundation Ireland (SFI), Sustainable Energy Ireland (SEI) and Enterprise Ireland (EI) to coordinate FDI developments.

A comprehensive range of RD&I programmes are also available:

- IDA Ireland has an RD&I programme of grant aid for RD&I projects, including grants for RD&I feasibility studies and training.
- IDA Ireland/EI competence centres finance industry-led collaborative research on commonly identified industry problems.
- EI's Innovation Partnership Programme funds small-scale industry/academic research that provides fast pay back to companies.
- SFI centres for science, engineering and technology (CSETs) fund major university-based centres of collaborative research with industry.
- SFI also funds strategic research centres (SRCs) to conduct collaborative research in selected research themes deemed important for Ireland's future economic growth.

Government supports through Enterprise Ireland



Enterprise Ireland (EI) offers a comprehensive range of supports to high-potential, export-focused entrepreneurs and companies to make it as easy as possible to start a business in Ireland and to grow into global markets.

The supports include:

- funding business;
- advice, mentoring and introductions;
- practical help to enter overseas markets.

A key programme for funding investment in business is the €10m fund. The fund invests equity in ambitious, innovative start-ups, led by strong teams and focused on international markets. Launched in October 2011, this investment fund has been ring-fenced to attract entrepreneurs to relocate or establish their start-ups in Ireland.

A strong and growing network of local business angels, seed funds and venture capitalists is in place in Ireland. On a per-capita basis, the level of money available is high by international standards.

Ireland has a network of both State and privately owned start-up accelerator programmes. An independent study from Techcocktail.com has shown that Ireland has three of the top eight such programmes in Europe, despite accounting for less than 1% of the European population. Almost all of these provide some form of funding to participants in addition to mentoring, incubation space, workshops and more.

The potential to raise money from these sources is in addition to any funding secured from EI.



4. Get involved

Chartered Accountants Ireland's 3,500 members across the globe represent a unique network of experienced business people, each with their own contacts and resources. We have members in the Middle East, Brazil, China, Hong Kong to name a few, as well as more established locations such as USA, Canada, South Africa and Australia. As such, Irish Chartered Accountants are singularly well positioned to facilitate conversations between potential investors and institute members on the ground who share a common sector or industry.

The range of supports and resources within the remit of our FDI project are outlined below. For general inquiries and to start a conversation on investing in Ireland, please contact us below:

Chartered Accountants Ireland FDI

47-49 Pearse St, Dublin 2

Tel: +353 1 637 7200

Fax: +353 1 668 0842

Email: FDI@charteredaccountants.ie

Website: www.charteredaccountants.ie/FDI

Twitter: [CharteredAcclrl](https://twitter.com/CharteredAcclrl)

Business Networks. On a more local level, institute members regularly meet in active networks in every part of Ireland and have an excellent insight into business supports and activity in their areas. Currently 30 such networks currently exist and more can be created abroad.

Virtual networks – Linked In. As with any diverse spread of professionals in our age of social media, the world is a smaller place and it's easier than ever to stay connected. Chartered Accountants Ireland members communicate and debate using the prominent online platforms (Linked In, Facebook and Twitter). The institute utilises an online network in Linked In with 4,800 users. There is an extensive range of specialist discussion groups. As part of the Institute's FDI project, we

have created one sub-group with special emphasis on FDI and an online FDI Linked In network has been created. We will facilitate discussion and assistance on potential FDI projects and provide any support required.

Staying in contact. As you would expect from an institute representing members across the globe, Chartered Accountants Ireland is in regular communication with its 3,500 overseas members, using a range of communication platforms, and this can play a key role in driving inward investment projects to Ireland and answering queries or issues effectively. Members receive a weekly eNewsletter, Chartered Accountants News which issues to 24,000 members and students every Friday, and contains the main news for the institute community, news stories from the press and radio, professional technical updates, event details and regional messages. We will shortly include an update message from our overseas members in eNews. A suite of 10 other newsletters are focused on tax, financial services, governance, leadership and IT, to name a few.

Members or anyone interested in finding out more about investing in Ireland should email fdi@charteredaccountants.ie, and we will aim to find the best way to access our network of members.

Acknowledgments

Chartered Accountants Ireland would like to thank the contributors and authors:

- **Aidan Lambe**, Director, Technical Policy, Chartered Accountants Ireland
- **Brian Keegan**, Director of Taxation, Chartered Accountants Ireland
- **Sarah Lane**, Financial Services Manager, Chartered Accountants Ireland
- **Norah Collender**, Tax Manager, Chartered Accountants Ireland

IDA Contacts

Aimee Williams

IDA Ireland
33 rue de Miromesnil
75008 Paris
Tel: +33 (0)1 43 12 91 80
Fax: +33 (0) 1 47 42 84 76

Alla Natalchenko

IDA Ireland
Embassy of Ireland
Grokholski Pereulok 5
Moscow 129010
Russia
Tel: +7 495 937 5911
Fax: +7 495 680 0623

Paul Veale

IDA Ireland
31 Saint James Avenue,
7th Floor,
Boston
MA 02116
USA
Tel: +1 617 357 4190
Fax: +1 617 357 4198

Mark Devereux

IDA Ireland
3 Park Plaza,
Suite 430,
Irvine, CA 92614
USA
Tel: +1 949 748 3547
Fax: +1 949 748 3586

Brian Conroy

IDA Ireland
Suite 655 Shanghai Centre
1376 Nanjing Road West
Shanghai 200040,
Tel: +86 21 6279 8500
Fax: +86 21 6279 8505

Korea

IDA Ireland
13th Floor Leema B/D
146-1 Susong-dong,
Jongro-ku
Seoul 110-755
Tel: +82 2 7554767/8
Fax: +82 2 7573969

Germany

IDA Ireland
FBC Frankfurter Büro Center
Mainzer Landstrasse 46
60325 Frankfurt am Main
Germany
Tel: +49 (0)69 70 60 990
Fax: +49 (0)69 70 60 9970

John Conlon

IDA Ireland
345 Park Avenue
17th Floor
New York
NY 10154-0004
USA
Tel: +1 212 750 4300
Fax: +1 212 750 7357

Enda Meehan

IDA Ireland
77 West Wacker Drive
Suite 4070
Chicago
IL 60601-1629
USA
Tel: +1 312 236 0222
Fax: +1 312 236 3407

Renate Buzon

IDA Ireland
Rua Haddock Lobo,1421
Conj. 51, andar 5
Cerqueira Cesar
Sao Paulo - SP
01414-003
Brazil
Tel: +55 11 3355-4803
Tel/Fax: +55 11 4992 0406

Linda Lin

IDA Ireland
Level 15, Tower 2
Kerry Plaza
No.1 Zhong Xin Si Road
Futian District
Shenzhen 518048
China
TEL: +86-755- 33043090,
+86-755-33043093
FAX: +86-755-33043322

Minakshi Batra

IDA Ireland
501, 5th Floor, Blue Wave
B/h Kuber Complex
Off Oshiwara Link Road
Andheri (West)
Mumbai 400 053
India
Tel: +91 22 42178900
Fax: +91 22 42178999

Richard Hendron

IDA Ireland
Shaftesbury House
151 Shaftesbury Avenue
London WC2H 8AL
UK
Tel: + 44 (0)20 7379 9728
Fax: + 44 (0)20 7395 7599

Bernard Smith

IDA Ireland
Monarch Plaza, Suite 350
3414 Peachtree Road, N.E.
Atlanta, GA 30326
USA
Tel: +1 404 816 7096
Fax: +1 404 846 0728

Rory Mullen

IDA Ireland
800 W. El Camino Real
Suite 450
Mountain View,
CA 94040
USA
Tel: + 1 650 967 9903
Fax: + 1 650 967 9904

Teresa Keating

IDA Ireland
Ireland House
Suite 2601,
Level 26,
1 Market Street,
Sydney NSW 2000
Tel: + 61 2 9273 8524
Fax: + 61 2 9273 8527

Derek Fitzgerald

IDA Ireland
Ireland House 2F
2-10-7 Kojimachi
Chiyoda-Ku
Tokyo 102-0083
Japan
Tel: +81 3 3262 7621
Fax: +81 3 3261 4239

Micheál Smith

IDA Ireland
Ireland House
541 Orchard Road
8th Floor Liat Towers
Singapore 238881
Tel: +65 623 80774

Connect Ireland

ConnectIreland offers everybody in Ireland and in the wider Irish diaspora an opportunity to contribute to Ireland's economic growth.

ConnectIreland was appointed by IDA Ireland to deliver a new Government jobs initiative, Succeed in Ireland. This new initiative seeks to extend the marketing reach of IDA Ireland, in a new and novel way, to the small and medium enterprises sector. It aims to encourage and mobilise the broad Irish community, living at home or abroad, to use its connections to introduce companies to Ireland that are considering international expansion.

If a company introduced to ConnectIreland goes on to establish a qualifying business in Ireland, ConnectIreland will reward the introducer (or 'connector') with a finder's fee of at least €1,500 per job created, subject to certain terms and conditions (which can be found on www.connectireland.com). This programme aims to attract small to medium companies, which would not typically be the focus of economic development agencies or their advisors, to establish operations in Ireland serving international markets. In this way, ConnectIreland complements the work of IDA Ireland with which it works closely.

The Gathering 2013

What is the Gathering?

The Gathering Ireland 2013 is a unique chance to join a countrywide, citizen-led initiative to reach out to Ireland's global diaspora and bring them home for an unprecedented year-long celebration. It also offers an opportunity for Irish people to play our part in Ireland's renewal; to make a significant contribution to our journey to recovery.

The Gathering Ireland 2013 is all about connecting people in Ireland to each other and our global diaspora. The Gathering will encourage people to engage with each other and organise their own gatherings, inviting friends, relatives and colleagues to come home and join in. It offers Irish people and the Irish diaspora the chance to develop long-lasting relationships and a deeper connection with the landscape, culture and country. For more information on the Gathering visit www.thegatheringireland.com. Sign up for the newsletter to keep up to date with all the news and information.





**Chartered
Accountants
Ireland**

Dublin Office

Chartered Accountants House, 47-49 Pearse Street,
Dublin 2

Tel +353 1 637 7200 Fax +353 1 668 0842

Email ca@charteredaccountants.ie

Belfast Office

The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG

Tel 048 9043 5840 Fax +44 28 9023 0071

Email ca@charteredaccountants.ie

www.charteredaccountants.ie

May 2012