

## Budget 2007: Pre-Budget Submissions and Meetings

The Minister for Finance receives written submissions from both individual members of the public and organisations in the weeks prior to the introduction of the annual Budget.

These submissions outline the specific views of the individual or interest group and cover both taxation and expenditure issues in the forthcoming Budget.

The issues raised in these submissions are considered in the context of the Budget and Finance Bill.

Attached is a summary of the main points in the submissions made by the main organisations the majority of whom are parties to *Towards 2016*.

Oral briefing will be provided on issues raised in the submissions.

The Group may wish to consider the issues raised.

### **Organisations included:**

Irish Business and Employers' Confederation.....	2
Irish Congress of Trade Unions (ICTU).....	4
Construction Industry Federation .....	8
Irish Farmers' Association.....	9
Irish Creamery Milk Suppliers' Association .....	10
Macra Na Feirme .....	13
Small Firms' Association.....	13
Irish Exporters' Association .....	15
Conference of Religious of Ireland.....	15
The Carers Association.....	19
Disability Federation of Ireland.....	20
Irish Rural Link.....	20
Irish Senior Citizens Parliament .....	23
Chamber of Commerce of Ireland .....	25
Irish Bankers Federation & the Federation of International Banks .....	26
Irish Hotels Federation.....	27
Irish Small & Medium Enterprise.....	27
Irish Taxation Institute.....	28
Society of the Irish Motor Industry.....	28

# **Irish Business and Employers' Confederation**

## **Business Taxation**

- Extend BES until at least 2013 and revise investment limits to reflect current business investment values.
- The R&D Tax Credit Scheme must be amended to make it more relevant to the commercial realities of Irish business.
- In making prioritisation decisions for new treaties and renegotiations, attempt to match more favourable arrangements in competitor countries.
- Move away from per country system of foreign tax credits to an overall foreign pool basis & permit carry-forward of excess credits.
- Alleviate the tax compliance burden for small companies by implementing the relevant recommendations from the report of the Small Business Forum re VAT exemptions and preliminary corporation tax payment thresholds.
- Anomalies in the VAT system pertaining to financial services and to public service provision should be addressed.
- Equal treatment for VAT on service provision such as waste collection for both the public and private sectors.
- Maintain full sovereignty over taxation issues and fully resist any attempts at EU level to introduce a CCCTB.
- Tax companies engaged in extraction of minerals and petroleum exploration at the 12.5% rate of corporation tax.
- Attempt to renegotiate its treaty with Japan to achieve equivalent benefits to those of the US and UK.

## **Personal Taxation**

- The personal credit, the PAYE credit and the standard rate band should all be indexed to wage inflation.
- There should be no increase in labour costs through employers or employees PRSI.
- Extend equal tax incentives to all income earners to provide for a pension.
- Extend the exemption from accounting for PAYE for foreign workers hired for less than 60 days to 183 days.

## **Controlling Public Expenditure and Inflationary Pressures**

- Counter-cyclical fiscal policy should ensure that Budget 2007 does not have an expansionary impact on the economy.
- The increase in current public expenditure in 2007 must not exceed 8% in nominal terms.
- Commit to not raising charges on publicly administered services for at least 12 months.

## **Benchmarking**

- Public sector earnings must be compared with those in the private sector on a basis that takes account of short - term spikes in private sector pay.
- The exercise must be conducted in an open and transparent manner and all elements of remuneration and employment benefits must be fully quantified.
- Public sector workers enjoy much more favourable pension terms than workers in the private sector and this must be fully accounted for by Benchmarking II. Other benefits such as job security, variable pay, annual leave and car parking etc should be fully quantified.
- International trends in relation to public sector pay and pensions should be taken into account.
- The survey of private sector earnings must be fully representative of all Irish businesses and not just of larger employers.

- Research analysis undertaken by the Benchmarking Body and commissioned from consultants should be made available to the public.
- If public sector pay is to continue to be linked to that in the private sector, further modernisation measures are required in the public sector in order to make organisational and work practices more comparable to private enterprise.
- The verification group process, which has worked reasonably well under Benchmarking I, must be refined so that it focuses more on impacts and service quality to end users, rather than merely on internal processes in the public sector.

### **Procurement**

- Create a structure for dialogue & collaboration between public & private sectors in an environment where competitive tenders are not in play.
- Contract extensions should be permissible up to 50% of the original value of contracts.
- Intellectual Property Rights to technical solutions/systems arising from public contracts should revert to the party that is in a position to commercially exploit them.
- Encourage development of partnerships between public and private sector into new areas of service delivery.

### **National Development Plan**

- Balanced regional development must be given real impetus through the prioritisation of funding under the new NDP
- Measure progress of the next NDP more on the basis of outcomes achieved rather than on expenditure incurred.
- NDP budgets should provide for an increase in public capital expenditure once the private construction sector slows
- Fund a programme to ensure industry in Ireland reaps the benefits provided by the EU Framework Programme.

### **Alleviating the Pressure of High Energy Costs**

- Provide 750m over five years for an Industry Energy Efficiency Fund.
- Provide financial support for energy audits, process re-engineering and investment in energy efficient equipment.
- Targeted measures should be introduced to help alleviate the pressure on energy intensive firms.
- A new tax credit scheme should be introduced to provide incentives for energy efficient accredited firms.
- Increased funding is required for renewables and research and innovation in energy efficiency.
- Reduce excise on auto diesel by 6.6c to 30.2c per litre and excise on industrial oils to 5c from rate of 13.45c per litre.
- Grants for recycling infrastructure should be open to applicants from both the public and private sectors.

### **Fostering Innovation**

- Create the conditions to encourage multinationals to shift a greater part of their research programmes to Ireland.
- Provided funding to help low R&D performers to assimilate new technologies already available in the marketplace.

# **Irish Congress of Trade Unions (ICTU)**

## **Economic Background & National Development Plan**

- The Metro and further Luas lines and the proposed additional bus services should be integrated under a powerful Dublin Transport Authority. Consideration should be given to tram and train lines in Galway, Limerick, Cork and later, to other urban centres. There should be grants for fuel switching and greater efficiency of public transport vehicles. It is also time for investing in a complete outer C-Ring around Dublin, beyond the M50.
- The Government must re-examine the case for a new structure of governance for the state commercial companies.
- Congress wants to see strong investment in enhancing the skills of those with low educational attainment.
- The NDP must invest in developing greater economic and social cohesion through rebalanced investment priorities
- Allocate resources to guarantee the construction of the targets that have now been set in Towards 2016.
- Grants should be available for the insulation of the homes of those on low incomes.
- Permits for emissions trading by firms should be auctioned in the next round and not given away free.

## **Taxation**

- Increase income exemption limit for 2% Health Levy from €440 to €515 pw
- Increase the income level for exemption from 4% PRSI from €287 to €420 pw
- Increase weekly PRSI-free allowance from €127 to €210
- Earnings from approved gainsharing schemes should attract favourable tax treatment.
- Abolish property based tax schemes these schemes.
- The amount of trade union subscriptions credit should be raised to €100.
- Congress is seeking a reduction in spending taxes to reduce inflation.
- Congress is seeking a reduction in excise taxes which will reduce inflation by 0.5 per cent.
- Congress seeks increased VRT taxes on SUVs.
- The rate of capital gains should be raised.
- Capital gains tax (CGT) is levied at only 20 per cent while income tax is levied at 42 per cent for most earners.
- Review the relationship thresholds, including those for "strangers", and from children to parents
- Treat non marital partners as exempt from CAT on pension benefits, on the same basis as legal spouses
- Review the valuation of principal private residences for CAT purposes
- Review the various anti avoidance arrangements to ensure that the very wealthy do not avoid or evade CAT.
- Congress would be strongly opposed to the removal of stamp duties
- We believe that the Minister for Finance should accept some greater level of tax co-ordination in Europe.
- Royalties at 12.5 per cent of production should be re-introduced in the next Budget for future finds.
- The administration of the tax system is critical and Congress strongly favours such disproportionate resource utilisation in the interest of equity.
- Resources are needed to increase the number of Labour Inspectors to 90 and increase the number of Rights Commissioners.
- The laws on tax avoidance through tax exile should be strengthened considerably and enforced.

## **Health**

- Congress is strongly opposed to the tax subsidies going to so-called private hospitals in tax breaks on buildings.
- Extend Medical Card coverage to 40% of the population
- Introduce a Cost of Disability Allowance as sought by ICTU, SIPTU, NDA and others
- Increase funding for specialist services working on Violence Against Women, e.g. from €12m. to €19m.
- Increase income exemption limit for Health Levy

## **Working Parents and Childcare**

- Provide assistance to working parents to help them meet the costs of their childcare
- Provide for further 25,000 childcare places by end 2007, including 2,000 pre-school and 5000 after-school places.
- Make resources available for the development of a National Childcare Training Strategy.
- Extend paid Maternity Leave to 28 weeks by March 2007 and increase unpaid maternity leave entitlement to 16 weeks
- Increase the amount of Maternity Benefit
- The Health and Safety Benefit should be increased and paid at the same rate as Maternity Benefit.
- The existing 14 weeks unpaid Parental Leave must attract a payment in line with Maternity Benefit.
- The introduction, as a first step towards 4 weeks paid paternity leave, of paid paternity leave of one week.
- Increase Child Benefit rates by €25 to €175 and €210 per month
- Development of a legal entitlement that will allow working parents to have more control over their working time supported by a flexible social security system which supports working parents through more part time benefit options.

## **Pensions and Older People**

- Increase in the contributory state pension to 34% of average industrial earnings, about €215 p.w. and the non-contributory pension to €204 p.w.
- Improve existing incentive to convert SSIA's into SSRAs to maximise conversion of those savings to pensions;
- Double the 'earnings disregard' for non-contributory pensioners so that they can earn €200 p.w. rather than €100 p.w. without this affecting their state pension;
- Encourage higher contributions to occupational pension schemes by converting employees' tax relief to a 'one-for-one' matching contribution (SSIA-style),
- Consider the introduction of the system of mandatory pensions modelled by the Pensions Board in its 'Special Savings for Retirement' Report<sup>1</sup>,
- Increase the qualified adult payment for state pensions to 100% of the non-contributory pension rate.
- Increase Age tax credit to €350 (see tax).
- Remove discrimination against partners in long-term relationships
- Congress is seeking the incremental extension of the entitlement to 'free schemes' to all pensioners over 66 years.
- Provide resources for the pilot programmes for care of older people as set out in Towards 2016
- Increase grants and services and home support packages which allow people remain in their own homes.
- Provide for the €40m for Services for Older people and Palliative Care and the €150m for community care supports.
- Establish the Social Services Inspectorate on a statutory basis and provide resources to see the recommendations contained in the Report on Elder Abuse.

---

<sup>1</sup> "Towards 2016", page 88 Published August, 2006

- Implement the Towards 2016 commitment to double funding for the rural transport initiative by 2007

### **Life Long Learning and Upskilling**

- Introduce paid educational leave, funded through the social insurance fund and a broadened national training fund;
- Increase funding for Workplace Learning and Upskilling Programmes, especially FÁS 'One Step Up' Programme;
- Eliminate 3rd level course fees for workers who have not previously secured qualifications at 3rd level;
- Focus much more attention on developing the skills of the population who have not completed school.
- Consider a once-off grant to those who never had the opportunity to attend 3rd level to attend approved courses.
- Have each University and Institute of Technology produce reports annually on the numbers of mature students combining learning with work.
- In the PLC sector the €48m cost funding should be rolled out as per Towards 2016 (page 51).
- Third Level grants should have a single administrative structure and delivery agency which should take account of all income and the assets of applicants (parents).
- Maintenance Grants should be paid to all students living more than a mean average travelling time from a 3rd level institution.
- The massive increase in students whose mother tongue is not English in classrooms, must mean that the cap on the provision of tuition in English for these students be removed in this Budget.
- The government must commit to begin a programme to significantly reduce the size of classes in our school system.
- There should be a provision of resources for the co-ordination planning and administration of special needs resources.
- The recommendations of the Task Force on the Physical Sciences with a major programme of investment in ICT in second-level schools should be a priority.

### **Incomes**

- The lowest personal rate for social welfare - for Unemployment Assistance, Supplementary Welfare Allowance, etc. - must be increased by €25 per week bringing these weekly payments to €190.
- Congress believes that state contributory pensions should be increased to at least €214.50
- Ensure that the minimum wage remains outside the tax net
- Increase the earning threshold for FIS by €20 per week for each child
- Take work related costs and travel-to-work costs into account when calculating a family's assessable earnings
- Increase the earnings thresholds for reduction of the One-Parent Family Payment also raise the earnings ceiling
- Earnings thresholds that apply for the retention of secondary benefits by people on FIS and other social welfare payments should be increased and in cases of tapered withdrawal of benefits, substantial increases in the levels at which tapering begins. This is particularly important in the context of the Qualified Adult Allowance.
- Resources must be made available to the social partners to publicise income supports for working families and to finance a review of the FIS payment mechanism so as to ensure that all families entitled to receive this much needed support are actually doing so.
- Reform of the Back-to-Education Allowance
- Congress is proposing that this new child supplement should be available to all families who fall below a certain level of income regardless of whether they are in employment or are on social welfare.

- The priority from a child poverty perspective should be to provide free or affordable early childhood education for all 3-4 year olds from low income families, including low income working families.
- Congress believes that this budget should increase the amount that a family can earn before they lose their child income supports, particularly the supports which relate to school. We are calling for the improved FIS income thresholds criteria to be used when establishing eligibility for school support schemes.
- Increase in the amount of financial support that is provided to families, the back to school clothing and footwear allowance should be increased by €50 to €180 for primary pupils and to €240 for secondary pupils.
- The School Meals scheme plays an important role in combating food poverty for many school children. This budget should ensure that adequate capital and support staff are provided to ensure that children who would benefit from healthy meals do so.
- Towards 2016 confirmed the government's commitment to achieving the Irish Sports Council target of 3% of children taking part in sport by the end of 2008. This will require additional funding in 2007 of €3.5m.
- Congress notes that the multi-annual investment programme attached to the National Disability Strategy is largely intact, but calls for additional resources to address the assessed health and educational needs under 18 year olds,
- Congress regrets the delay in implementation of the strategic review of existing service provision (promised under PPF) and calls for its immediate implementation
- Congress demands once again the development of an action plan for the implementation of the Code of Practice on Sheltered Employment.
- Early action on the adoption of set of standards of service for people with disabilities by the Health Information and Quality Authority (HIQUA), based on the work of the National Disability Authority.
- Early progression of practical moves to address the added cost of people with disabilities, including the Cost of Disability Payment. This should not be overly delayed by awaiting full results of the needs assessment process promised in Towards 2016;
- Congress therefore calls for an early resolution of the benefits trap – particularly the medical card and the need for higher limits for people with disabilities,
- Congress seeks the early formation of monitoring mechanisms for the sectoral plan that are inclusive of Congress and people with disabilities.
- Congress is calling for a significant increase in the Carers Benefit from €180 a week to at least €214.50 a week and for similar increases to the Carers Allowance to recognise the work undertaken by Carers.
- Measures to improve carers' access to part time work as part of their Carers Leave entitlement are also needed.
- Greater support for the money advice and budgeting service (MABs),
- Improved opportunity for a person who is over-indebted to arrange for an affordable repayment schedule that suits their means
- Firmer regulation of creditors whose practices can exacerbate a person's financial distress and
- An outright prohibition on calling employees at work about their over-indebtedness
- Increase in the weekly payments to asylum-seekers from €19.10 for adults and €9.60 for children to a minimum of €50 for adults and €25 for children.
- The low level of direct provision payments has led to “food poverty” where people in direct provision accommodation are not able to afford to supplement their food requirements.
- We are also calling for the universality of Child Benefit payments to be restored.

### **Migration and Integration**

- Provide as a minimum, the €750,000 committed in Towards 2016 for the social partner's education and promotional activities aimed at informing migrant workers of their rights.

- Congress remains concerned that some migrant workers still do not have access to an adequate social welfare safety net.
- Resources to fulfil the Towards 2016 commitment to provide enhanced support for the effective integration of non English speaking children of migrants at both primary and second-level through the provision of an extra 550 language support teachers by 2009 and the reform of the current limit of two additional teachers per school
- Resources to implement the promised new integration framework after consultation with the social partners who will also be included in any coordination/monitoring mechanism.

## **Construction Industry Federation**

### **Taxation**

- Continue to pursue a low-taxation strategy
- VAT on property transactions should be simplified
- Undertake a dull-scale review of capital transactions taxes with a view to a comprehensive tax reform in this neglected area and the removal of the 9% stamp duty level
- Government must use all levers at its disposal to achieve balanced regional development
- The 35% withholding tax rate under the C45 scheme should be modified
- Government must widen the standard rate of income tax bands
- Cost of statutory redundancy should be met wholly from employers' contribution to the Social Insurance Fund
- It is vital that the 2007 Budget does nothing to jeopardise the contribution of the house building sector
- Government must commit funding to the reintroduction of a major serviced land initiative
- VAT should be rebated directly to first time buyers
- Joint Ventures for delivery of public housing programmes should be encouraged
- Further government investment is needed in the area of energy efficient housing for 2007
- Take action to remove delays being experienced by the house building industry with regulatory agencies

### **Sustaining Economic Growth**

- Develop a bold new National Development Plan to improve national competitiveness
- Address bottlenecks in the public sector's capacity to deliver Government infrastructure investment targets
- Ensure that implementation of new contracts does not increase regulatory or cost burden on SMEs
- New public sector contracts to be used unamended in all public finance procurement with a formal vigorous review process

### **Regulation, Small Business and Competitiveness**

- Regulatory Impact Assessment must be undertaken and published prior to the adoption of any new regulatory instrument
- Undertake a reform of the planning process in Ireland
- Undertake reform of local infrastructural development
- Undertake a national audit of local solid waste disposal facilities
- Incentivise energy efficiency and provide increased support
- Commit to supporting innovative practice and research and development within businesses



# **Irish Farmers' Association**

## **Income Tax**

- Extend access to the employee (PAYE) tax credit all tax-payers through a system of personal credits.
- Introduce a BES type scheme for renewable energy projects with an investment limit per person of the lesser of €4m or 30% of project costs.
- Equalize the tax incentive on pension contributions for all taxpayers i.e. income tax payers on the 20% tax rate should be provided with tax relief at the 42% rate.
- Provide an SSIA-type incentive to encourage pensions savings for individuals who are not in the income tax net due to low incomes.
- Introduce a new tier of relief of €25,000 per annum where land is leased for 12 or more years.
- Introduce appropriate tax arrangement to ensure sugar beet growers receive the maximum net amount of compensation.

## **Capital Gains Tax**

- Introduce a targeted Farm Consolidation Re-investment Relief from CGT proceeds from the sale or transfer are reinvested into other farmland .
- Abolish Capital Gains Tax on gains from the disposal of farmland to a local authority for road building or road widening purposes.
- Allow the minimum 10 year asset holding period for CGT Retirement relief to be deemed commence in the period up to the initial letting of the land to a family member, provided the eventual disposal of the land is to that family member.
- Increase the lifetime CGT exemption threshold from €500,000 to €1,000,000.
- No chargeable gain on jointly owned assets sold by partners to individuals where no net value shift has arisen.

## **Capital Acquisitions Tax**

- Exclude principal private residence from the gross assets tests for CAT Agricultural Relief.
- Increase the CAT Tax Class Thresholds from €478,155, €47,815 and €23,908 to €1,000,000, €100,000 and €50,000 respectively.

## **Stamp Duty**

- Extend the stamp duty exemption for farm consolidation to certain land purchases.

## **VAT**

- Reconvene the VAT technical working group so that its work can form an input into the 2007 Budget.

## **Excise Duty**

- Expand the pilot excise duty rebate scheme on bio fuel production.

## **3rd Level Education Grants**

- Change the 3rd level education grants and any income-related child support payments income assessment methods for farmers and self-employed persons so that the assessments are based on income as established for income tax purposes.

## **Social Welfare & PRSI**

- Allow spouses working on the farms of self-employed coverage for a flat-rate annual contribution of €253, up to a farm income threshold of €20,000, and a farm income related contribution of 2% above that income level.
- IFA supports proposals to move from a PRSI disregard to a PRSI homemaker's credit.
- Extend eligibility for the special 50% state contributory old age pension should to those aged between 60 and 65 years in April 1988.
- Increase the special pension rate available to the group aged between 56 and 60 years in April 1988 from 50% to 75%.
- Change the assessment of capital for Farm Assist to the form of assessment used for non-contributory old age pension, i.e. the €20,000 exemption should be available to both spouses.
- End the exclusion of farmers in receipt of Farm Assist from making compulsory PRSI contributions.
- The first €5,000 of REPS (currently €2539) be exempt from assessment for Farm Assist with the remainder assessed at 50% as at present.
- Treat Farm Assist in the same way as the Family Income Supplement Scheme for the assessment for third level grants, i.e. that it is disregarded in the means assessment.
- The eligibility criteria for the new State Pension (non-contributory) should treat farm income in the same manner as employment income.
- Increase the maximum subvention rates to €430 per week where the assessed need level is for 'continuous' care, and to €344 per week where the level of need is 'high'. A non-means tested subvention for nursing home care should apply for the first two years. After that a means-tested system would apply.
- Introduce a universal support system for home/community care below a reasonable income threshold.
- Introduce a weekly carer's cash benefit for informal home care set at 60% of the 'formal services' benefit, i.e. €258 per week for 'continuous' care, and €206 per week for 'high' level of care and €155 per week for 'moderate' level of care. This would replace the current means tested Carer's Allowance.
- The Department of Social and Family affairs should examine the extension of invalidity/disability benefit to farmers and the self-employed.

## **Irish Creamery Milk Suppliers' Association**

### **Income Tax**

- Abolish the PAYE tax credit and replace with an increased personal tax credit of €1490 single/€2980 married for all taxpayers.
- Increase the Standard Rate Cut-Off Point to €36,000 (single) and €46,000 (married, one income).
- Increase income exemption limits to €20,000 (married) and to €10,000 (single)
- Increase the exemption thresholds to €800 per child for the first 2 children and €1,025 for additional children.
- Allow a concession to farmers on interest payable on outstanding income tax until they receive their full SFP.
- Extend income averaging to part time farmers and farmers with spousal off farm income.
- Extend farmland leased land exemption to connected persons.
- Abolish the age limit to qualify for the income exemption from farm leases.

- Allow the rollover of leases on an annual basis for the purposes of the leased land tax exemption.
- Reduce the writing down period for plant and machinery from 8 to 5 years and allow for 30% year allowance.
- Capital expenses incurred in developing rural enterprises or small-scale renewable energy projects should be allowed to be written off over a shorter period of time.
- Extend 100% Stock Relief to all full-time farmers
- Extend the special tax treatment of gains arising from compulsory disposal of animals to farmers de-stocking as a result of the Nitrates Directive.
- Introduce 12.5% tax rate for farmers for income from supply contracts with meat processing factories or live exporters.
- Introduce tax relief for all repayments (capital and interest) on borrowings by full-time farmers for land purchase.
- Continue the B.E.S and increase the cap to €40,000.

### **Stamp Duty**

- Extend Young Trained Stamp Duty Relief to all fulltime farmers.

### **CGT**

- Exempt farmers forced to sell land under CPO from Capital Gains Tax.
- Introduce a full Roll-Over Relief facility for land sales, where capital gain is re-invested in replacement agricultural assets.
- The CGT Retirement Relief consideration threshold should be increased to €1,000,000
- Extend the exemption from the 10 year rule for individuals who enter the Early Retirement Scheme to all individuals who meet the conditions when they sign the lease agreement.

### **CAT**

- Exclude the principal private residence of the recipient of the gift/inheritance when calculating the 80 per cent 'agricultural property' clause.
- Allow farmers regarded as having carried on the business of farming for a period of ten years prior to entering a lease agreement to qualify for the Business Relief.
- Increase the thresholds for the Capital Acquisitions Tax to - €800,000 - donor and child/nephew/niece; €90,000 between siblings; €45,000 between any other person.

### **VAT**

- Increase flat rate VAT to at least 5.8%.
- The VAT Rebate working group should re-convene to finalise their work before Budget 2007.
- Charge all farm inputs currently at the higher VAT rate at the standard VAT rate.
- Increase threshold for VAT registration from €25,000 to €50,000.
- Allow farmers to claim VAT back on all expenditure under the Farm Waste Management Scheme.
- A zero rate of VAT should apply to all investments in small-scale renewable energy projects.

### **Excise**

- Reduce the excise duty on green diesel to zero
- Extend the pilot scheme on excise relief for biofuel to all processors.
- Introduce an excise duty rebate on white diesel of 20% through the VAT system to those registered for VAT.

### **Social Welfare & PRSI**

- Exempt pension premiums paid by self-employed from PRSI and Health contributions.
- Allow Farmers upon entering the Early Retirement Scheme to contribute to a private pension fund.
- Those affected by the introduction of mandatory PRSI contributions for the self employed in 1988 should qualify for the Special 50 per cent Contributory Old Age Pension where they have less than five years contributions and a full Contributory Old Age Pension where they have more than five years contributions.
- Extend Occupational PRSI risk benefits to all farmers.
- Allow all self-employed persons to qualify for the €100 disregard allowed for calculation of means in the non-contributory pension which is currently available to PAYE workers.
- Increase by 50% the non-contributory pension disregard of the individuals' means from self-employment, including farming.
- The child disregards should be increased to €400 for the first and second child and to €650 for the third and each subsequent child.
- Farmers in receipt of Farm Assist should be allowed make voluntary PRSI contributions.

### **3<sup>rd</sup> Level Grants**

- ICMSA rejects any proposal to combine the value of a farmer's assets with his/her income for the calculation of reckonable income for the Third Level Education Grants Scheme.
- The figure used for determination of eligibility for Higher Education Grants should be the net income figure. The method for calculation of reckonable income for self employed persons must cover all costs including depreciation and interest, as is the case for Income Tax purposes.
- Increase the maintenance grant rate should to €7,000 and index link the reckonable income limits.

### **Grants**

- The number of places in the Rural Social Scheme should be increased to 5,000.
- Introduce a 100% grant scheme for costs of connection to the National Grid for rural enterprises.
- The ESB should start providing net meters for domestic customers at no extra cost to the householder where a domestic mains supply is already in place.
- Increase the energy crops scheme payment to €200/ha.
- Introduce grants for all small-scale renewable energy projects, such as domestic wind turbines etc.

## **Macra Na Feirme**

### **Stock Relief**

Extend the 100% stock relief for young trained farmers and 25% stock relief available to all farmers for a further five years.

### **Installation Aid**

Increase the value of the Installation Aid payment to the maximum allowed of €40,000 under new proposed EU Rural Development Regulations.

The introduction of a business plan must not be over bureaucratic and expensive for young farmers.

### **Farm Retirement Scheme**

Increase the rate of payment of the Farm Retirement Scheme to €18,000, the maximum allowed under the new EU Rural Development Regulations.

Retain the forty-year age limit for transferees under the Farm Retirement Scheme.

### **Bio Fuel and Alternative Energy Production**

Introduce a grant to cover the establishment cost of Miscanthus (€2800 p/ha) and willow (2400 p/ha)

Exempt from VAT miscanthus rhizomes.

Allow both the payments under the Disadvantaged Areas Scheme and payments under the Energy Crops Scheme to be paid to farmers.

Allow farmers who are participating in the REPS scheme and growing energy crops to retain their REPS payment on land used for energy crops.

Allow the recoupment by way of PSO of carbon credits by peat burning electricity generating stations to be retained when such stations switch to burning biofuels.

### **Agricultural Education**

Change the minimum eligibility requirement for stamp duty relief for young trained farmers, installation aid and top-up grants aimed at young trained farmers from a non-agricultural Level 6 qualification plus the "180 hours" to a non-agricultural Level 6 qualification plus the new 'Advanced Certificate in Agriculture', subject to appropriate transition arrangements.

### **Farm Partnerships**

Treat farmers in a registered partnership as individuals for the purpose of qualifying for schemes and grants.

## **Small Firms' Association**

### **Taxation**

#### ***Business Expansion Scheme***

- Extend the scheme until 31<sup>st</sup> December 2013
- Increase overall amount a business can raise from €1mn to €2mn
- Increase individual investment ceiling to €250,000.
- Extend the scheme into all sectors of high-risk small-business activity
- Promote the scheme to small businesses and potential investors

#### ***Seed Capital Scheme***

- Extend the scheme until 31<sup>st</sup> December 2013.

- Increase this investment ceiling to €100,000 per annum over 6 years.
- Extend the scheme into all sectors of high-risk small-business activity.
- Heavily promote the scheme to encourage small business start-ups
- Reduce the administrative burden

### ***Personal Tax***

- SFA believes that Budget 2007 offers a considerable opportunity to index tax credits and tax bands, and ensure that employees' real take-home pay is maintained.
- The ceiling on employees' PRSI should not be removed.

### ***Indirect Taxes***

- The SFA is calling on Government to ensure that there are certainly no indirect tax increases, by way of VAT or excise duties in Budget 2007, and to examine the potential for actual decreases in indirect taxation.
- the elimination of the 21% VAT imbalance between in-house and out-sourced services, is critical in this regard. Indeed, earlier this year, the European Commission issued an opinion stating that this practice might in fact be illegal.

### ***Tax Compliance***

- Increase VAT exemptions for small businesses.
- Allow the preliminary payment of corporation tax to be based on the previous year's assessment where the tax for the previous year is less than €100,000 (currently €50,000), to alleviate cash flow pressures on small business.
- Raise the threshold for using the cash basis of accounting for VAT (for non-retail businesses) to at least €1m.

### **Economic**

Reducing inflation should now be a primary Government target.

### **Energy Costs**

- Fund the provision of detailed information on energy efficiency.
- Fund energy audits for small businesses, to assist them in identifying potential energy savings, and develop process re-engineering plans.
- Fund investment in energy efficient equipment in small business
- Fund research and innovation in energy efficiency at national level

### **R&D – Supporting Growth and Innovation**

- The current R&D 20% tax scheme should be re-evaluated and extended to a volume-based approach.
- Smaller companies engaged in R&D should be allowed a special 100% tax credit
- If the incremental scheme is to be maintained, the rolling base year should be extended from three to seven years.
- The tax scheme should be simple, visible and transparent to influence business R&D:
- Government should offer an immediate credit for companies who do not pay corporation tax,
- Expenditure eligibility should be extended to include third party or independent research, postgraduate student placements and R&D joint initiatives with third level and/or universities.
- SME-Specific fiscal incentive in line with other OECD countries with high levels of IP should be introduced in parallel to the expansion of the tax credit
- A specific innovation voucher scheme should be introduced for the majority of small businesses outside the R&D scheme, who still need to be innovative in order to compete in the global economy.

## **Pensions**

- Examine the potential to further incentivise people to invest their SSIA's.

## **Childcare**

- Initiatives by Employers on Childcare should not be subject to Benefit-in-Kind (BIK).
- Increased funding from Government to create more childcare places
- Planning applications for childcare facilities should be fast-tracked through the planning process.

## **Balanced Local Authority Charges**

- The general services of Local Authorities should be funded by the Exchequer.
- Impose a cap on the contribution of businesses to local authorities, which can only be increased in line with inflation.
- Local Authorities should be statutorily obliged to seek tenders for service provision and outsource where better value for money can be achieved - the elimination of the 21% VAT imbalance between in-house and out-sourced services, is critical in this regard.
- Provide greater transparency and clarity in the preparation of local authority accounts
- Base development charges on the incremental costs that are directly attributable to the proposed development
- Establish a Business Users' Forum in each local authority.

## **Irish Exporters' Association**

- Business Expansion Scheme
- VAT on B2C Internet Sales.
- Development of a Knowledge Based Economy
- Focus on Development not just Research (Only 73 companies have availed of the R & D tax credits introduced in the 2005 Budget)
- Ports - Release funding provided for Ports in original NDP plan
- Rail Freight – Invest up to €35m per annum by way of fund, similar to that in UK.
- Road - Continue to Invest in Network; Open Port Tunnel
- Air Transport - Ensure continuity of service to Air Freight Users and Incentivise air cargo where necessary
- Broadband - PPPs to encourage broadband penetration
- Incentivise an Interconnector between Ireland and UK
- Construct gas storage facilities as a priority project.
- Encourage R&D in Energy Sector
- Incentivise use of Renewable Energy Sources
- Promote the adoption of a "Single Window" to facilitate international trading

## **Conference of Religious of Ireland**

### **Taxation**

- Make Tax Credits refundable
- Increase tax credits so as to keep the minimum wage out of the tax net.
- Further expand the levy on financial institutions introduced in Budget 2003.
- Introduce a speculative tax on windfall gains from land rezoning.
- Investigate policies which allow taxation on wealth and land to be increased.

- Increase the tax-take from property (e.g. through a land rent tax)
- Commit to increasing Ireland's total tax take towards the EU average.
- Standard rate all discretionary tax expenditure.
- Continue to review the costs and benefits of discretionary tax expenditures.
- Integrate Family Income Supplement (FIS) with the tax system.
- Proceed with individualisation in the income tax system in a fair and equitable manner.
- Poverty-proof all budget tax packages to ensure they do not further widen the rich/poor gap.
- Increase capital gains tax.
- Increase the corporate tax rate to 17.5%.
- Move decisively to shift the burden of taxation from income tax to eco-taxes and taxes on consumption.
- Reform the structure of motor tax.
- Increase the tax on wealth (e.g. through increasing DIRT tax)

### **Income Distribution**

- Increase the lowest social welfare rates by €20 a week for a single person.
- Increase child benefit substantially and do not tax it.
- Move towards individualisation of social welfare payments.
- Introduce a cost of disability allowance.
- Expand the recently announced increase in free electricity units so that it goes to all social welfare and FIS recipients.
- Provide a fair income distribution between people on different incomes.
- Commit Government to continue benchmarking the lowest social welfare payments for single people at 30% of gross average industrial wage earnings (GAIE).
- Increase weekly allowance for asylum seekers in 'direct provision' to €60 a week for an adult and €30 for a child.
- Develop a national programme, on an inter-departmental basis, to address fuel poverty
- Abolish claw-back rules so that social welfare recipients will get the full value of the Budget increases.
- Adopt policies to address child poverty.

### **Work/Unemployment/Job-Creation**

- Place an ongoing emphasis on preparing and enabling unemployed people to access jobs.
- Increased numbers of places providing quality education and training, retraining and up-skilling.
- Expanded opportunities for unemployed people to gain work-place experience
- Adequate numbers of places on programmes such as Community Employment.
- Expand the programme providing direct funding for community and voluntary organisations that provide services and do not make this funding dependent on C+V organisations employing people who do not have the requisite skills.
- Provide resources to conduct a survey to discover the value of all unpaid work in the country.
- Reform and adequately resource the Social Economy programme to ensure it has a real social economy focus.
- Increase the education/training grants for participants in active labour market programmes.
- Resource life long learning.
- Recognise the right to work of asylum seekers.
- Allocate resources to address the youth unemployment problem.
- Maintain the number of ALMP places for LTUs.



## **Public Services**

- Target funding strategies to ensure that far greater priority is given to providing quality public transport system.
- Provide substantial additional resources for the development of library services.
- Adopt further IT programmes to increase the skills of school children, early school-leavers and the unemployed.
- Take initiatives to ensure equality of access across all public services.
- Increase the provision of open-access information technology in public libraries and meet the commitment in the national agreement to “include everybody in the information society”.
- Introduce a system that ensures people on low incomes can access ICT on an ongoing basis.
- Regulate the removal of public payphone services.
- Provide additional funding to the Sports Partnership initiative.
- Increase the allocation for the local sports partnerships developed by the National Sports Council.

## **Housing and Accommodation**

- Acknowledge that everyone has a right to appropriate accommodation and develop policy from this perspective.
- Provide resources to local authorities and the voluntary/non-profit housing sector to ensure an increase of 9,000 social housing units in 2007.
- Provide sufficient resources to address the housing problems of those with a disability
- Acknowledge that social housing provision needs to reach 200,000 units by 2013.
- Allocate sufficient resources to the Rental Accommodation Scheme (RAS).
- Provide sufficient resources to the rent supplement programme and to the housing support programme to ensure that both programmes are adequate to meet current needs.
- Set a target of reducing the time spent on waiting lists to a maximum of 6 months.
- Provide new resources for the security and management of local authority housing.
- Give a special focus to tackling issues concerning accommodation for refugees and asylum seekers.
- Provide the resources required to ensure implementation of the Travellers Accommodation programme.
- Allocate significant additional resources to reduce the unnecessarily long waiting lists for a disabled persons housing grant.

## **Healthcare**

- Fund 100 additional primary care teams as committed to in Towards 2016.
- Work towards universal access in primary care
- Give far greater priority to community care and increase the resources for core community care services for older people with priority to be given to home care.
- Resource the development of nursing care of elderly people in their own community on the model of the hospice care programme.
- Raise the eligibility level for the full medical card.
- Recognise the considerable health inequalities present within the Irish healthcare system and provide sufficient resources to tackle them.
- Resource and implement targets on health status within the NAPS.
- Increase the percentage of the health budget allocated to health promotion and education in partnership with all relevant stakeholders.
- Provide the childcare services with the additional resources necessary to effectively implement the Child Care Act.
- Provide additional respite care for elderly people and people with disabilities.
- Resource the development of mental health services, recognising that this will play a key factor in health status.

- Facilitate and fund a campaign to give greater attention to the issue of suicide in Irish society.
- Adequately resource the Local and Regional Drugs Task Forces.

### **Education**

- Prioritise funding for primary and family-based pre-school education.
- Provide ‘early start’ programmes in all disadvantaged communities (including those outside disadvantaged areas).
- Further prioritise Adult and Community Education.
- Introduce a Basic Educational Allowance for full-time and part-time education for persons between ages 18 and 40 who do not proceed to third level from school.
- Extend early start initiatives beyond school year framework to an all year support initiative anchored in the host community, with especial links to family units.
- Research PTR allocations in all Primary and Post Primary schools with a view to ensuring equity of provision.
- Exchequer funded pre-school initiatives should include ongoing credentialised training for providers and should include ongoing evaluation of the outcomes of these initiatives for children and their families.
- Extend current two year timeframe and greater flexibility for completion of modular Leaving Certificate Applied to facilitate certain workers and parents.

### **Rural Development**

- Ensure the provision of basic infrastructure and services based more on equity and social justice, rather than on cost effectiveness
- Provide support for rural housing.
- Provide additional resources for the development of rural public services.
- Ensure that decoupled payments are maintained as an ongoing basic income for all farmers in Ireland
- Support additional special outreach education programmes in rural areas, particularly those where no major third level colleges are located.
- Double the number of places on the rural social scheme and make it available to people without herd numbers.
- Support policies that encourage alternative farm enterprises through the promotion of quality (including organic) food production and processing.
- Reverse the trend of centralising services away from local communities in areas such as healthcare, education, post offices, etc
- Support programmes to create employment for part-time farmers with a view to effectively targeting the needs of smaller farmers.

### **Environment**

- Allocate the necessary resources to achieve waste reduction targets by implementing the relevant sections of the Waste Management Act.
- Allocate substantial additional resources to develop and reward recycling.
- Provide additional resources to ensure that water pollution is reduced.
- Undertake to review the water pollution acts so as to increase the penalties associated with water pollution. (It remains a concern that over 30% of Ireland’s river channels are classified as polluted to some extent)
- Reverse the decision to abandon carbon taxation and introduce a coherent series of initiatives aimed at reducing dependence on oil, gas, coal and other fossil fuels
- Resource the development of ‘satellite’ national accounts that include the costs of items such as environmental damage and resource consumption, and the value of a range of traditionally ‘unaccounted’ items such as unpaid work.

- Introduce public purchasing policies that encourage contractors to adopt sustainable practices.
- Target funding strategies in the transport area to ensure far greater priority is given to public transport initiatives.
- Provide substantial additional resources for the development of library services throughout the country.

### **O. D. A.**

- Honour the commitment to increase Ireland's ODA budget for poor countries to the UN target of 0.7% of GNP by 2012. In doing so, reach the interim target of 0.5% of GNP in Budget 2007.

## **The Carers Association**

### **Needs Assessment**

- Implement a comprehensive needs assessment protocol for Family Carers to consider health & social issues.

### **Medical Cards**

- Provide all full-time carers with medical cards and one comprehensive annual health check.

### **Remuneration for Full-Time Carers**

- Apply means test on carers allowance to carers income only
- Increase the rate of carers allowance to €250 per week
- Introduce a payment for full-time carers, linking the levels to labour market equivalent.
- Allow Carers to work 20 hours per week and be eligible for the Carers Allowance.
- Give consideration to the introduction of a family carers tax credit for part-time carers
- Family Carers in receipt of these payments should also be eligible for Carers Allowance.
- PRSI contribution should be awarded to Carers on the same basis as paid contributions.
- Ensure that Carers will not be caught by the changing rules for retirement pension.

### **Income Tax**

- Give tax relief to Carers for predetermined categories of expenses associated with their caring commitment.

### **Training**

- Provide funding to allow all full-time carers access to accredited training in caring skills.

### **Information**

- Implement legislation, to provide Carers with a legal right to information on their entitlements.

### **Respite Grant**

- Increase the respite grant to €2,880 to allow the Carers to take the statutory holiday entitlements of 20 days per year.

### **Carers Benefit**

- Carers benefit model should be made similar to that of maternity benefit where the amount of benefit is based on a percentage of the applicant's salary.

### **Young Carers**

- As per National Agreement "Towards 2016" carry out research in 2007 to establish the issues and effects of caring on young Carers and introduce an appropriate programme of in-home supports.

### **Organisational Funding**

- Provide proper funding for the Carers Association to sustain the current level of service provision and introduce multi annual funding to maintain strategic development going forward.

## **Disability Federation of Ireland**

### **Income**

- Introduce a cost of Disability Payment of €40 per week for people with disabilities currently in receipt of means tested social welfare payments.
- Increase Disability Allowance by €20 per week to €185.80 in Budget 2007 and maintain the commitment to sustained increased in line with the cost of living going forward.

### **Care in the Community**

- Government to begin the mainstreaming of the 1651 participants and 100 supervisors on those specific CE schemes which provide services to people with disabilities by allocating an initial €5m in Budget 2007 with the remainder to be allocated over the next two budgets.
- Implementation of the recommendations of ‘A Vision for Change’ and funding of the commitments made towards accommodation for people with mental illness in ‘Towards 2016’.
- Invest €50m to address the residential needs of adults with significant disabilities who are inappropriately accommodated at present.
- Invest €25m in Budget 2007 in home support, respite care, personal assistance and day care places for adults with significant disabilities.
- Government to increase the overall allocation to Disabled Persons Grant by €35m to €105m.
- Government to amend the Grant Scheme so that the full cost of the necessary adaptations are funded.
- Invest an additional €20m in supports and services to people with disabilities to reduce the caring role of children.

### **Capacity Building**

- Invest €5m in Budget 2007 in line with commitments to the C&V Sector in ‘Towards 2016’ and continue this line of investment in subsequent Budgets.

## **Irish Rural Link**

### **Rural Development**

- Establish a task force with the aim of reducing the digital divide between regions within a 3 year period.
- Provision of funding to establish rural development departments within Local Authorities, Government Departments and State Agencies to aid the process of rural proofing
- Evaluation of the effectiveness of County Development Boards (CDBs)
- Broaden the entrance criteria for those eligible to participate in the rural social scheme.

### **Decentralisation & National Spatial Strategy**

- Progress report on the state of the National Spatial Strategy.

- Decentralisation of power should concentrate on enhancing the powers of local and regional authorities as opposed to moving Government departments around the country.
- Strengthen the County Enterprise Boards remit to provide greater assistance to small businesses.
- Strengthen all public Transport links that connect towns within the Gateways and hubs.(NSS)

### **Taxation**

- Make Tax Credits Refundable and increase them sufficiently with view to taking minimum wage out of the tax net.
- Refund VAT paid by charities.

### **Care**

- Provide adequate income to the designated carers in the home.
- Increase supports available to those living alone (Public Health nurses, home helps).
- Provide funding to improve house living conditions, through existing the HSE and local authorities.
- Increase provision for housing for the elderly to be provided by the community.
- Provide assistance for communities to provide family care centers or the extension of existing ones.

### **Children & Childcare**

- Raise Back to School Clothing & Footwear Allowance to €250 for primary & €350 for secondary school children.
- Resource the National Educational Welfare Board to ensure the implementation of the Education Welfare Act, 2000.
- Implement the NESF recommendation in relation to ECEC development in Ireland.
- Extend the Full Medical Card to all families whose total income is taxed at the standard tax rate (20%).
- Expand Full Medical Card eligibility to 200,000 persons.
- Increase the income thresholds for FIS by €35.
- Increase the earnings ceiling for the One-parent Family Payment to €400.
- Introduce 1 month paid paternity leave.
- Provide funding for staffing, operation costs as well as pre-development costs of child care facilities.

### **Employment /Unemployment**

- Extend eligibility criteria for the Rural Social Scheme to those on long term unemployment in rural areas.
- Provide training opportunities for Rural Social Scheme participants.
- Increase the number of places available on the Rural Social Scheme to 5000.
- Maintain Active Labour Market Programmes at current levels.
- Remove the cap on years of employment on Community Employment (CE) where appropriate.
- Establish a Rural Employment Task Force to examine the needs in the BMW region and other isolated rural areas affected by the threat to traditional industry.

### **Education**

- Increase the 3<sup>rd</sup> Level maintenance grant to reflect current social welfare levels.
- Fast-track planning and construction of and repair of rural primary and secondary schools.
- Increased funding for schools to increase participation and retention of students.
- Prioritise Adult and Community education with a view to increasing opportunities for adult education.
- Increase access to outreach educational facilities for those living in rural.
- Provide a meaningful 3<sup>rd</sup> level presence in all counties.

## **Health**

- Provide a grant of up to 75% for the purchase of defibrillators for community groups.
- Adjust Medical Card Income.
- Work towards universal access to primary care.
- Allocate funding for the extension and improvement of community care services.
- Retain and improve the effectiveness and efficiency of current A&E services in the regions.
- Establish a Rural Health Task Force to look at the medical needs of the people in remote rural areas.
- Enhanced Ambulance services around the country especially in relation to people in remote rural areas.
- Remove the means test for the Carers Allowance.
- Extend Breast check facilities to all parts of the country.
- Provide transport and residential assistance to cancer patients who travel long distances to get treatment.

## **Housing**

- Introduce a 1st Time Buyers Grant for people moving to depopulated rural areas & Gaeltacht areas.
- Increased Mortgage Relief (5 years) for depopulated rural areas.
- Enforce regulations that allow Local Authorities to provide community groups with land to build social and affordable housing.
- Introduction of tax relief on savings for Housing deposits.
- Establish a regulatory regime and a regulator for the auctioneering and estate agents industry.
- Provide extra funding for the building of Eco-friendly housing.
- Make provision for local authorities to assist communities to provide social and affordable houses in rural areas.
- Increase funding to local authorities to carry out essential repairs.

## **Planning**

- Establish a Rural Housing Commission and a Rural Planning Institute to train professionals in rural planning.
- Provide funding for Local Authorities to train planners on rural planning and employ rural planners.
- Promote and implement housing guidelines.
- The development of special advisory units available to those starting their own businesses.
- Commission a study which seeks to ensure the best type of village or settlement design on future proposals that increase the present population above 70 households.

## **Transport**

- Extend the Free Travel Scheme to all Social Welfare Recipients.
- Provide the necessary funding to allow RTI to develop and diversify in rural isolated areas.
- Provide a voucher system to those eligible for free transport, where there is no public transport available.
- Ensure that the rural transport initiative is linked to the wider transport services.

## **Energy**

- Double existing fuel allowances and introduce fuel conversion grants, with priority given to low income households.
- Assist families who are forced because of local conservation orders to change from turf production for domestic use.

- Establish an energy commission, which will examine the use of farm land as a means of contributing to meeting Ireland's renewable energy commitments.
- Tax exempt community co-ops or non-profit companies who exploit renewable energies for community benefit.
- 'Farmers co-ops' or companies offering community dividends should be rewarded on an appropriate sliding scale.
- Establish the concept of net metering.

### **Waste Management**

- Introduce a voucher system for people on social welfare in rural areas where waste collection services are privatised.
- Introduction of Grant Scheme to aid repair and upgrade older septic tanks (over 20 years old).
- Information campaign on the need to maintain septic tanks and best practice in maintaining septic tanks.
- Extension of Recycling points in rural areas.
- Involve the community in meaningful ways the development of proposals to tackle waste disposal.

### **Community Support**

- Increased funding for community groups availing of the group Broadband Group Scheme
- Develop a long-term strategy for the funding of social and recreational services available at local level.
- Strengthen the resources necessary to ensure on going training for volunteers.
- Increase the tax benefit to those who give monies to enhance their local communities.
- Provide adequate resources to assist community groups in meeting the challenges brought about by increased regulation.

### **Social Welfare**

- Increase the lowest social welfare rates by €20.
- Provide full free public transport for social welfare recipients.
- Increase up to 30% means test threshold for the farm assist scheme.
- Increase Direct Provision for Asylum Seekers to €50.

## **Irish Senior Citizens Parliament**

### **Taxation**

- Commitment to provide for tax exemption limits for older people should be greatly enhanced this year
- Abolish the Health Levy, Income Levy and the Levy on Household and Car Insurance policies
- Introduce a system of Refundable Tax Credits
- Index the age allowance and set at a rate of 25% over and above the single and married personal tax credits

### **Social Welfare Payments**

- Set the State pension at 40% of average industrial earnings.
- Review system of calculating entitlement for State contributory pension to ensure equity in treatment.
- Introduction of a Citizens Pension to enable women to receive a pension in their own right.
- Ensure as wide a consultation as possible on issues in the Green Paper on Pension Policy in Ireland.

- Increase the Fuel Allowance from its present rate of €14.00 to €25.00 per week and ease the means test for eligibility
- Change the system to enable older people to transfer free electricity units to gas whatever its source
- Introduce a National Programme of Home Insulation
- Increase the age allowance to €12.00p.w. and extend it to a dependent spouse over 80 years of age
- Increase Living Alone allowance to €16.00p.w., extended to low income public service pensioners and to those in receipt of State pensions from abroad
- Increase the Carer's Allowance.
- Where people are already in receipt of a Social Welfare Benefit this should be excluded from determining their eligibility for the Carer's Allowance.
- Increase in the number of respite facilities as well as an increase in the Respite Grant
- A similar system to that of the pre-'53 contributions should now be introduced for the class D stamp
- Establish a Surviving Spouses pension at 40% of average industrial earnings, a special child allowance where they have children of schoolgoing age, a national network of crèches and a system of vocational training for surviving spouses.
- Abolish the means test for pensioners
- Introduce a better system of rent deduction
- Issue travel vouchers to older people living in rural areas who cannot access public or other transport
- Introduce of an All-Ireland Travel Pass as promised in the Programme for Government

## **Health**

- Extend GP services so that 'one-stop-shops' can be established
- Examine the long-term requirements and projected supply of all health professionals
- Expand the services provided by GPs to provide additional Primary Care Centres
- Provide an annual check-up for Medical Card holders through blood tests and other diagnostic procedures
- Deliver a good Primary Care service free from any taint of age discrimination
- Provision for a comprehensive range of care options to suit the individual needs of older people must be put in place
- Extend Home Care Packages scheme to all areas
- Establish a central database linked to Local Government structures with emphasis on anticipated needs of older people in respect of housing and medical needs
- Ensure optimum use is made of expensive technology through effective scheduling
- Introduce a fast-track approach to the admission of older people to hospital and a system which would endeavour to avoid admission through A&E Departments
- Extension of the Intervention Team service provided by St James' Hospital to all other hospitals
- The Parliament is calling for the provision of additional Non-Acute Hospital facilities throughout the country
- HSE and the Dept of Health & Children should implement a strategy to ensure both existing and future resources are used to their optimum
- A system must be put in place to outline and publish the policies, guidelines and targets which the Department has given to the Health Service Executive
- There is a need for a Public Information Campaign to inform older people and their families about the services available to them
- Extend the Medical Card to people aged over 65
- Free Drugs Scheme for those aged 65-69
- Allocation of sufficient funds to meet the needs of older people who are dependent on Chiropody services
- Effective screening for diseases which are particular to old age must be put in place
- Breast Check screening must be provided for all women and extended to women aged over 64.



- Develop a pro-active Health Promotion and Preventative Programme.
- Increase the number of hours available and extend Home Help service to all who are deemed to require it
- Take immediate steps to redress the lack of places for persons requiring Long-Term Care and Respite Care
- The Action Plan on Dementia must be implemented
- Develop palliative care services
- Increase Level of Subvention to enable older people with Long-Term Care needs to meet the cost of residential care
- Provide a nationwide meals-on-wheels service
- Make available resources for a Transport scheme to enable older people to access hospitals
- Support the choice exercised by older people to remain in their own homes
- Extend the Rural Transport Initiative
- Construct more suitable sheltered accommodation for older people
- In the design of the differential rents system provision should be made to ensure that increases in pensions are not automatically eroded by resultant increases in rent.
- Introduce a national waiver scheme to ensure that no older person is required to pay Waste Charges
- Allocate resources to provide grants for the installation of cctv systems
- Provide facilities to older people to exercise their right to work if they so wish
- Introduce a system of lifelong learning
- eliminate all discrimination based on age
- Further investment in the Subtitling Departments of UK stations and also in TV3
- make funding available through the Arts Council to promote greater participation by older people in the Arts
- increase in funding for the Bealtaine Festival
- increase in the overall grant made available to the Irish Sports Council

## **Chamber of Commerce of Ireland**

### **Rebalance the Tax Base**

- Introduce a new, broadly based local property tax and rebalance service charges equitably across the entire community.
- Standardise the VAT rate at 18%.
- Increase VAT exemption thresholds.
- Restore adequate indexation of income tax bands and credits.
- Annually review all tax shelters

### **Support Risk-Taking**

- Make provision for more venture capital support for start-ups.
- Establish a commission to evaluate economic opportunities and threats to include IDA; EI; Chambers Ireland; ICTU and IBEC.
- Support the ongoing development of eCommerce.
- Strengthen fiscal support for training in employment.
- Refine support for Intellectual Property development.

### **Labour Market Changes**

- Commit to changing the procedures for reviewing the minimum wage.
- Commit to support life long learning.
- Review Current Supports for Pensions Policy.

- Develop a comprehensive strategy on pensions.
- Develop a comprehensive child care strategy.
- Support gain-sharing via employee financial participation (EFPs).

### **Enhancing Delivery of Public Services**

- Index the State Contribution to Local Authorities.
- Set limits to ‘crowding out’ of non-pay expenditure.
- Set out capital funding strategy for state companies.
- Review decentralisation programme.

## **Irish Bankers Federation & the Federation of International Banks**

### **International Banking**

- Formalise in legislation the practice of Revenue not seeking to enforce the substantive charge to Irish income tax on certain foreign resident investors.
- Extend the scope of Section 198 of the TCA 1997, to include discounts on securities held by non-residents, continuing the former Revenue practice.
- Review the area of credit for foreign tax to facilitate bank lending to non-treaty countries or those who apply withholding tax.
- Review the rules regarding recovery of capital and replace them with a principles based approach.
- Allow the interest on Tier 1 capital as a deductible expense for credit institutions.

### **Domestic Tax Issues**

- Refocusing the stamp duty regime on those elements of the current regime which generate the bulk of stamp duty revenue for the Exchequer.
- IBF calls on the Government to eliminate Stamp duty is currently applied to bank cards with ATM, debit and credit cards each attracting specific levels of duty.
- IBF calls for the abolition of stamping of mortgage deeds.
- The introduction of a facility whereby corporation tax groups can effectively pay tax on a group basis, similar to the scheme introduced in the UK.
- IBF calls on Government to instigate a broad review of the effect of the withdrawal of the remittance tax system both from a strategic direct foreign investment perspective and from a practical administrative perspective.
- Maintain momentum on other key legislative initiatives such as the development of the Asset Covered Securities legislation

### **General**

- Maintaining Tax Regime Competitiveness
- Common Consolidated Corporate Tax Base (CCCTB)

## **Irish Hotels Federation**

- VAT on corporate expenditure in hotels and restaurants for conferences, incentive travel and corporate meetings should be refundable.
- Replace Local Authority Rates with a local income tax based on profitability as opposed to property valuations
- Introduce user charges for services for both businesses and households where the levels of use can be determined such as water provision, waste collection, planning fees.
- Central Government to fund assistance to elderly and disabled people to adapt their houses.
- Increase the marketing budget for tourism by €10M in 2007
- An “Efficient Energy in Hotels Programme” should be introduced.

## **Irish Small & Medium Enterprise**

### **Taxation**

- The discrimination against Directors and the self-employed with regard to not being able to avail of the P.A.Y.E. tax allowance should be rescinded.
- Introduce double tax relief on all expenditure on R & D.
- Review VAT collection procedures in order to assist growth oriented business
- Reduce the level of excise duties currently being levied on oil and oil related products.
- The system of tax credits on dividends should be reintroduced for owner/managers.
- Capital invested by family members for the purpose of establishing or expanding a new or existing family business should receive some form of favourable tax treatment such as on dividends.
- Create a mechanism whereby those Institutions and individuals who are prepared to make long term equity investments in SME's are granted a tax incentive.
- Extend the BES and SCS to 2013.
- Introduce an alternative energy policy without delay.

### **Cost Competitiveness**

- Introduce further incentives for investment in wind, wave, biofuels and other alternative energies.
- Commit to reducing public sector numbers.
- Insist on value for money audits being undertaken in each Government Department.
- Introduce a performance related pay mechanism within the public sector.
- Introduce private sector employees into specific public sector areas to do administrative and secretarial tasks.
- Redistribute the burden of commercial rates and water charges to other sectors including the State and domestic households.

### **Infrastructure**

- The Government should develop a strategic infrastructure programme for the period beyond 2006.
- With the end of the SSIA scheme coming in 2007, the Government could switch its contribution to the scheme to spending on infrastructure projects.
- All infrastructure projects should be time. Provision should also be made on all projects to be able to operate around the clock with construction works being undertaken on a 24/7 basis.

## **Irish Taxation Institute**

- The formulation, in consultation with business and the tax profession, of a list of countries with which a Treaty is desirable, which would increase our attractiveness for the higher value added and head office type activities of industry.
- Ireland still lags well behind almost all other EU MS in the number of treaties signed and the geographical spread of our Treaty network. It is time to consider this and to consider short to medium term pragmatic solutions.
- In terms of our treaty network there is little or no coverage of the major emerging economies of Asia and South America.
- Adopt policies that remove the preferences in the tax code for dealing with tax treaty jurisdictions e.g., by allowing unilateral exemptions from withholding taxes on payments to non-treaty countries and deductibility of interest paid to group companies in these countries.
- Should unilateral exemptions, such as those suggested above, not be possible, then extend the dividend withholding tax legislation to certain types of interest payments, where the ultimate parent is in an EU or treaty country.
- Formulate a “white list” of key countries, through consultation with business and the tax profession, with which a treaty is highly desirable.
- As a starting point ITI would recommend including Singapore, Hong Kong and Brazil on the list.
- ITI recommends that a minimum of 10-15 new treaties be ratified by budget 2012.
- ITI strongly supports the Government’s position in opposing the CCCTB
- ITI believes that the time is now right to commence a wide ranging debate on the reform of stamp duty on residential property.
- ITI survey of PAYE workers – June 2006

## **Society of the Irish Motor Industry**

- Introduce of a VRT refund on the export of a used car
- Reduce the rates of VRT
- Exclude safety elements from the VRT net, on cars complying with EURO 4 emission requirements
- The Society proposes that there be a €1500 deduction on new cars containing more than two airbags
- Retain the 13.5% rate of VAT on repairs and servicing and extended to the important safety work of vehicle recovery
- Introduce a scrappage scheme to incentivise the renewal of the new car fleet
- Used car imports should be subjected to the same CO<sub>2</sub> based taxation as the total car fleet
- Give SIMI the opportunity to contribute to the development of any revised BIK for cars system