

Report of Tax Strategy Group Meeting on 23rd October 2012

Minutes of the Meeting on 9th October 2012 (TSG 12/19)

1. The minutes of the meeting of 9th October were agreed.

Energy and Environmental Taxes (TSG 12/23)

2. The paper examined the options in respect of Energy and Environmental Taxes for Budget 2013. Part 1 focused on issues surrounding carbon tax, examining the extension of the tax to solid fuels as well as possible increases in the carbon tax rate. Part 2 considered options for increasing excise duties on energy products as an alternative to increasing the carbon tax.

Vehicle Registration Tax (VRT) (TSG 12/22)

3. The paper reviewed exchequer yield from 2007 to date in the context of declining new car sales, increased price competition and increased purchase of cheaper and cleaner cars. The paper also outlined the main points arising from the 2012 public consultation on possible changes to the current systems of VRT and Motor Tax.

Pension Taxation Issues (TSG 12/21)

4. The paper outlined the changes made in the incentive regime for supplementary pension provision since 2006. The paper also set out the broad feedback obtained from informal consultations with various stakeholders in the pension sector regarding potential future changes to the regime and the broad options for such changes.

General Excise Duties (TSG 12/20)

5. The paper explored the key issues impacting on excise duty on tobacco and alcoholic products. A revised annex 2 & annex 3 were circulated at the meeting.

High Income Individuals' Restriction (TSG 12/24)

6. The paper reviewed the operation and effectiveness of the High Income Individuals' Restriction. The paper considered amendments to the list of specified reliefs and it also

considered the restriction and its potential impact on the achievement of the Government's objectives in relation to job creation.

Tax Administration Issues

(TSG 12/25)

7. The paper discussed Revenue initiatives aimed at the continuing improvement, both in relation to powers and administration, of the framework by which various taxes and duties are collected. Initiatives were examined from both a Revenue and Taxpayer viewpoint.

Any Other Business

8. (i) The TSG meeting was chaired by Des O'Leary except for item 4 on the agenda which was chaired by Gerry Kenny.
(ii) The Chair introduced Muireann Mc Garry as the new Secretary.
(iii) The Chair noted that the annual summary of pre-Budget submissions would be circulated to TSG Members circa November 8th. Members could then advise whether a meeting to discuss same was required.

Attendance List and Next Meeting

9. The attendance list for the meeting of 23rd October 2012 is attached.

Muireann Mc Garry

Secretary to the Group

Tuesday, 11th December 2012.

TSG Attendance List – 23rd October 2012

Department of Finance:

Des O’Leary

Gerry Kenny

Eoin Dorgan

Muireann Mc Garry (Secretary)

Other members of the Department were present for parts of the meeting appropriate to their particular areas of work

Department of Public Expenditure and Reform

Georgina Hughes Elders

David Owens

Department of the Taoiseach:

Andrew McDowell

Sharon Finnegan

Paul O’Brien

Department of Foreign Affairs and Trade

Colm O’Reardon

Office of the Revenue Commissioners:

Brian Mc Cabe

Niall Cody

Gerard Moran

Gerry Smyth

Department of Jobs, Enterprise and Innovation:

Paul Kealy

Stephen Curran

Department of Social Protection:

Brian Ó Raghallaigh

Denis Moynihan

Attorney General

Caroline Daly

Department of the Environment, Heritage and Local Government

Michael Young

Gary Mc Guinn