

Budget 2021

Financial Resolutions

FINANCIAL RESOLUTION No. 1

EXCISE

Tobacco Products Tax

(1) THAT for the purposes of the tax charged by virtue of section 72 of the Finance Act 2005 (No. 5 of 2005), that Act be amended, with effect as on and from 14 October 2020, by substituting the following for Schedule 2 to that Act (as amended by section 39 of the Finance Act 2019 (No. 45 of 2019)):

“SCHEDULE 2

RATES OF TOBACCO PRODUCTS TAX (With effect as on and from 14 October 2020)

Description of Product	Rate of Tax
Cigarettes	Rate of tax at— (a) except where paragraph (b) applies, €356.39 per thousand together with an amount equal to 10.06 per cent of the price at which the cigarettes are sold by retail, or (b) €414.24 per thousand in respect of cigarettes sold by retail where the rate of tax would be less than that rate had the rate been calculated in accordance with paragraph (a).
Cigars	Rate of tax at €414.861 per kilogram.
Fine-cut tobacco for the rolling of cigarettes	Rate of tax at €399.120 per kilogram.
Other smoking tobacco	Rate of tax at €287.812 per kilogram.

”.

(2) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

FINANCIAL RESOLUTION No. 2

EXCISE

Mineral Oil Tax

(1) THAT for the purposes of the tax charged by virtue of section 95 of the Finance Act 1999 (No. 2 of 1999), that Act be amended, with effect as on and from 14 October 2020—

- (a) in section 96(1B), by substituting “A is the amount to be charged per tonne of CO₂ emitted, being €33.50 in the case of petrol, aviation gasoline, and heavy oil used as a propellant or for air navigation or for private pleasure navigation, and €26 in the case of each other description of mineral oil in Schedule 2A” for “A is the amount, €26, to be charged per tonne of CO₂ emitted”,
- (b) by substituting the following for Schedule 2 to that Act:

“SCHEDULE 2

RATES OF MINERAL OIL TAX

(With effect as on and from 14 October 2020)

Description of Mineral Oil	Rate of Tax
<i>Light Oil:</i>	
Petrol	€619.36 per 1,000 litres
Aviation gasoline	€619.36 per 1,000 litres
<i>Heavy Oil:</i>	
Used as a propellant	€515.38 per 1,000 litres
Used for air navigation	€515.38 per 1,000 litres
Used for private pleasure navigation	€515.38 per 1,000 litres
Kerosene used other than as a propellant	€65.74 per 1,000 litres
Fuel oil	€95.05 per 1,000 litres
Other heavy oil	€117.78 per 1,000 litres
<i>Liquefied Petroleum Gas:</i>	
Used as a propellant	€106.07 per 1,000 litres
Other liquefied petroleum gas	€42.48 per 1,000 litres
<i>Vehicle gas:</i>	€9.36 per megawatt hour

and

- (c) by substituting the following for Schedule 2A to that Act:

“SCHEDULE 2A

CARBON CHARGE

(With effect as on and from 14 October 2020)

Description of Mineral Oil	Rate
<i>Light Oil:</i>	
Petrol	€77.52 per 1,000 litres
Aviation gasoline	€77.52 per 1,000 litres
<i>Heavy Oil:</i>	
Used as a propellant	€89.66 per 1,000 litres
Used for air navigation	€89.66 per 1,000 litres
Used for private pleasure navigation	€89.66 per 1,000 litres
Kerosene used other than as a propellant	€65.74 per 1,000 litres
Fuel oil	€80.27 per 1,000 litres
Other heavy oil	€70.42 per 1,000 litres
<i>Liquefied Petroleum Gas:</i>	
Used as a propellant	€42.48 per 1,000 litres
Other liquefied petroleum gas	€42.48 per 1,000 litres
<i>Vehicle gas:</i>	€5.22 per megawatt hour

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(2) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

FINANCIAL RESOLUTION No. 3

VALUE-ADDED TAX

(1) THAT the rate of value-added tax on the supply of certain goods and services at present chargeable at the rate of 13.5 per cent be decreased to 9 per cent of the amount on which tax is chargeable in relation to the supply of certain goods and services from 1 November 2020 to 31 December 2021 and that accordingly, subsection (1)(ca) of section 46 of the Value-Added Tax Consolidation Act 2010 (No. 31 of 2010) be amended to extend the application of the rate of 9 per cent to goods or services of a kind specified in paragraphs 3(1) to (3), 7(b) to (e), 8, 11 and 13(3) of Schedule 3 to that Act.

(2) THAT this Resolution shall have effect on and from 1 November 2020.

(3) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

FINANCIAL RESOLUTION No. 4

CORPORATION TAX

(1) THAT section 288 of the Taxes Consolidation Act 1997 (No. 39 of 1997) be amended, in subsection (3C), by substituting “incurred before 14 October 2020 on the provision” for “incurred on the provision”.

(2) THAT paragraph (1) of this Resolution shall have effect as on and from 14 October 2020.

(3) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

FINANCIAL RESOLUTION No. 5

CAPITAL GAINS TAX

(1) THAT section 541 of the Taxes Consolidation Act 1997 (No. 39 of 1997) be amended, as respects disposals made on or after 14 October 2020, by inserting the following subsection after subsection (6):

“(6A) Notwithstanding subsection (6), a gain or a loss accruing on a disposal of a debt referred to in that subsection shall not be a chargeable gain or allowable loss where the sum standing to the credit of the holder of the account concerned is transferred in whole or in part to another account of that holder in the bank concerned or in any other bank in the same currency.”

(2) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

FINANCIAL RESOLUTION No. 6

CAPITAL GAINS TAX

Deferral of Exit Tax

(1) THAT subsection (9) of section 629 of the Taxes Consolidation Act 1997 (No. 39 of 1997) be amended, as respects amounts of tax referred to in that section which remain unpaid on or after 14 October 2020, by substituting the following paragraph for paragraph (a):

“(a) Simple interest shall be payable in respect of an amount of tax which is due and payable and which remains unpaid, and shall be calculated, from the specified date to the date of payment, for any day or part of a day during which that amount of tax remains unpaid (and by reference to the outstanding balance of that amount, as distinct from being by reference to an amount of a particular instalment due) at the prevailing rate specified in the Table to subsection (2)(c)(ii) of section 1080.”.

(2) IT is hereby declared that it is expedient in the public interest that this Resolution shall have statutory effect under the provisions of the Provisional Collection of Taxes Act 1927 (No. 7 of 1927).

FINANCIAL RESOLUTION No. 7

GENERAL

THAT it is expedient to amend the law relating to inland revenue (including value-added tax and excise) and to make further provision in relation to finance.