

Tax  
Residents

Tax Returns  
& Payments

Receipts  
2015/2016

Information

# An Analysis of 2015 Corporation Tax Returns and 2016 Payments

Dublin Economics Workshop  
September 2017

Tax  
Residents

Tax Returns  
& Payments

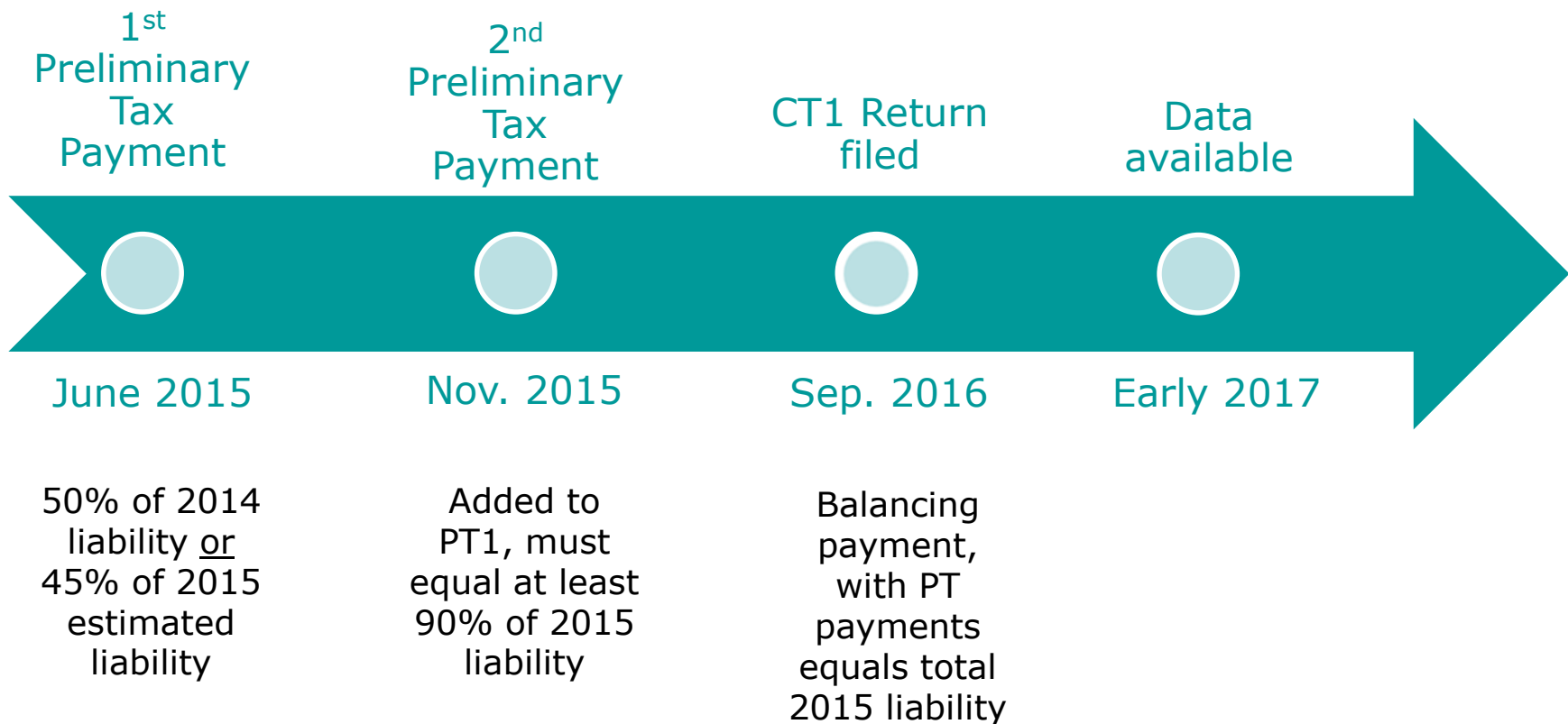
Receipts  
2015/2016

Information

- Corporation Tax is charged on all profits (income and gains), wherever arising, of companies resident in the State and non-resident companies who trade in the State through a branch or agency (i.e., Permanent Establishment)
- A company resident in the State is liable to Corporation Tax on its worldwide profits, not just its Irish source profits.
- Irish tax resident companies file annual CT1 Corporation Tax Return
- Returns are filed on a company (not group) basis
- Revenue's Large Cases Division (LCD) administers tax affairs for largest customers but their tax treatment is no different



## Returns for Tax Year 2015 for a large company (liability >€200k), with accounting year ending 31 December



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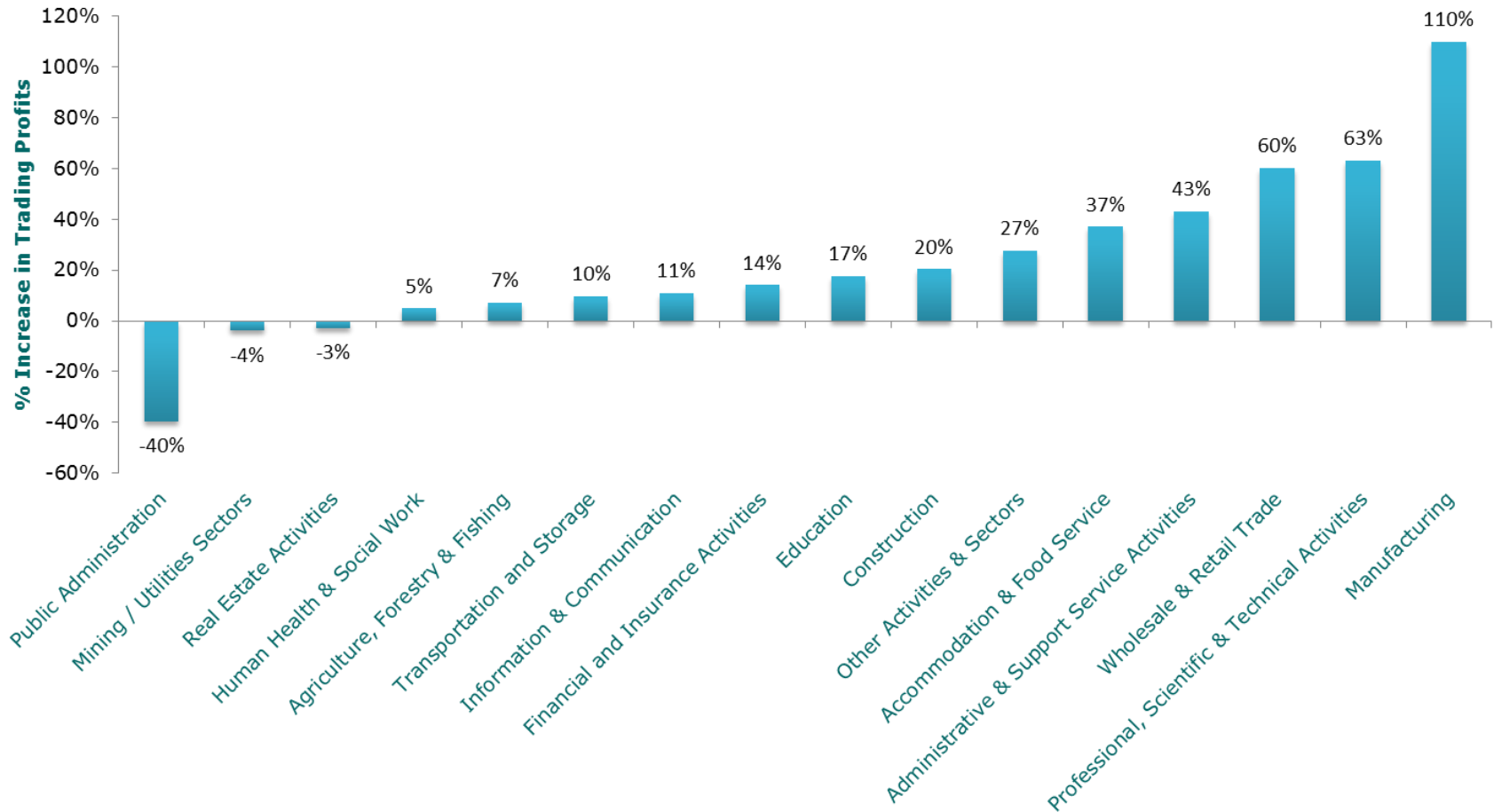
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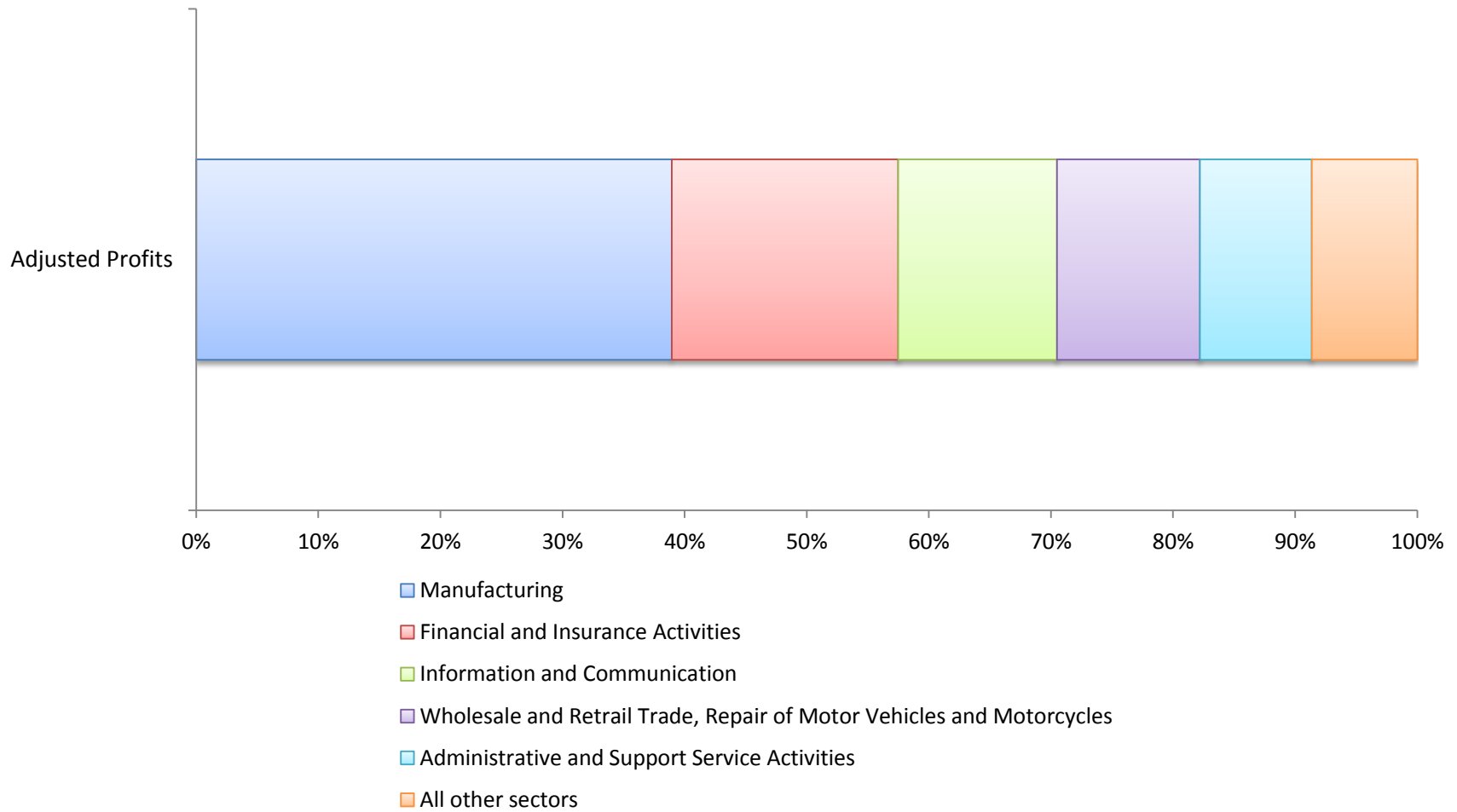
Information

- In 2015 net Corporation Tax receipts of €6.87bn, exceeded 2014 receipts (+49%/€2.2bn) as well as the forecast (+50%)
  - €470m payments from 16,000 companies that did not pay in 2014
  - 12% growth in the overall number of positive payers
  - Companies that paid in 2014 paid more than €1.8bn additional in 2015 (€400m in respect of earlier periods)
  - Of this €1.8bn, €1.4bn received from foreign owned multinationals, remaining €400m paid by indigenous firms
  - LCD and non-LCD growth is similar
- In 2016 receipts of €7.4bn , an increase of €500m
  - €345m in 2016 from companies not paying in 2015
  - Largely from LCD/foreign owned companies
- Effective rate stable, increases in R&D + double taxation relief

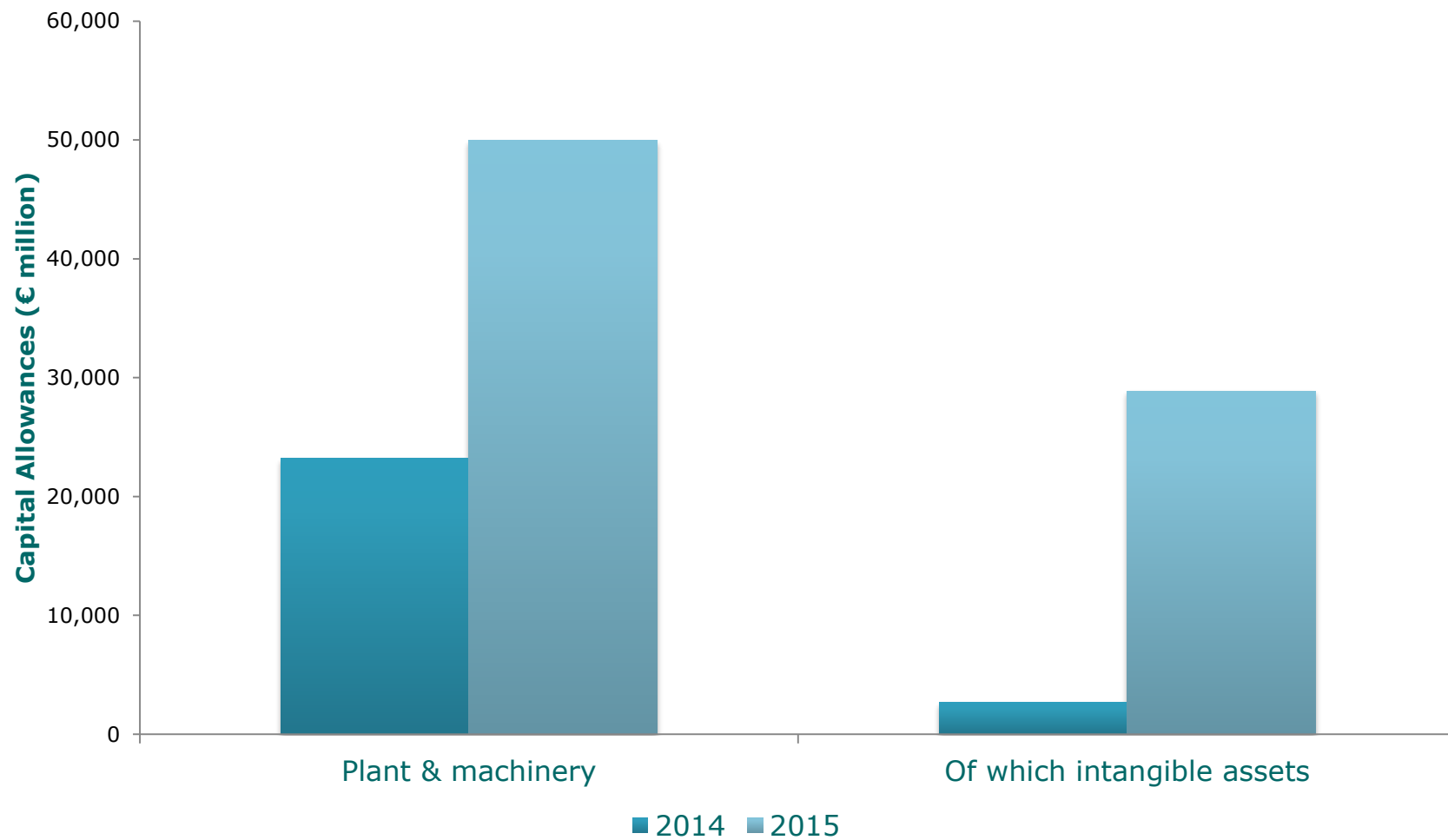
# Increase in Trading Profits 2015



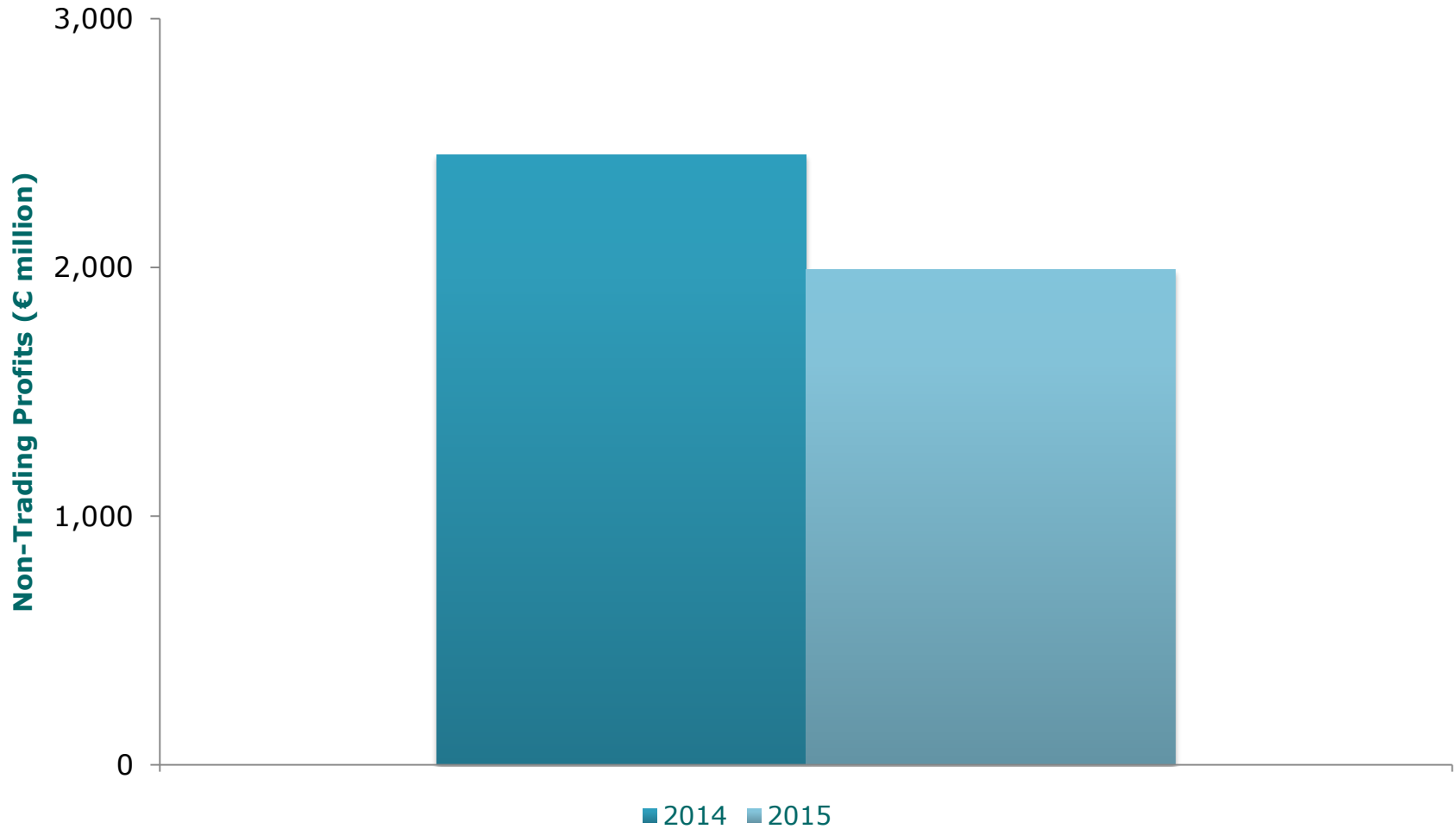
# Trading Profits by Sector 2015



# Plant & Machinery Capital Allowances

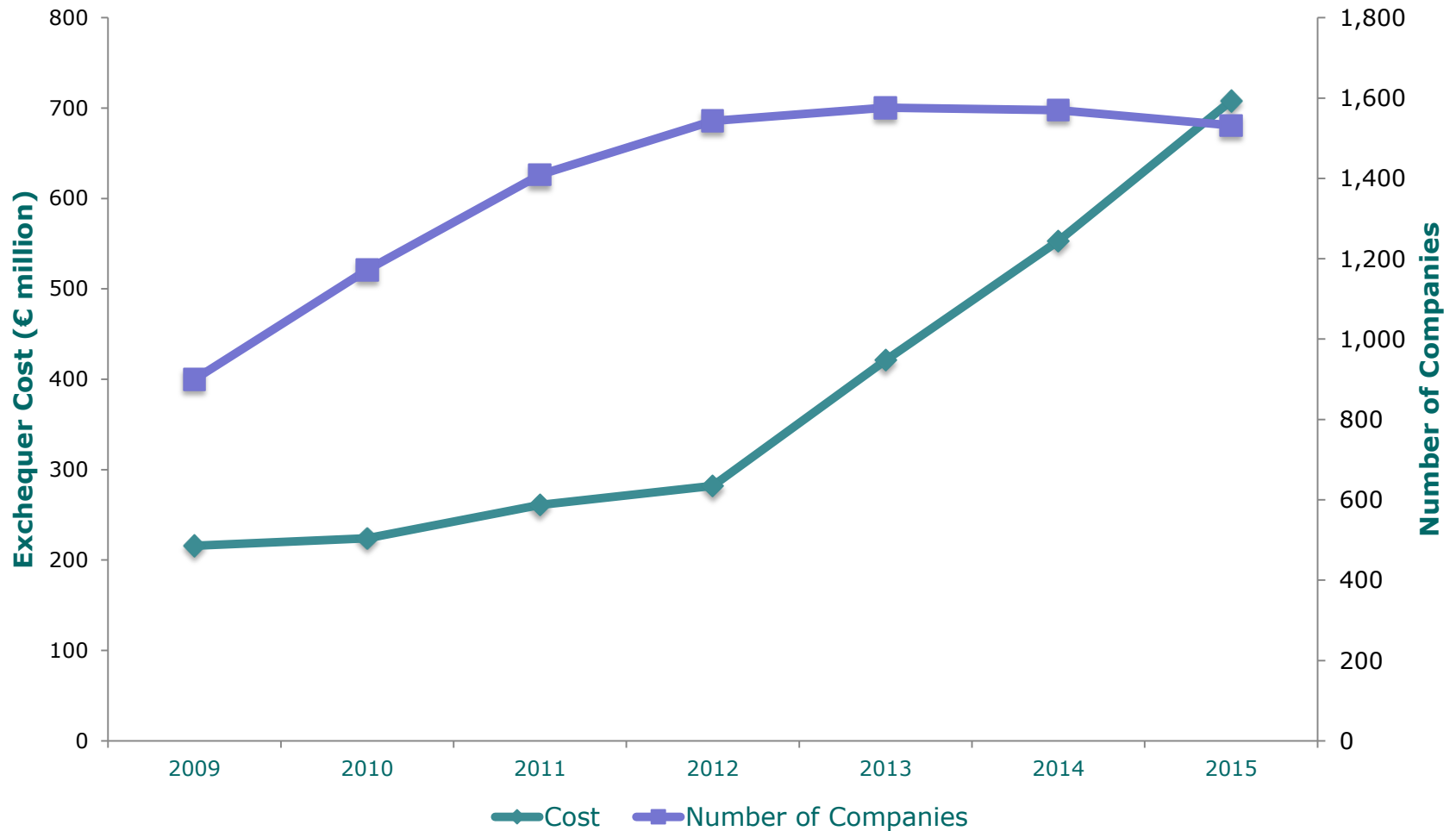


# Non-Trading Profits

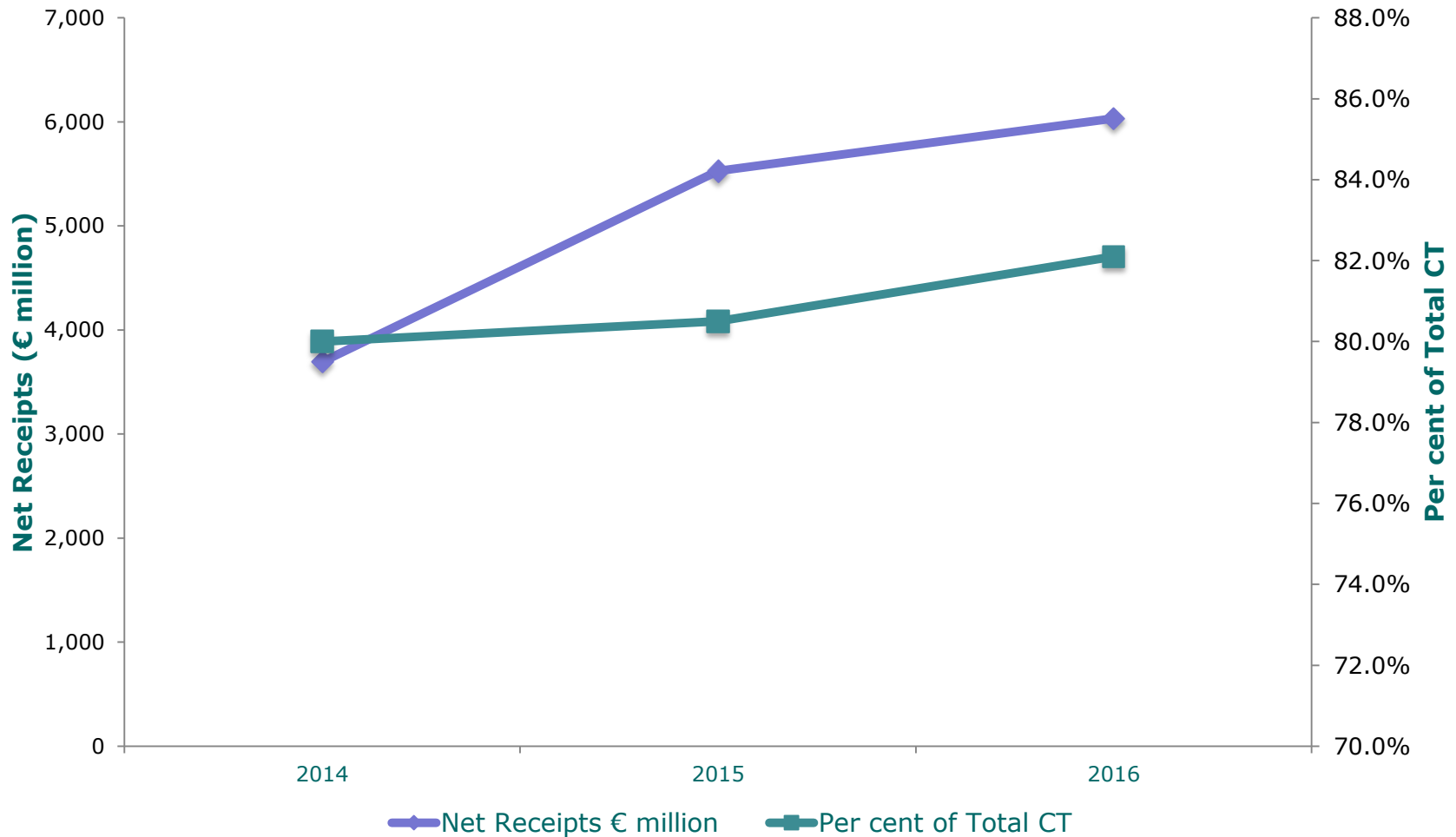




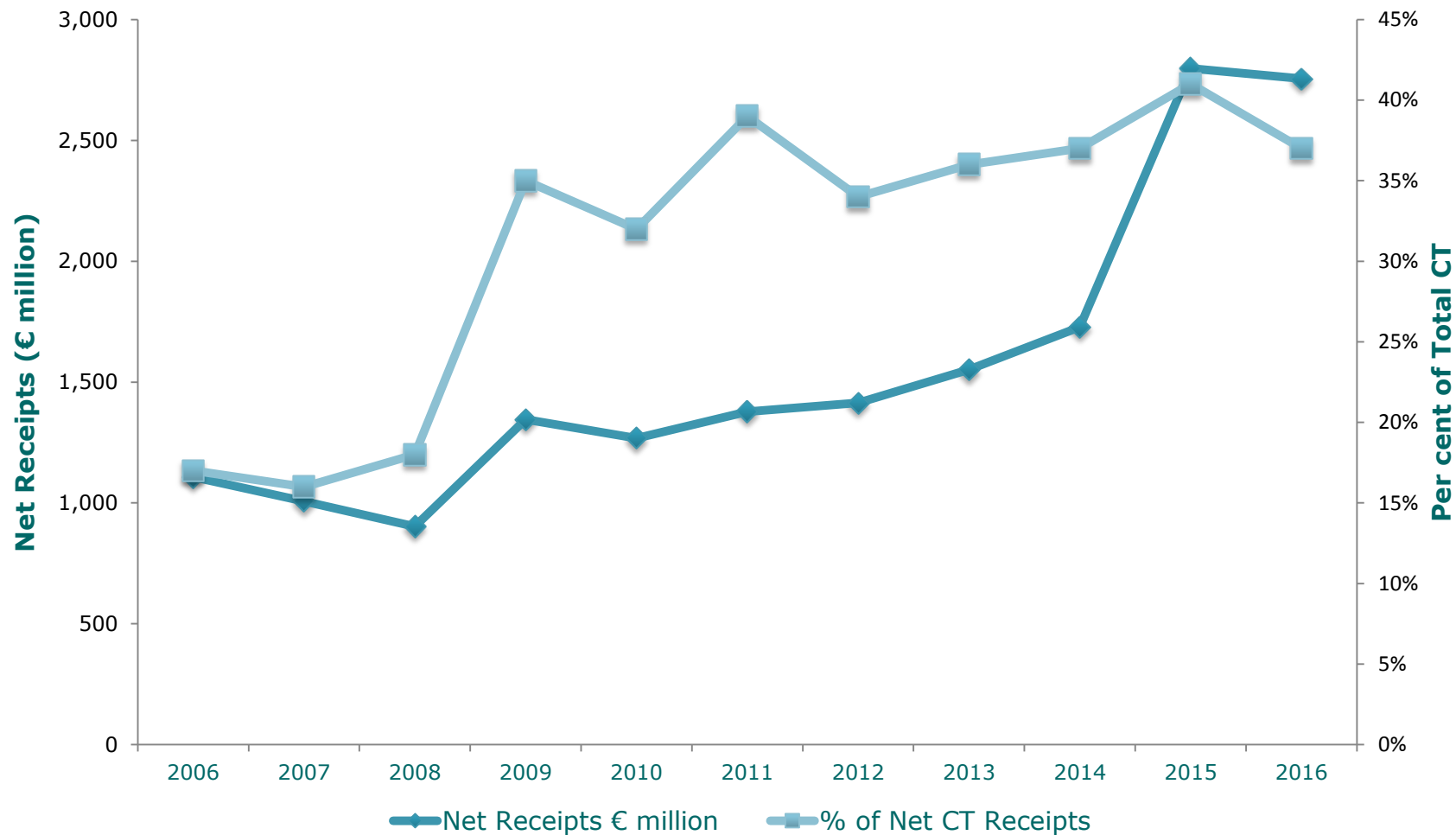
# R&D Tax Credit Claims



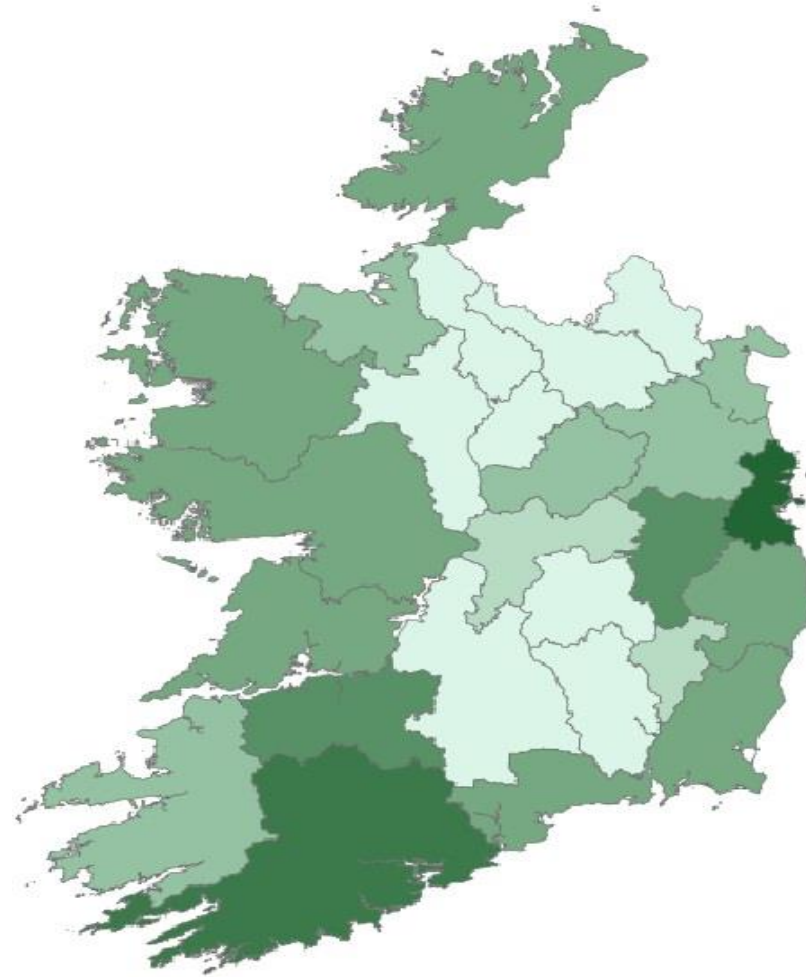
# Large Cases Division Companies



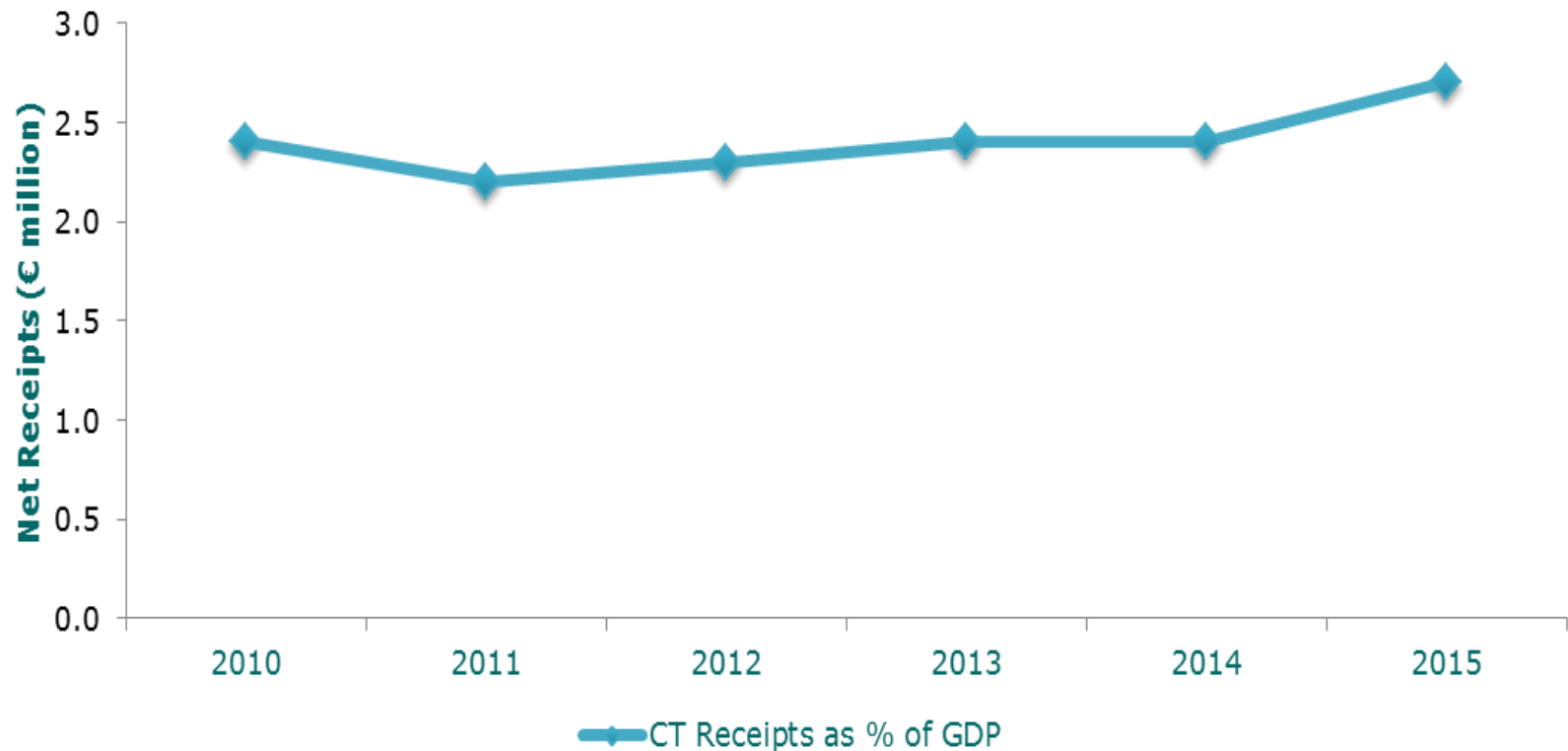
# Top 10 Corporation Tax Payers



# Employment in Foreign Owned Multinationals



# Corporation Tax Receipts Relative to GDP



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- Revenue focus on collecting data to assess tax due
- Publish (increasing amounts of) statistics to inform Oireachtas, the public, researchers, other stakeholders
- Bound by taxpayer confidentiality (s851A TCA 1997) and statistical disclosure control guidelines
- Research papers  
<http://www.revenue.ie/en/corporate/information-about-revenue/research/index.aspx>
- Statistics  
<http://www.revenue.ie/en/corporate/information-about-revenue/statistics/index.aspx>

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Thank you

Questions?

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The author is Head of Statistics & Economic Research in the Office of the Revenue Commissioners and a member of the Irish Government Economic & Evaluation Service ("IGEES"). Any opinions expressed in this paper are the views of the author and do not necessarily reflect the views of the Office of the Revenue Commissioners or IGEES. The author alone is responsible for the conclusions.