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Taxation in Ireland – A Summary*

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1. Income Tax ("IT")

IT is charged for a year of assessment and since 1 January 2002 the year of assessment in Ireland is the calendar year. An individual's total income taking account of tax credits, reliefs and deductions is taxed at rates up to 40%. In addition, the Universal Social Charge ("USC") was introduced in 2011 and replaces the income levy and health levy. The USC is a tax payable on gross incomes at rates of up to 8% for employed individuals and up to 11% for individuals with non PAYE income in excess of €100,000. Further detail is set out in Schedule 1, Part 1. Significant reliefs are available for certain investments and artists' earnings. However the High Income earners Restriction was introduced in 2007 and it limits the use of certain tax reliefs and exemptions by high-income individuals. A list of principal reliefs is set out in Schedule 1, Part 2.

The income tax implications of relocating to Ireland depend on whether an individual is classed as resident, ordinarily resident or domiciled in the State. The definitions of these terms are set out in Schedule 2.

Once it is determined which class a person falls into, the table below is illustrative of the income he/she is taxed upon during a tax year:

	Status	**Impact**
1.	Resident and ordinarily resident and domiciled.	Taxed on worldwide income.
2.	Resident and ordinarily resident but not domiciled.	Taxed on Irish source income and taxed on foreign employment income to the extent performed in the State and all other foreign income to the extent remitted into the State.
3.	Resident but not ordinarily resident and not domiciled.	Taxed on Irish source income and taxed on foreign employment income to the extent performed in the State and all other foreign income to the extent remitted into the State.
4.	Resident and domiciled but not ordinarily resident.	Taxed on Irish source income and taxed on foreign employment income to the extent performed in the State and all other foreign income to the extent remitted into the State.
5.	Domiciled but not resident and not ordinarily resident.	Irish source income and foreign employment income to the extent performed in the State.
6.	Not resident, not domiciled and not ordinarily resident.	Irish source income and foreign employment income to the extent performed in the State.
7.	Not resident and not domiciled but ordinarily resident.	Taxed on Irish source income and all other foreign income to the extent remitted into the State with the exception of: 1) Income from a trade and profession, office or employment, all the duties of which are exercised outside

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		the State. 2) Other income e.g. investment income provided it does not exceed €3,810.00 in the tax year in which it is earned.
8.	Not resident but ordinarily resident and domiciled.	Taxed on worldwide income with the exception of: 1) Income from a trade and profession, office or employment, all the duties of which are exercised outside the State. 2) Other income e.g. investment income provided it does not exceed €3,810.00 in the tax year in which it is earned.

Anti-avoidance legislation exists which may attribute income of an offshore structure to a resident or ordinary resident person in the State in certain circumstances.

2. Capital Gains Tax ("CGT")

CGT is payable on chargeable gains arising on the disposal of assets post 5 April 1974. A disposal arises even in the absence of the payment of consideration i.e. includes gifts or exchanges. Death does not generally give rise to a disposal for CGT purposes. The current rate of CGT is at present 33%.

Whether an individual's gain on a disposal of an asset is charged to CGT in Ireland depends on whether he/she is classed as resident, ordinarily resident or domiciled, as illustrated in the table below:

	Status	Impact
1.	Resident, ordinarily resident and domiciled.	Taxable on worldwide gains
2.	Resident and domiciled but not ordinarily resident.	Taxable on worldwide gains.
3.	Ordinarily resident and domiciled but not resident.	Taxable on worldwide gains.
4.	Resident and ordinarily resident but not domiciled.	Taxable on Irish gains and on foreign gains to the extent remitted.
5.	Resident but not ordinarily resident and not domiciled.	Taxable on Irish gains and on foreign gains to the extent remitted.
6.	Ordinarily resident but not resident and not domiciled.	Irish source gains and other gains to the extent remitted.
7.	Not resident and not ordinarily resident (regardless of domicile)	Taxable on gains on specified assets being the following: a) Lands or buildings in the State (includes any interest in land such as leases); b) Assets of a business situated in the State used for the purposes of a trade carried on by a person in the State either at the time of the disposal or where the trade was carried on through a branch or agency, at some time before the date of disposal; c) Minerals in the State; d) Exploration or exploitation rights in a designated area i.e. the continental shelf; and e) Unquoted shares deriving the greater part of their value from such assets as mentioned in a, c and d above.

The legislation provides for certain reliefs and exemptions. The main provisions are detailed in Schedule 3.

A charge to CGT can also be imposed on Irish domiciled individuals who become temporarily non-resident or become dual resident and dispose of certain assets. Where the legislation applies, the individual will be liable to CGT on the disposal as if he/she had disposed of the assets before he/she ceased to be chargeable to tax in Ireland.

Anti-avoidance legislation exists which attributes gains of offshore structures to a resident or ordinary resident person in the State in certain circumstances.

3. Double Taxation Relief

The Irish Government is empowered under its legislation to enter into and conclude taxation agreements with other countries, which provide relief from a double charge to tax on the following basis:

- The exemption basis, which provides that the income is only subject to tax in one of the particular States; or

- The credit basis, which allows for the income to be taxed in both States and a credit is given in respect of the tax paid in the country of source. Generally this credit is given in the country of residence.

Ireland has signed double taxation agreements with 72 countries, of which 68 are in force. A list of tax treaty countries is set out in Schedule 4, Part 1 with detail on new treaties and negotiations in Schedule 4, Part 2. Unilateral CGT relief is available in the form of a credit against Irish tax payable for foreign tax incurred in “a specified territory”. Essentially this provision was introduced in order to provide for the elimination of double taxation in relation to jurisdictions in which the double taxation treaties did not govern capital gains tax. The relevant countries include Belgium, Cyprus, France, Germany, Italy, Japan, Luxembourg, The Netherlands, Pakistan and Zambia.

4. Capital Acquisitions Tax (“CAT”)

CAT is charged on the aggregate of all gifts and inheritances received by a beneficiary since 5 December 1991 to which the same tax free group thresholds apply. This aggregate is reduced by the tax-free amount and is subject to tax currently at 33%. The current group thresholds are set out in Schedule 5, Part 1.

The rules in relation to territoriality were changed from 1 December 1999. Previously liability to CAT arose where the disponer was domiciled in the State or the assets were situate in the State. The new rules which apply in relation to gifts or inheritances taken after 1 December 1999 focus on the residence or ordinary residence of the disponer or the beneficiary. The definitions of residence, ordinary residence and domicile are set out in Schedule 2. It should also be noted that, for CAT purposes only, a non-domiciled person is only treated as resident after 5 consecutive years residence.

Gifts and inheritances are now taxable where:

(a) The beneficiary is resident or ordinarily resident in the State at the date of the gift or inheritance; or

(b) The disponer is resident or ordinarily resident in the State at the date of the gift or inheritance; or

(c) Where the property in the gift or inheritance is situate in the state; or

(d) In the case of a gift taken under discretionary trust the disponer is resident or ordinarily resident at the date of the disposition under which the beneficiary takes the gift; or

(e) In the case of a gift taken under discretionary trust after the death of the disponer where the disponer is resident or ordinarily resident in the State at his / her date of death; or

(f) Where the property in the gift or inheritance is situate in the State.

The CAT legislation provides for certain reliefs and exemptions, which are detailed in Schedule 5, Part 2.

It should also be noted in relation to discretionary trusts that where the settlor of the assets into the trust is resident or ordinarily resident at the date the property is settled in the trust, discretionary trust tax may apply to the undistributed assets of the trust. A once off 6% charge of discretionary trust tax will apply when:

(g) the disponer is dead; and

(h) all of the principal objects of the trust (the settlor’s spouse, children and children of a pre-deceased child) reach the age of 21 years.

A 1% annual tax charge applies to property held in discretionary trusts which have become subject to the 6% once-off charge.

There are also special rules with regard to foreign domiciled individuals, whereby a foreign domiciled individual will be deemed to be non-resident and non-ordinarily resident in Ireland unless he / she was resident for the five consecutive years of assessment preceding the date of the benefit on that date is either resident or ordinarily resident in Ireland.

5. **Stamp Duty ("SD")**

SD is payable on instruments which fall within heads of charge under the relevant legislation, the list of which varies widely. The rates of SD range from 0% - 9%. Details of the main rates are set out in Schedule 6.

Unlike other taxes, the residence or domicile of the taxpayer is irrelevant in relation to SD. SD is payable if an instrument is:

(a) Executed in the State; or

(b) Wherever executed, relates to any property situation of the State; or

(c) Wherever executed, relates to any matters or things to be done in the State.

6. **Corporation Tax ("CT")**

CT in Ireland is charged at 12.5% for active trading income and 25% for passive non-trading income. A company resident in the State is chargeable to CT in respect of its total worldwide profits wherever they arise and whether they are remitted to the State or not.

Finance Act 2014 significantly amended Ireland's tax residency rules in relation to Irish incorporated companies. A company incorporated in Ireland after 1 January 2015, subject to terms of a double taxation agreement, is now automatically tax resident in Ireland regardless of where it's central management and control is exercised. Previously an Irish incorporated company whose central management and control was exercised outside of Ireland would not be Irish tax resident.

These changes have been introduced on a phased basis for companies incorporated in Ireland before 1 January 2015 and whose central management and control is exercised outside of Ireland. Such companies will become Irish tax resident from the earlier of:

- 1 January 2021; or
- The date, after 1 January 2015, of a change in ownership of the company where there is also a major change in the nature or conduct of the business of the company within the period beginning one year before the date of the change of ownership or on 1 January 2015, whichever is later) and ending 5 years after that date.

A company incorporated outside of Ireland is Irish tax resident if it's central management and control is exercised in Ireland.

William Fry
21 July 2015

*This note is a summary position of the legislation only and advice must be taken based on the factual position.

SCHEDULE 1

Part 1 - IT Rates

Year	Single / Widowed	Single / Widowed qualifying for Single Person Credit	Married Couples Two Incomes	Rate
2014	€32,800	€36,800	€41,800 (with an increase of €24,800 max)	20%
	Balance	Balance	Balance	41%
2015	€33,800	€37,800	€42,800 (with an increase of €24,800 max)	20%
	Balance	Balance	Balance	40%

From the year 2011 the USC applies on an individual's gross income at the following rates:*

2014	Rate	2015	Rate
Income up to €10,036	2%	Income up to €12,012	1.5%
Income from €10,036 to €16,016	4%	Income from €12,012 to €17,576	3.5%
Income above €16,016	7%	Income from €17,576 to €70,044	7%
		Income above €70,044	8%

*Reduced rates apply to individuals aged 70 years or over or individuals who hold full medical cards. A 3% USC surcharge applies to individuals with non-PAYE income that exceeds €100,000 in a year.

Part 2 – Main Reliefs Available on IT and Limitations

- Employment and Investment Incentive Scheme ("EIIS"): The EIIS is a tax relief incentive scheme that provides relief for investment in certain companies. The scheme allows an individual investor to obtain income tax relief on investments up to a maximum of €150,000 per annum in each tax year up to 2020. Initially relief is available to an individual at up to 30% and a further 11% is available when certain conditions are met.
- Special Assignee Relief Programme ("SARP"): SARP was introduced in 2012 and was aimed at making Ireland a more attractive location for internationally mobile workers and reduce the cost to employers of assigning skilled workers to their Irish operations. A qualifying employee can claim a 30% tax deduction on his/her Irish employment income for up to five years under the SARP scheme. From 1 January 2014, this will apply to Irish employment income over €75,000 and will not be subject to an upper limit. SARP provides income tax relief (not USC or PRSI relief) for certain qualifying individuals assigned to work for their employer (or associated company) in Ireland. From 1 January 2014 a qualifying employee is one who:
    - moves to Ireland in the tax year 2015, 2016 or 2017 to work at the request of his/her employer;
    - is employed by a company incorporated and resident in a country with which Ireland has a double tax-treaty or an information exchange agreement ("relevant employer") or an associated company (including an Irish resident company) of that relevant employer;
    - will exercise all employment duties in Ireland (other than incidental duties) for a minimum of 12 months;

- has a base salary of €75,000 not including benefits;
- has not been tax resident in Ireland for the preceding 5 years; and
- was employed full time by the relevant employer for 6 months prior to the move to Ireland.

- Home Renovation Incentive (HRI): The HRI provides for tax relief by way of an income tax credit at 13.5% of qualifying expenditure on repair, renovation or improvement works carried out on a main home or rental property by qualifying contractors.
- Artist Exemption: The first €50,000 per annum of profits from certain artistic works earned by writers, composers, visual artists and sculptors is exempt from income tax in certain circumstances.
- Film Relief: From 2015 this scheme operates by giving direct support to film producer companies in the form of a tax credit. The scheme provides relief in the form of a corporation tax credit related to the cost of production of certain films.
- Patent Royalty Income: Certain income derived from patent royalties is exempt from income tax when certain conditions are fulfilled, for example the original inventor must be the recipient of the royalty.
- Restoration of Heritage Buildings: Tax relief is provided from income tax / corporation tax to the owner / occupier of an approved building / garden in respect of expenditure incurred on the repair, maintenance or restoration of the approved building / garden. Qualifying expenditure is treated for tax purposes as if it were a loss in a separate trade and the normal rules for giving loss relief apply.
- Donations to approved bodies such as charities: A donation made by an individual is grossed up at a specified rate and the approved charitable body is treated as receiving the grossed up amount net of tax deducted. The minimum donation is €250. For companies making charitable donations, the company claims a deduction for the donation as if it were a trading expense.
- Donations to certain sports bodies: Tax relief is available for donations to certain sports bodies for the funding of capital projects. The relief will apply at the taxpayer's marginal rate. It will be paid by the Revenue Commissioners for the benefit of the sporting body in the case where donations are made by PAYE taxpayers. Taxpayers who are under the self assessment system will receive relief on their annual tax returns as a deduction from total income.
- Exempt distributions and exempt profits or gains relating to income from stallion fees, stud greyhound services, the occupation of woodlands, and certain mining profits.

There are limitations on the availability of these reliefs for individuals whose income exceeds €125,000 per annum known as High Income Earners Restrictions ("HER"). Unused reliefs may be carried forward. It should be noted that the EIIS has been temporarily removed as a specified relief for the purposes of the HER.

SCHEDULE 2

Part 1 – Residence

An individual is resident for a tax year if he/she either:

- Spends 183 days or more in the State in a tax year; or
- Spends an aggregate of 280 days or more in the State in the current tax year and the previous tax year.

From 1 January 2009 an individual is regarded for tax residency purposes as being present in the State for a day if they are present in the State at any time during that day.

An individual who fails to satisfy the above tests may elect to be treated as resident in the State for that year, provided he/she can satisfy an authorised officer that he/she is in the State with the intention to be resident in the State for the following year of assessment. Once a person elects to become resident, he/she cannot subsequently cancel that position.

Part 2 - Ordinary Residence

This refers to a person's pattern of residence over a number of years. If an individual comes to Ireland for the first time and remains resident for three consecutive tax years he/she will become ordinarily resident from the beginning of the fourth tax year. The converse also applies and a person may cease to be ordinarily resident in Ireland having been non-resident for three consecutive tax years.

Part 3 - Domicile

Domicile is not defined in legislation and is a feature of common law. Domicile may be broadly interpreted as meaning residence in a particular country with the intention of residing permanently in that country. A domicile of origin will remain with an individual until such time as a new domicile of choice is acquired. Before this occurs, there has to be clear evidence that the individual has a positive intention of permanent residence in another country and has abandoned the idea of ever returning to live in his country of birth. It should be noted that an individual cannot be without a domicile and cannot have more than one domicile at any time.

SCHEDULE 3

Main CGT Exemptions and Reliefs

(a) *Annual Small Gain*: The first €1,270 of chargeable gains of an individual is exempt.

(b) *Private residence*: A gain accruing to an individual on the disposal of an interest in a private residence and grounds of up to one acre which has been occupied throughout the period of ownership as the only or main residence subject to certain conditions and interpretational rules is exempt.

(c) *Relief for certain disposals of land or buildings*: Relief from capital gains tax for property purchased in any state in the European Economic Area between 7 December 2011 to 31 December 2014 where the property is held for more than 7 years. The gains attributed to that 7 year period will not be subject to capital gains tax.

(d) *Transfer of land to children for construction of residences*: An exemption from CGT applies where a parent transfers land valued at not more than €500,000 to his/her children to enable the child to build a principal private residence.

(e) *Retirement Relief*: Retirement relief may be claimed in respect of a gain arising to an individual disposing of his business or shares in his family company where:

- The individual is aged between 55 and 65 on gains on disposals to third parties amounting to a limit of €750,000; or
- The individual is aged over 65 on gains on disposals to third parties amounting to a limit of €500,000; or
- The individual is aged between 55 and 65 on gains on disposals to a child (no limit applies to the level of the gain); or
- The individual is aged over 65 or over on gains on disposals to a child to a limit of €3,000,000.

Marginal relief applies when gains exceed the limit. This exemption is subject to certain conditions and interpretational rules.

SCHEDULE 4

Part 1 - Countries in Which Tax Treaties are in Force

Albania	Hong Kong	Poland
Armenia	Hungary	Portugal
Australia	Iceland	Qatar
Austria	India	Romania
Bahrain	Israel	Russia
Belarus	Italy	Saudi Arabia
Belgium	Japan	Serbia
Bosnia Herzegovina	Korea (Rep of)	Singapore
Botswana	Kuwait	Slovak Republic
Bulgaria	Latvia	Slovenia
Canada	Lituania	South Africa
Chile	Luxembourg	Spain
China	Macedonia	
Croatia	Malaysia	
Cyprus	Malta	
Czech Republic	Mexico	
Denmark	Moldova	
Egypt	Montenegro	
Estonia	Morocco	
Finland	Netherlands	
France	New Zealand	
Georgia	Norway	
Germany	Pakistan	
Greece	Panama	

Part 2 – New Negotiations

Ireland has signed double taxation agreements with 72 countries, of which 68 are in effect.

A new double taxation agreement was signed with Ethiopia on 3 November 2014.

The new double taxation agreement with Thailand, which was signed on 4 November 2013, will enter into effect on 1 January 2016.

Ireland has completed the ratification procedures to bring the double taxation agreements with Botswana and the Ukraine into force.

Negotiations with Turkmenistan have concluded and a new agreement is expected to be signed shortly.

Negotiations for new agreements with Azerbaijan, Jordan, Kazakhstan and Ghana are at various stages.

Negotiations are ongoing for a replacement agreement with the Netherlands and for a protocol to the existing agreement with Mexico.

Plans to initiate negotiations for new agreements with other countries during 2015 are ongoing.

SCHEDULE 5

Part 1 – Tax-Free Group Thresholds

The tax-free thresholds applicable for gifts and inheritances are set out below. There are three categories which are based on the relationship between the disponer and the beneficiary:

Group A: Applies where the beneficiary is a child or minor child of a deceased child of the disponer, or a foster child of the disponer, subject to certain conditions. This threshold also applied to inheritances taken by a parent from a deceased child, subject to certain exemptions.

Group B: Applies where the beneficiary is a lineal ancestor, lineal descendant (other than a child, or minor child of a brother or sister of the disponer).

Group C: Applies where the beneficiary does not fall within group A or B.

The thresholds for gifts and inheritances taken on or after 6 December 2012 are:

Group A: €225,000

Group B: € 30,150

Group C: € 15,075

Part 2 – Main Exemptions and Reliefs from CAT

(a) *Small gift exemption*: The first €3,000 of the total taxable value of all taxable gifts taken by a donee from any one disponer in any calendar year is exempt from CAT.

(b) *Gift / Inheritance to charities*: Certain gifts to and from charities are also exempt.

(c) *Gift / Inheritance between spouses*: Transfers between spouses are not liable to CAT.

(d) *Dwelling house exemption:* The legislation provides that where a gift or inheritance of a dwellinghouse is taken by a donee/beneficiary who:

- has continuously occupied this dwellinghouse as his or her only residence either (i) throughout the period of three years immediately preceding the date of the gift/inheritance or (ii) where the dwellinghouse replaced another property, for a period of three years within four years preceding the date of the gift/inheritance;
- is not at the date of the gift/inheritance beneficially entitled to any other dwellinghouse or interest in any other dwellinghouse; and
- continues to occupy the dwellinghouse as his only or main residence for a period of six years commencing in the date of the gift/inheritance;

then that gift/inheritance is exempt from CAT. In the case of a gift, the donee/beneficiary cannot be living in the dwelling house with the disponer except in limited cases (i.e. as a carer for the disponer).

(e) *Agricultural Relief*: To qualify for agricultural relief, the following conditions must be satisfied:

- the gift/inheritance must comprise of agricultural property;
- not less than 80% of the gross market value of the property to which the donee/beneficiary is beneficially entitled in possession must constitute agricultural property; and
- The donee/beneficiary, or lessee where the donee/beneficiary leases the agricultural property, must satisfy the various 'active farmer' requirements.

Once the above is satisfied, the market value of the gift/inheritance is reduced by 90% for the purposes of calculating any CAT payable.

(f) *Business Relief*: Where the gift/inheritance comprises of "relevant business property", the taxable value (market value less liabilities) of the gift/inheritance is reduced by 90% in order to calculate the CAT payable.

(g) *Double Taxation*: The legislation allows the Irish government to enter into arrangements with other countries to provide relief against double taxation in respect of gift/inheritance tax payable under the laws of two states. There is a double taxation treaty between Ireland and the United Kingdom which came into force in 1978. There is also a limited treaty between Ireland and the United States which is largely inoperable. Unilateral relief is granted where there is no tax treaty in place, and applies where there is a gift/inheritance of foreign property to or from an Irish resident or ordinarily resident disponer or beneficiary and there is foreign tax payable on that foreign property which is similar to estate duty, gift tax or inheritance tax. The relief is a credit against tax imposed by the foreign country on the foreign property, and amounts to the lesser of (i) the amount of the CAT tax payable on the foreign property or (ii) the amount of foreign tax payable on the foreign property. It must be noted that the credit cannot be greater than the Irish tax on the foreign property and can only be given where the same event gives rises to tax in both countries.

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SCHEDULE 6

Part 1 – Rates of SD – Residential Property

Consideration (or Aggregate Consideration) exceeds €127,000	**Rate**
First €1,000,000	
Next €875,000	1%
Excess over €1,000,000	2%

Part 2 – Rates of SD – Non-Residential Property

2%

Part 3 – Rates of SD – Stocks or Securities

1%

SCHEDULE 7

Part 1 – Work permits for Secondments

1. Secondments <u>exceeding</u> 90 days (for up to 24 months)

   Where the employee's secondment to work in Ireland will exceed 90 days, an **intra company transfer permit ("ICTP")** is the appropriate permit to be applied for. The ICTP is most appropriate for an employee. Generally the Irish company is required to provide a business case as to why the employee's presence in Ireland is indispensable (having regard to specialist technical knowledge or experience);

2. Secondment to Ireland <u>for less than</u> 90 days

   Where an employee's assignment to work in Ireland will be less than 90 days an **atypical work visa** may be applied for. An advantage of the atypical work visa is that the requirements to be justified in respect of the secondment (i.e. for the employee to be fulfilling a key or indispensable function in Ireland) are somewhat less strict than ICTP. However, the proposing host should nonetheless be prepared to provide a business case for the assignment

Part 2 – Work permits for Direct Employments

Where the assignee will be *directly employed and paid* by the Irish company, the applicable permit options in such circumstances would be a Critical Skills Employment Permit or a General Employment Permit. A key consideration as to whether the permit will be successfully granted is that the employee must be coming to Ireland to fulfil a key role which will generally cannot be met by the local and EEA labour market.

1. Critical Skills Employment Permit

   The headline requirements for a Critical Skills Employment Permit ("CSP") are:

   - A job offer of two years in respect of an eligible role.
   - The annual remuneration for the role must be a least €30,000 per annum.
   - Where the remuneration is between €30,000 and €60,000 the role must be listed on the Highly Skilled Eligible Occupations List.
   - The employee requires a relevant degree qualification or higher and relevant experience in respect of the role.
   - Where a CSP is issued, immediate family reunification is permitted.

2. General Employment Permit

   The headline requirements for the General Employment Permit ("GP") are:

   - The annual remuneration for the role must be a least €30,000 per annum.
   - Where the job is not included on the Highly Skilled Eligible Occupations List, the Company must satisfy the "Labour Market Needs Test" requirement i.e. the Company must advertise the role (i) with the Department of Social Protection Employment Services/EURES employment network for at least two weeks; and (ii) in a national newspaper for at least three days; and (iii) in either a local newspaper or jobs website (separate to Department of Social Protection/EURES websites) for three days.
   - The employee requires a relevant degree qualification or higher and relevant experience in respect of the role.

- Where a GP is issued, immediate family reunification is not permitted (i.e. wife/partner/dependents of the GP holder must obtain their own permission prior to travelling to Ireland).

Part 3 – Immigrant Investor Programme

The Immigrant Investor Programme exists in addition to the work permit options outlined above. The purpose of the programme is to enable non-EEA nationals and their families to secure residency in Ireland where they have committed to an approved investment in Ireland.

The approval process for the programme is entirely discretionary. Guidelines have issued outlining the potential ways through which an individual may become eligible under the programme.

The guidelines provide for the following eligible investment options:

- Immigrant investor bonds – this requires a minimum investment of €2,000,000 in the immigrant investor bond issued by Ireland. The bond has a term of 5 years and an annual interest rate of 1%.

- Enterprise investment – this requires a minimum investment of €1,000,000 in an Irish "start-up" established by the investor or into an existing business registered in Ireland. The investment must be for a minimum period of three years and the business into which the investment is made must be registered and headquartered in Ireland. Again, the investment must be with a view to job creation in Ireland. A detailed business plan would have to be submitted to the Department of Justice to identify how the investment will help create or maintain jobs in Ireland in the business.

- Mixed investments – an investment in property can be an eligible investment in certain cases. It is envisaged that the investment in property should be made together with an investment in other eligible investments. The total investment should not be less than €1,000,000 and the property proportion of this should relate to no more than 50%. A property investment on its own can suffice in certain cases where it has a minimum value of €1,000,000 but only where it is clearly demonstrated that it is part of an overall business development or enterprise plan.

- Endowment – a minimum endowment of €500,000 in a project of public benefit in the arts, sports, health, cultural or educational field may be considered. The endowment must have a clear public benefit.

The evidence required to accompany any submission will vary depending on the eligible investment options being pursued however proof of funds is key requirement.

Generally, spouses, partners and children can accompany the application subject to providing certain evidence in respect of the relationship (i.e. a marriage certificate).

The permission granted under the programme is a permission to reside and work in Ireland for two years. The permission can be renewed thereafter subject to conditions the main renewal requirement being the investment remaining in place for a prescribed period.