

SECTION 2
VEHICLE REGISTRATION TAX
MANUAL

RELIEFS AND EXEMPTION

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RELIEFS AND EXEMPTIONS

This section deals with the following:

- 2.1 *Permanent Reliefs* - (from the payment of VRT¹);
- 2.2 *Temporary Exemptions* - (from the requirement to register)

It also deals, *inter alia*, with refusal of relief (s.2.1.10) and with restrictions on use/disposal (s.2.1.11) of vehicles which have been granted relief, as well as control of relief (s.2.1.12).

In all cases of doubt/difficulty , the VRT Regional Office should be consulted before any action is taken

2.1 PERMANENT RELIEFS

Permanent reliefs² are dealt with under the following headings:

- 2.1.1 *Transfer of Residence*
- 2.1.2 *Vehicles Acquired Tax-/Duty-Free Abroad³*
- 2.1.3 *Transfer of Business Undertaking*
- 2.1.4 *Inheritance*
- 2.1.5 *Donations by Official Bodies, Public Authorities or Groups*
- 2.1.6 *Vehicles Acquired for the Official Use of an EU Institution*
- 2.1.7 *Transfers to the State of EU Officials*
- 2.1.8 *Diplomatic Agents etc.*
- 2.1.9 *International Air Services etc.*

The application procedures for relief outlined herein, particularly in regard to transfer of residence, are divided into those arriving from within the EU and those from outside.

In practice, the procedures applicable to transfers from outside the EU will normally apply only to unaccompanied vehicles, e.g. those arriving in containers, since accompanied vehicles driven

¹ Relief from the payment of CCT duty and VAT is also available and, where appropriate, is specified separately in this section.

² See also para. 1.19.1.7 for treatment of classic/collectible vehicles in respect of which relief is claimed.

³ Treated as a separate relief here, but is available and may be granted in transfer of residence situations.

into the State will most likely be presented in the first instance at a VRO rather than at a Local Revenue office.

In the event of an application for exemption being refused the VRO is charged with the responsibility of collecting all taxes then payable, including CCT duty , VAT and VRT

Where CCT duty/VAT are secured/collected by a VRO the relevant Customs station is to be advised of the refusal of relief and of the tax details.

[See CVO Bulletin 2007 No 1 re Permanent Relief Register](#)

2.1.1 TRANSFER OF RESIDENCE

This relief applies to a private individual transferring his/her normal residence permanently to the State from abroad. It extends to CCT duty and VAT where the transfer is from outside the EU. Eligibility criteria are the same for each tax except where stated below. A separate relief is provided for companies and businesses which transfer to the State.

2.1.1.1 Legislation

Primary: [Finance Act, 1992, s.134\(1\)\(a\);](#)

Secondary: [Vehicle Registration Tax \(Permanent Reliefs\)](#)

[Regulations, 1993, Reg. 4, \(S.I. No. 59/93\).](#)

2.1.1.2 Eligibility Criteria

To qualify for relief the applicant must:

- in the case of relief from the payment of VRT have had his/her normal residence outside the State for a period greater than 6 months or, in the case of relief from the payment of CCT duty and VAT, outside the EU for a continuous period of twelve months;
- have transferred his/her residence permanently to the State;

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- be the owner of the vehicle/s at the time of transfer;
- have had possession and actual use of the vehicle/s:
 - outside the State for 6 months prior to transfer in the case of relief from the payment of VRT, or
 - at the former normal place of residence outside the State for 6 months prior to transfer in the case of relief from the payment of CCT duty and VAT;
- not be a student returning to the State having attended a school, university or other educational or vocational establishment abroad;
- not be a person who was living abroad in order to carry out a task of definite duration of less than one year and whose personal ties⁴ remained in the State during that time;
- in the case of VRT relief, not have availed of the relief within five years of the granting of such relief where the applicant went abroad for the purpose of carrying out a task of a duration of one year or more and whose personal ties remained in the State during that time.

To qualify for relief the vehicle/s must:

- have been acquired duty-paid, i.e. with all local taxes paid and not refunded⁵;
- have arrived in the State within one year of the date of transfer of residence;
- not reflect any commercial/business interest of the applicant.

2.1.1.3 Proof of Eligibility

The onus of proof is always on the applicant claiming relief. Such proof must be of a written/documentary and original nature and must be supplied within one month of claiming relief. Where considered necessary, additional documentation/evidence should be requested. Photocopies should be made of all documentation which is returned to the applicant.

Evidence of Transfer of Residence

Documents concerning the following may be accepted as evidence of living abroad and transfer of residence:

- sale/acquisition of property;

⁴ Personal ties means family ties (e.g. spouse/children or, if unmarried, parents/relatives) or social ties.

⁵ See para. 2.1.2 for treatment under transfer of residence rules of tax-/duty-free vehicles acquired abroad.

- evidence of payment of income tax or receipt of social benefits abroad
- cessation/offer of employment;
- day-to-day transaction receipts/utility bills (electricity/gas/water/ telephone), bank statements etc.).

Evidence of Vehicle Ownership and Usage

Documents concerning the following may be accepted as evidence of possession and/or actual usage:

- vehicle registration
- insurance
- vehicle servicing/fuelling;
- shipping/transportation/carriage etc

2.1.1.4 Application Procedure

Transfers from within the EU

The application for [relief](#), together with the appropriate declaration for registration, and the vehicle, must be presented at a VRO by the end of the next working day following the arrival of the vehicle in the State.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the applicant and vehicle/s meet the eligibility criteria;
- examine the vehicle/s and record details on the application form;
 - if satisfied, register the vehicle/s in the normal way;
 - file all exemption documents locally⁶.

Transfers from outside the EU

⁶ See para. 1.14.

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The application for [relief](#), together with the appropriate declaration for registration and the vehicle, may be presented at the local Customs Office on arrival in the State.

When/if presented with an application the Revenue official should:

- issue the applicant with an acknowledgement and the appropriate exemptions leaflet ([VRT 3](#) and [VRT 4](#));
- advise the applicant to bring the vehicle/s to a VRO by the end of the next working day after it/they is/are released from Customs control;
- release the vehicle/s in the absence of any suspicion;
- send the application and supporting documents to the appropriate VRO for consideration of the application for relief and registration
- where appropriate, write off manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the applicant and vehicle/s meet the eligibility criteria;
- examine the vehicle/s and record details on the application form;
- complete checklist at rear of application form;
- if satisfied, register the vehicle/s in the normal way.

2.1.1.5 Extenuating Circumstances

Circumstances can arise where a transfer of residence is forced on an individual at a time when his/her vehicle will not have been in his/her possession and use for the required 6 month period⁷. Tax relief in such cases may be allowed where evidence is available that a transfer of residence could not have been foreseen by the applicant when the vehicle was acquired. In such cases, the following guidelines should be observed:

- relief may only be allowed by the local District Manager

⁷ Tax-/duty-free vehicles, where the possession and use requirement is 12 months, as distinct from 6, are not included in this arrangement.

- ❑ the *bona fides* of the transfer of residence should be clearly established;
- ❑ the applicant should provide conclusive evidence that the transfer could not have been foreseen at the time the vehicle was acquired, or that the acquisition of the vehicle was as a result of *force majeure*. Some typical examples of this include:
 - an unexpected offer of employment - the emphasis here should be placed on the unexpected nature of the offer, e.g. if negotiations for the position were underway at the time the vehicle was acquired, the application should be refused;
 - loss of employment abroad;
 - deterioration in health;
 - family bereavement;
 - change of vehicle forced on an applicant because the original qualifying vehicle was crashed/stolen (and not recovered);
 - other special circumstances including clearly justified cases arising from political upheaval in the country of former residence;
- ❑ the vehicle should have been in the possession and use of the applicant for at least 3 months except in cases of hardship such as the replacement of a crashed/stolen car.

Relief in the case of extenuating circumstances is permitted in order to give effect to the discretion available to the Commissioners under the care and management provisions in finance legislation. Where enquiries regarding the transfer of residence provisions are received, the information to be given is that set out in the [legislation](#) and in the public information leaflet.

In dealing with applications, district managers may take other considerations into account, as appropriate, e.g. the length of time a person has spent abroad, the extent of upgrading of the replacement vehicle etc, where considered relevant.

Cases received/allowed under these provisions should be recorded..

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To ensure uniform and consistent application of this procedure, applications and supporting documents are to be forwarded to the Regional Office for review following registration of the vehicle.

2.1.1.6 Review of Reliefs

The Regional Office should carry out a review of at least 20% of all applications for relief received and processed to ensure accuracy and consistency of approach. Satisfactory applications should be endorsed accordingly. This review should be carried out on a quarterly basis

2.1.2 VEHICLES ACQUIRED TAX-/DUTY-FREE ABROAD

A tax-/duty-free vehicle is a vehicle which has either:

- been acquired without payment of VAT, CCT duty, excise duty or any other consumption tax/es payable, or
- if acquired fully tax-/duty-paid, has been granted an exemption/refund, in whole or in part, of all/any of these taxes on the grounds of exportation/departure.

2.1.2.1 Scope of the Relief

Exemption from tax in respect of a tax-/duty-free vehicle on transfer of residence is only available where the vehicle has been:

- supplied under diplomatic or consular arrangements, or
- supplied to an international organisation recognised by the Minister for Foreign Affairs, or to a member of such an organisation, within the limits and under the conditions laid down by the international convention establishing the organisation or by another similar agreement.

In all other cases, exemption from tax on transfer of residence is only available for vehicles acquired tax-/duty-paid (See para 2.1.1.2)

2.1.2.2 Diplomatic and Consular Arrangements

These arrangements apply to persons who transfer their residence following diplomatic service abroad, and who are entitled to purchase tax-/duty-free goods (including vehicles) under the Diplomatic Relations and Immunities Acts, 1967 and 1976, if they had served in a similar position in the State. The list of qualifying persons includes:

- diplomatic agents etc. and their family members;
- members of the administrative and technical staff of a diplomatic mission;
- certain officials, including Garda and Defence Forces personnel, serving abroad on UN missions;
- certain categories of UN officials;
- officials of the European Commission on Human Rights.

2.1.2.3 Recognised International Organisations

In the case of a tax-/duty-free vehicle supplied to a recognised international organisation, or to a member of such organisation, the formal recognition of such organisation by the Minister for Foreign Affairs is a pre-requisite for obtaining relief.

A list of currently approved organisations will be available shortly on REVNET. Persons who intend to seek exemption under this provision should be advised to obtain the necessary confirmation, from the Department of Foreign Affairs, before they purchase a tax-/duty-free vehicle.

2.1.2.4 Eligibility Criteria

To qualify under either heading an applicant:

- must have been living or serving abroad for a continuous period of one year or more,
- must have had possession and actual use of the vehicle outside the State for at least 12 months before the date of transfer of residence, and
- in the case of relief from the payment of VRT, must not have been granted relief within the preceding five years where s/he went abroad for the purpose of carrying

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out a task of definite duration of one year or more and whose personal ties remained in the State during that time.

2.1.2.5 Application Procedure

The procedure for claiming exemption is the same as that for claiming exemption under the transfer of residence provisions (see para 2.1.1). However, in addition to the documentary evidence required in that regard, an applicant here must also produce the following:

- a certificate from an appropriate authorised official confirming official status and entitlement to purchase a tax-/duty-free vehicle;
- a copy of the contract of service abroad;
- evidence of service and actual residence abroad;
- evidence of acquisition of, and payment for, the vehicle (e.g. invoice, bank statement, hire-purchase agreement etc.);
- evidence of both possession and actual use of the vehicle abroad for a period of 12 months, (e.g. certificate of insurance, registration document, fuel and maintenance charges etc.);
- documents relating to shipment of the vehicle from the country of former residence, e.g. shipping documents, etc. and, where appropriate, shipment of the vehicle from the country of acquisition to the country of former residence;
- other such evidence as may be requested in individual cases.

2.1.3 TRANSFER OF BUSINESS UNDERTAKING

This relief applies only where a business undertaking is being transferred in its entirety to the State from abroad.

2.1.3.1 Legislation

Primary: Finance Act, 1992, s.134(1)(b);
Secondary: Vehicle Registration Tax (Permanent Reliefs)
Regulations, 1993, Reg. 5, (S.I. No. 59/93).

2.1.3.2 Eligibility Criteria

To qualify for relief the undertaking must:

- be an independent economic unit prior to, and following, the transfer⁸;
- have definitively ceased its entire activity abroad;
- have definitively transferred its entire activity to the State;
- intend to carry on the same activity in the State.

To qualify for relief the vehicle/s⁹ must:

- be part of the capital goods of the undertaking, and
- have been used by the undertaking for 12 months prior to the cessation of its activity abroad either in a production process or, in the case of a service company, directly in the provision of its service.

2.1.3.3 Application Procedure

Transfers from within the EU

The application for [relief](#), together with the appropriate declaration for registration, and the vehicle, must be presented at a VRO by the end of the next working day following the arrival of the vehicle in the State.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence, e.g. of cessation of activity abroad, establishment of

⁸ Company/business amalgamations/mergers with State companies/businesses do not qualify for relief.

⁹ Company cars or staff transport vehicles do not qualify for relief.

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activity in the State, and the vehicle registration document/s and insurance certificate/s;

- ensure that the applicant and vehicle/s meet eligibility criteria;
- examine the vehicle/s and record details on the application form;
- complete checklist at rear of application form;
- if satisfied, register the vehicle/s in the normal way;
- file all exemption documents locally.

☐ Transfers from outside the EU

The application for [relief](#) together with the appropriate declaration for registration, and the vehicle/s, may be presented at the Local Revenue office on arrival in the State.

When/if presented with an application the Revenue Official should:

- give the applicant an acknowledgement slip¹⁰ and the appropriate public notice
- advise the applicant to bring the vehicle/s to a VRO by the end of the next working day following its/their release from Customs control;
- release the vehicle/s in the absence of any suspicion;
- send the application and supporting documents to the appropriate VRO for consideration of the application, and registration;
- where appropriate, write off the manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence, e.g. of cessation of activity abroad, establishment of activity in the State, and the vehicle registration document/s and insurance certificate/s;
- ensure that the applicant and vehicle/s meet the eligibility criteria;
- examine the vehicle/s;
- complete checklist at rear of application form;

¹⁰ Form VRT 25.

- if satisfied, register the vehicle/s in the normal way.

2.1.4 INHERITANCE

A vehicle which is brought into the State following the death of its owner abroad may be registered without payment of VRT¹¹ if the applicant¹²:

- acquired it on inheritance, either under a will or under the law relating to intestacy, or
- is the personal representative¹³ of the deceased and resident in the State.

2.1.4.1 Legislation

<i>Primary:</i>	<i>Finance Act, 1992, s.134(1)(c);</i>
<i>Secondary</i>	<i>Vehicle Registration Tax (Permanent Reliefs)</i> <i>Regulations, 1993, Reg. 6, (S.I. No. 59/93).</i>

2.1.4.2 Eligibility Criteria

To qualify for relief the applicant must:

- have acquired the vehicle directly¹⁴ under the will;
 - be resident or established in the State.

To qualify for relief the vehicle/s must:

- have been the personal property of the deceased at the time of death;
- be brought into the State within two years of acquisition by the applicant.

2.1.4.3 Evidence of Eligibility

Required documentary evidence of eligibility differs depending on the means by which a vehicle is inherited, i.e. whether there was a valid will in existence or whether the

¹¹ Relief is also available from the payment of CCT duty (Council Regulation 918/83/EEC, 28.03.83) and VAT (Council Directive 83/181/EEC, 28.03.83).

¹² Applicant may be a private individual or a non-profit-making company, society, firm etc.

¹³ Executor of a will or administrator appointed by a court to administer the estate of the deceased.

¹⁴ An indirect acquisition, e.g. from a beneficiary under a will to the applicant, does not qualify.

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deceased died intestate. Acceptable evidence in each of these situations should include the following:

Testate Inheritance (inheritance where there is a valid will)

- a copy of the will indicating that the applicant is either the beneficiary of the vehicle/s under the will or is the executor of the will and is resident in the State;
- certificate from a court (probate) that the will has been proved and that the right to administer the estate has been granted to the executor;
- death certificate of the deceased (or a copy thereof);
- vehicle registration certificate/s.

Intestate Inheritance (inheritance where there is no valid will)

- a declaration issued by a Notary Public¹⁵, either in the country where the person died or in the State, that the applicant is either entitled to ownership of the vehicle, or is the court-appointed, State-resident, administrator of the deceased's estate;
- death certificate of the deceased (or a copy thereof);
- vehicle registration certificate/s.

2.1.4.4 Application Procedure

Transfers from within the EU

The application for relief¹⁶, together with the appropriate declaration for registration, and the vehicle, must be presented at a VRO by the end of the next working day following the arrival of the vehicle in the State.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by the required documentary evidence;
- ensure that the applicant and vehicle/s meet eligibility criteria;
- examine the vehicle/s and record details on the application form;

¹⁵ Usually a solicitor who certifies deeds or other legal documents.

¹⁶ C&E 1081.

- if satisfied, register the vehicle/s in the normal way;
- file all exemption documents locally.

Transfers from outside the EU

The application for [relief](#), together with the appropriate declaration for registration, and the vehicle, may be presented at the Local Revenue office on arrival in the State.

When/if presented with an application the Revenue Official should:

- give the applicant an acknowledgement and the appropriate [Public Notice](#)
- advise the applicant to bring the vehicle/s to a VRO by the end of the next working day following its/their release from Customs control;
- release the vehicle/s in the absence of any suspicion;
- send the application and supporting documents to the appropriate VRO for consideration of the application, and registration
- where appropriate, write off the manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the applicant and vehicle/s meet the eligibility criteria;
- examine the vehicle/s;
- if satisfied, register the vehicle/s in the normal way.

2.1.5 DONATIONS BY OFFICIAL BODIES, PUBLIC AUTHORITIES OR GROUPS

Before exemption can be granted under this heading, approval must be obtained in advance from the Regional Office.

A vehicle which is given as a gift/donation by:

- an official body, or
- a public authority, or
- a group carrying on an activity in the public service/interest

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established outside the State to a similar, non-related body/authority/group in the State, may be registered without payment of VRT subject to certain conditions, requirements and limitations. Relief from the payment of [CCT duty](#) and [VAT](#) is only allowed in respect of donations from Third Countries.

2.1.5.1 Legislation

Primary: Finance Act, 1992, s.134(1)(d);

*Secondary: Vehicle Registration Tax (Permanent Reliefs)
Regulations, 1993, Reg. 7, (S.I. No. 59/93).*

2.1.5.2 Eligibility Criteria

To qualify for relief the vehicle must:

- be given as a donation (free transfer of ownership) as a token of friendship/ goodwill;
- not be used for commercial purposes, and
- not be part of a series of such donations, i.e. an occasional gift is acceptable.

2.1.5.3 Application Procedure

Once an application has been approved by the a letter to this effect should issue to the applicant.

Transfers from within the EU

The appropriate declaration for registration, together with the letter of approval, and the vehicle, must be presented at a VRO by the end of the next working day following the arrival of the vehicle in the State.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;

- ensure that the applicant and vehicle meet eligibility criteria;
- examine the vehicle and record details on the application form;
- if satisfied, register the vehicle in the normal way
- advise the VRT Exemptions Section of the donor, donee and vehicle details;
- file all exemption documents locally.

☐ Transfers from outside the EU

A written application for relief, together with the letter of approval, the appropriate declaration for registration, and the vehicle, may be presented at the Local Revenue office on arrival in the State.

When/if presented with an application the Revenue Official should:

- give the applicant an acknowledgement, ;
- advise the applicant to bring the vehicle to a VRO by the end of the next working day following its release from Customs control;
- release the vehicle in the absence of any suspicion;
- send the application and supporting documents to the appropriate VRO for consideration of the application, and registration.
- where appropriate, write off manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the applicant and vehicle meet the eligibility criteria;
- examine the vehicle;
- if satisfied, register the vehicle in the normal way;
- advise the Regional Office of the donor, donee and registration details.

2.1.6 VEHICLES ACQUIRED FOR THE OFFICIAL USE OF AN EU INSTITUTION

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For the purpose of this relief CCT duty and VAT applies, the recognised institutions of the European Community include

- European Commission;
- European Council of Ministers;
- European Court of Auditors;
- European Court of Justice;
- European Parliament/Assembly;
- European Central Bank;
- European Investment Bank ;
- European Investment Fund;
- European Foundation for the Improvement of Living and Working Conditions;
- European Monetary Institute;
- European Economic and Social Committee;
- European Committee of the Regions;
- Ombudsman of the European Union.

If the institution is not listed above the Department of Foreign Affairs should be contacted.

Relief is normally granted:

- in respect of one vehicle only per institution in normal circumstances
- for such period as may be determined by the Commissioners.

2.1.6.1 Legislation

Primary: *Finance Act, 1992, s.134(1)(e); s.134(1)(h);*
Secondary: *Vehicle Registration Tax (Permanent Reliefs)*
Regulations, 1993, Reg. 8 (S.I. No. 59/93).

2.1.6.2 Eligibility Criteria

To qualify for relief the institution:

- be recognised by the Minister for Foreign Affairs;
- must have established an office/base of operations in the State.

To qualify for relief the vehicle/s:

- may be new or used;
- may be brought into, or acquired in, the State;
- must be for the official use of the institution while in the State.

2.1.6.3 Application Procedure

For vehicles acquired outside the State:

Transfers from within the EU

- the application (VRT 36), together with the appropriate declaration for registration, must be presented at the Tallaght VRO by the end of the next working day following the arrival of the vehicle in the State;
- the vehicle must be produced for examination.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the application is suitably endorsed by the Director/Head of the relevant EU organisation;
- ensure that the institution and vehicle/s meet eligibility criteria;
- examine the vehicle/s, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle/s in the normal way;
- enter relevant details into the database
- file all exemption documents locally.

Transfers from outside the EU

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- the application (VRT 36) together with the appropriate declaration for registration, and the vehicle, may be presented at the Local Revenue office on arrival in the State.

When/if presented with an application the Revenue Official should:

- give the applicant an acknowledgement ;
- advise the applicant to bring the vehicle/s to the Tallaght VRO by the end of the next working day following its/their release from Customs control;
- release the vehicle in the absence of any suspicion;
- send the application and supporting documents to the VRO at Tallaght for consideration of the application, and registration
- where appropriate, write off manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the application is suitably endorsed by the Director/Head of the relevant EU organisation;
- ensure that the institution and vehicle/s meet the eligibility criteria;
- examine the vehicle/s, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle/s in the normal way;
- enter details into the relevant database

Vehicles acquired in the State

- the application must be addressed to the Regional Office prior to the purchase of the vehicle.

When presented with an application the Revenue official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the application is suitably endorsed by the Director/Head of the relevant EU organisation;

- ensure that the institution and vehicle/s meet the eligibility criteria;
- examine the vehicle/s¹⁷, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle/s in the normal way;
- enter details into the relevant database

2.1.7 TRANSFERS TO THE STATE OF EU OFFICIALS

This relief is available only to officials of EU institutions¹⁸ who transfer their normal residence to the State in order to take up employment with one of those institutions.

An official may elect to apply for relief under this heading or under the standard rules governing TOR, or both. However, where the official elects to apply solely under this heading, or in conjunction with TOR relief, relief may only be granted for a maximum of two vehicles either brought into the State or purchased in the State, or one of each (CCT duty and VAT relief may also apply, however, relief from CCT duty does not apply to vehicles purchased in the State).

Where an official has availed of relief under the TOR provisions for two vehicles or more, no further relief may be allowed under this heading. There is no restriction on the number of vehicles which may be granted relief under TOR provided the eligibility criteria are met (see para 2.1.1.2).

2.1.7.1 Legislation

Primary: *Finance Act, 1992, s.134(1)(f); s.134(1)(i);*
Secondary: *Vehicle Registration Tax (Permanent Reliefs)*
 Regulations, 1993, Reg. 8, (S.I. No. 59/93).

2.1.7.2 Eligibility Criteria

To qualify for relief the applicant must:

¹⁷ Vehicles acquired from an authorised person need not be presented for examination unless requested by a VRO official.

¹⁸ See para. 2.1.6.

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- be an official or other member of the staff of an EU institution, and
- have transferred his/her normal residence to the State to take up a position with an EU institution.

To qualify for relief the vehicle/s may be new or used and may be:

- brought into, or acquired in, the State by the applicant at the time of transfer, or
- brought into, or acquired in, the State within twelve months of the applicant taking up his/her post in the State, and
- must be for the personal use of the applicant in the State.

2.1.7.3 Application Procedure

Transfers from within the EU

- the application (VRT 36), together with the appropriate declaration for registration, must be presented at a VRO by the end of the next working day following the arrival of the vehicle in the State;
- the vehicle must be produced for examination, if requested.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the application is suitably endorsed by the Director/Head of the relevant EU organisation;
- ensure that the applicant and vehicle/s meet eligibility criteria;
- examine the vehicle/s, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle/s in the normal way;
- enter details on the relevant database
- file all exemption documents locally.

☐ Transfers from outside the EU

- the application, together with the appropriate declaration for registration, and the vehicle, may be presented at the Local Revenue office on arrival in the State.

When/if presented with an application the Revenue Official should:

- give the applicant an acknowledgement ;
- advise the applicant to bring the vehicle/s to a VRO by the end of the next working day following its/their release from Customs control;
- release the vehicle/s in the absence of any suspicion;
- forward the application and supporting documents to the VRO for consideration of the application, and registration;
- where appropriate, write off the manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the application is suitably endorsed by the Director/Head of the relevant EU organisation;
- ensure that the applicant and vehicle/s meet the eligibility criteria;
- examine the vehicle/s, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle/s in the normal way;
- enter details on the relevant database¹⁹.

☐ Vehicles acquired in the State

In this case the application must be addressed to the Regional Office prior to the purchase of the vehicle.

When presented with an application the VRO official should:

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- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the applicant and vehicle/s meet the eligibility criteria;
- examine the vehicle/s²⁰, if necessary, and record details on the application form;
- if satisfied, register the vehicle/s in the normal way;
- enter details on the relevant database.

2.1.8 DIPLOMATIC AGENTS ETC.

Vehicles supplied under diplomatic, consular or similar arrangements may be registered, subject to certain conditions, requirements and limitations, without payment of VRT²¹. The relief is granted for such time as the Commissioners may decide following consultation with the Department of Foreign Affairs, Protocol 2 Section.

Relief is available as follows:

- unaccompanied diplomatic agent: } one vehicle;
- diplomatic agent accompanied by a spouse/family: } two vehicles;
- member of the administrative and technical staff of a diplomatic mission: } one vehicle;
- diplomatic mission: } one vehicle (in
- } normal circumstances).

2.1.8.1 Legislation

Primary: *Finance Act, 1992, s.134(1)(g);*

Secondary: *Vehicle Registration Tax (Permanent Reliefs)*

Regulations, 1993, Reg. 9, (S.I. No. 59/93).

2.1.8.2 Eligibility Criteria

¹⁹ See para. 2.1.12.

²⁰ Vehicles acquired from an authorised person need not be presented for examination unless requested by official.

To qualify for relief the applicant must be:

- a diplomatic agent²² representing or protecting the interests of a foreign country in the State, or
- consular officer²³ representing or protecting the interests of a foreign country in the State;
- a diplomatic mission;
- a member of the administrative and technical staff of a diplomatic mission²⁴, who must:
 - be a non-national;
 - not have had his/her normal residence in the State immediately prior to taking up duty with the mission;
 - have acquired the vehicle, or brought it into the State, within 6 months of taking up duty in the mission;

To qualify for relief the vehicle/s:

- may be new or used;
- must be for the personal use of the applicant and/or spouse/family living with him/her;
- may be acquired in the State or brought in from abroad.

2.1.8.3 Application Procedure

Applications for relief²⁵ should be submitted to, and certified by, the Department of Foreign Affairs prior to the arrival of the diplomatic agent etc. in the State

The certified application must be presented:

- in the case of a vehicle arriving from within the EU, at the Tallaght VRO, within 24 hours of its arrival in the State. If necessary, the VRO official may request to examine the vehicle.

²¹ Relief from the payment of CCT duty (Council Regulation 918/83/EEC, 28.03.83) and VAT (Council Directive 83/181/EEC, 28.03.83) is also available.

²² Diplomatic agent means the head of a mission or a member of the diplomatic staff of a mission.

²³ Consular Officer means any person, including the head of a consular post, entrusted in that capacity with the exercise of consular functions; it does not include honorary consuls to whom relief is not available.

²⁴ Relief is for one vehicle only.

²⁵ Form Dip 2.

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in the case of a vehicle acquired in the State, to the relevant District Manager prior to the purchase of the vehicle.

In the case of a vehicle arriving from outside the EU, the certified application may be presented at the Local Revenue office at the point and time of entry into the State, and subsequently at the VRO, Tallaght.

2.1.8.4 Procedure at Tallaght VRO

Transfers from within the EU

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;
- ensure that the applicant and vehicle/s meet the eligibility requirements;
- examine the vehicle, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle in the normal way;
- enter details on the relevant database

Transfers from outside the EU

When/if presented with an application the Revenue Official should

- give the applicant an acknowledgement
- advise the applicant to bring the vehicle to the Tallaght VRO by the end of the next working day following its release from Customs control;
- release the vehicle in the absence of suspicion;
- send the application and supporting documents to the VRO at Tallaght for registration;
- where appropriate, write off the manifest/report.

When presented with an application the VRO official should:

- ensure that the application details are correct and supported by satisfactory documentary evidence;

- ensure that the applicant and vehicle/s meet the eligibility requirements;
- examine the vehicle, if considered necessary, and record details on the application form;
- if satisfied, register the vehicle in the normal way;
- enter details on the relevant database
- file all exemption documents locally.

2.1.9 INTERNATIONAL AIR SERVICES ETC.

This relief applies to vehicles used by organisations:

- in the establishment or maintenance of an international air service using, or involving the use of, an airport in the State;
- in the establishment or maintenance of radio or meteorological services or other aids to air navigation ancillary to any such international air service, or
- for experimental purposes connected with the establishment or maintenance of any such international air service.

Relief is confined to:

- remission of VRT on unregistered vehicles, or
- repayment of residual VRT in the case of registered vehicles intended for use in any one of the above activities.

The onus is always on the applicant to satisfy the Commissioners that the eligibility criteria have been met.

The relief does not apply:

- where a vehicle is used for private purposes;
- to CCT duty or VAT.

2.1.9.1 Legislation

Primary: *Finance Act, 1992, s.134(4).*

2.1.9.2 Application Procedure

Applications (VRT) 39 for relief should be:

- signed by a responsible official of the relevant organisation/airline;
- addressed to the responsible HEO at the relevant airport.

As with all other reliefs, satisfactory documentary evidence is required, e.g. registration certificate/log-book, insurance certificate, servicing/fuel receipts, bill of lading etc.

2.1.9.3 Procedure at Airport

When presented with an application form the official should:

- ensure that the application details are correct and that it is signed by a person authorised to do so;
- examine the vehicle/s if considered necessary, and record details on the application form;
- if satisfied, grant the relief;
- forward the application to the VRO where the vehicle is to be registered.

2.1.9.4 Procedure at VRO

On receipt of an application form from an airport, the VRO official should:

- register the vehicle/s in the normal way;
- record details on the application form;
- photocopy the endorsed application and return the copy to the relevant airport.

2.1.9.5 Control Measures at Airport

The following control measures should be applied:

- a record of each vehicle should be maintained locally to which the endorsed copy of the application should be added on its return from the VRO;
- each vehicle should be examined at least once (or as frequently as deemed necessary) annually to ensure correct usage and the details noted in the local records;
- where the airport official is notified of a change of use or disposal of a vehicle, s/he must ensure that the appropriate tax/es is/are paid.

2.1.10 REFUSAL OF PERMANENT RELIEF

2.1.10.1. Refusal Procedures

Where a VRO official decides that an applicant is not entitled to relief, either because the eligibility criteria are not met, or because there is insufficient evidence to support the application, the application should be refused.

A decision to refuse relief should be made:

- only after all the facts have been established²⁶ and all available evidence submitted and assessed;
- in writing, by an official not below the grade of HEO.

- The letter of refusal should inform the applicant that the appeal may only be lodged when the **tax has been paid** on registration of the vehicle. They should be further informed that if they lose their appeal there are no facilities for the refund of VRT paid even if they then opt to remove the vehicle from the State.

The letter of refusal should also contain

- the precise grounds for the refusal;
- the options open to the applicant, e.g. payment of tax, removal of the vehicle from the State within a specified time limit, etc.;

²⁶ VRO officials should, in the first instance, and where possible, ascertain facts from local enquiries.

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- a request for payment of tax within a specified period i.e. 10 working days within which the tax must be paid or the vehicle must be removed from the State;.
- A copy of the [VRT6 leaflet](#) – Appeals procedures;

2.1.10.2 Payment of VRT

If the person pays the VRT and registers the vehicle, the appeal should proceed to the first stage appeal under section 145 of the F.A. 2001. The applicant should be informed that if the appeal is successful, the amount of the VRT paid on registration will be refunded

2.1.10.3. Removal of Vehicle from the State

In cases where the applicant does not register the vehicle and states that they will remove the vehicle from the State, the appropriate registration document (V5 in the case of UK registered vehicles) should be stamped and the applicant requested to remove the vehicle from the State within 10 working days. The applicant must subsequently provide proof within one month that the vehicle has been removed from the State. If this proof has not been provided within the prescribed time limit, the Regional Special Compliance District, (SCD) or Revenue Anti-Avoidance Teams (RAATs) in the case of the BMW Region, should be asked to verify that the vehicle has been removed from the State.

If the vehicle has not been removed from the State normal enforcement procedures apply.

2.1.10.4 Refund of VRT

Where an applicant who has registered the vehicle and paid the VRT subsequently wins their appeal, a refund of the VRT paid should be made as soon as possible. The normal refund procedures apply when refunding the VRT paid and the Vehicle Registration file should be updated accordingly.

2.1.11 RESTRICTIONS ON USE/DISPOSAL IN THE STATE

Restrictions on the use/disposal in the State are imposed, in most cases, on vehicles which have been granted relief. These are outlined below under each individual relief heading.

As a general rule, an application for disposal of a vehicle which is to be scrapped and never returned to the road may be allowed by a VRO without formality²⁷. Similarly, a request for disposal of a vehicle which has been registered in the State for nine months or more may be allowed by the local AP, if satisfied as to the circumstances.

2.1.11.1 Transfer of Residence²⁸/Business

In the case of relief granted under either of these headings, a vehicle may not be sold, lent, hired out or otherwise disposed of in the State within 12 months of the date of registration except where:

- residual VRT (also CCT duty and VAT, where appropriate) has/have been fully paid, or
- the prior permission of the Commissioners has been obtained.

Applications, for disposal, should be made in writing and addressed directly to the Manager of the VRO where relief was granted.

2.1.11.2 Donations/Inheritance

There are no restrictions on the disposal of a vehicle which has been the subject of relief under either of these headings.

2.1.11.3 EU Institutions/Personnel

Vehicles granted relief under this heading may not be sold, lent, hired out or otherwise disposed of in the State within two years of the date of registration except where:

- the appropriate residual tax/es has/have been fully paid, or
- the prior permission of the Commissioners has been obtained.

Applications, for disposal, should be made in writing and addressed directly to the Manager of the VRO where relief was granted.

²⁷ Insurance write-offs *per se* may not qualify where there is a possibility that a particular vehicle will be repaired and returned to the road.

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2.1.11.4 Diplomatic Agents etc.

Vehicles granted relief under this heading may not be sold, lent, hired out or otherwise disposed of in the State within three years (two years in the case of the US Embassy and/or its officials) of the date of registration except where:

- the appropriate residual tax/es has/have been fully paid, or
- the prior permission of the Commissioners has been obtained.

Applications, for disposal, should be made in writing and addressed directly to the Manager of the VRO where relief was granted.

The rules concerning disposal in each case are as follows:

Diplomatic Agents/Spouses

- within the minimum retention period, all vehicles are subject to payment of the appropriate residual tax/es;
- after the minimum retention period:
 - ⇒ the first vehicle may be disposed of without payment of appropriate residual taxes;
 - ⇒ replacement or subsequent vehicles may be disposed of only on payment of the appropriate residual tax/es.

Administrative and Technical Staff of a Diplomatic Mission

Where a vehicle is disposed of within the minimum retention period vehicles are subject to the payment of the appropriate residual tax/es

Diplomatic Mission

Each vehicle granted relief is subject to the payment of the appropriate residual tax/es only where it is disposed of within the minimum retention period.

2.1.11.5 International Air Services etc.

²⁸ Includes vehicles acquired tax-/duty-free abroad and granted relief under the transfer of residence provisions.

A vehicle which has been the subject of relief under this heading may not be used other than in accordance with the terms under which the relief was granted, but it may be disposed of at any time provided that the appropriate residual tax/es has/have been fully paid.

2.1.12 CONTROL OF PERMANENT RELIEFS²⁹

A [National Permanent Relief Register](#) (NPRR) is compiled every month from data input at local VROs. The register is compiled by the Central Vehicle Office and is available on [Revnet](#) under the heading VRT, National Permanent Reliefs Register Data.

2.1.12.1 Diplomatic Agents etc.

Tallaght VRO should maintain a computer record of all relief granted to diplomatic agents etc. and of the disposal of the vehicles in question. To ensure effective control, details of diplomatic relief³⁰ from the NPRR should be forwarded to the responsible HEO at Tallaght on a quarterly basis where they should then be compared with local records.

Both sets of records should also be compared with those maintained by the Department of Foreign Affairs³¹ in individual Embassy files. Discrepancies, where they occur, should be investigated and, in the event that they cannot be reconciled, should be reported to the HEO (NPRR) for further action as necessary.

2.1.12.2 International Air Services etc.

Details should be advised by the HEO (NPRR), on a quarterly basis to the responsible HEO at the airport/s for comparison with local records. Discrepancies, where they occur, should be investigated and, in the event that they cannot be reconciled, should be reported immediately to the HEO (NPRR) for further action as necessary.

²⁹ The Customs & Excise Enforcement Procedures Manual, Parts 4.3 and 5.1, respectively, should be noted in this regard.

³⁰ Details under each relief will normally be printed off at the Collector's Office and forwarded in list format.

³¹ Protocol 2 Section; see Appendix V.

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2.1.12.3 TOR, EU and Other Reliefs

Details of relief granted under these headings are to be advised on a quarterly basis to the Audit/Compliance/Anti-Evasion Teams³²

From the details advised the HEO (NPRR) should select vehicles for follow-up enquiry based on the amount of VRT relieved³³ as follows:

- up to €2,000: only where there are grounds for suspicion;
- €2,001 - €4,000: 2%
- €4,001 - €6,000: 5%
- €6,001 - €12,000: 10%
- €12,001 - €20,000: 25%
- €20,000 and above: 100%.

To maximise control potential, this selection will normally be made approx. 3-6 months following the granting of the relief.

In addition, the HEO (NPRR) should stipulate a number/quantity of vehicles (not more than an additional 1%) for selection by the local AP.

In each of the selected cases, the SCD Unit should confirm that:

- the recipient of the relief is resident at the address declared³⁴;

If not, efforts should be made to ensure that the person concerned is in fact resident in the State. For this purpose, the DOELG NVDF or local motor taxation office should be consulted to ascertain whether a vehicle is currently taxed for use in a public place and, if so, where the vehicle is stated to be ordinarily kept and in whose name/s it is currently registered/taxed.

- the vehicle is in the possession of that individual;
- the individual is registered for tax purposes

³² Based on the area where the person granted the relief resides.

³³ Other criteria may also be used for this purpose from time to time.

³⁴ If not, efforts should be made to ensure that the person concerned is resident in the State and the DOELG NVDF or local motor taxation office should be utilised to ascertain where the vehicle is ordinarily kept.

In each case above, where no irregularities are discovered, the lists should be endorsed: **“Satisfied as to vehicle and owner status”**. However, where irregularities are discovered, or where the SCD officer is not satisfied with the facts as found, a separate report should be drafted indicating:

- the reason for the dissatisfaction and/or the nature of the irregularity;
- what action was taken to rectify the situation;
- the result of any action taken, e.g. VRT collected, fine imposed, seizure of vehicle,
- the person’s PPS number.

2.2 TEMPORARY EXEMPTIONS

Subject to certain conditions, restrictions and limitations, a qualifying (see para 2.2.1), unregistered vehicle, i.e a vehicle which is validly registered abroad, may be granted temporary exemption from the requirement to be registered in the State. This relief normally applies for a period not exceeding twelve months³⁵ and in such cases there is no requirement to make a formal application. Where a formal application is required, evidence of eligibility, as necessary, must be produced. Application can be made at any VRO and where exemption is granted the local SCD is to be advised of the details.

2.2.1 ELIGIBILITY CRITERIA

Category A Vehicles and Motor Cycles

In order to qualify for this relief a Category A vehicle or a motor-cycle must:

- be brought into the State by a person established outside the State;
- be owned or registered in the name of a person established outside the State;
- be for the personal/business use of the person concerned while in the State;

³⁵ This time limit does not apply to a vehicle brought into and out of the State regularly by a person established outside the State while travelling between his residence and his place of work in the State.

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- have been acquired tax-/duty-paid³⁶ where the tax/es has/have not been refunded/repaid in whole or in part;
- display its permanent foreign registration number while in the State.

☐ Other Categories of Vehicles:

A qualifying vehicle may be:

- brought into the State on behalf of a person established in another Member State
- driven by a person established in the State provided it is used in connection with the business of the person established in another Member State.

2.2.2 RESTRICTIONS ON USE IN THE STATE

☐ Category A Vehicles and Motor Cycles

A Category A vehicle or a motor-cycle, which is the subject of a temporary exemption, may not be:

- disposed of, hired³⁷ out or lent to a person established in the State;
- be used in the State for the carriage of persons for reward³⁸.

☐ Other Categories of Vehicles

A vehicle, other than a Category A vehicle or a motor-cycle, which is the subject of a temporary exemption may not be used for the carriage of persons for reward³⁹ save with the permission of the Commissioners.

³⁶ Vehicles supplied under diplomatic arrangements or to a member of an international organisation recognised by the Minister for Foreign Affairs or which display a permanent registration number from the country of registration are deemed to meet this requirement.

³⁷ Vehicles brought into the State under short-term self-drive contracts which expire in the State may be re-hired in the State only once more to a person established outside the State for removal from the State on the expiration of the original hire contract.

³⁸ Other than those it carried into the State or persons being carried directly out of the State.

³⁹ Other than those it carried into the State or persons being carried directly out of the State.

Note: In June, 1998, the cabotage regime was liberalised, i.e. for EU-based, licensed road-haulage operators there are no legal restrictions on the internal haulage of goods within other Member States. However, the regime continues to apply to the carriage of persons (e.g. taxi/hackney services licensed abroad, and whose vehicles are registered abroad, are not entitled to pick up and drop passengers within the State) and to non-EU-based haulage operators. Restricted cabotage licences are available to the latter from the Department of Public Enterprise⁴⁰.

2.2.3 STATE RESIDENTS DRIVING FOREIGN VEHICLES

A vehicle registered abroad and driven by a State resident⁴¹ may be granted temporary exemption in certain circumstances. Such State residents usually comprise persons:

- employed by a person established in another Member State (See Section 2.2.3.5)
- employed by car-hire companies established outside the State;
- involved in competition/rallying;
- employed permanently outside the State but who return home at weekends.

2.2.3.1 Persons employed by a Person established Outside the State

A person falling into this category may bring into, and/or use in, the State a qualifying vehicle⁴² provided:

- the person concerned is employed by a person established outside the State (See Section 2.2.3.5)
 - the vehicle is used in connection with the business of the person so established; (See Section 2.2.3.5)
- the vehicle is a qualifying, Category A minibus designed, constructed or adapted for the carriage of nine to eleven passengers, provided permission

⁴⁰ Road Haulage Division; see Appendix V.

⁴¹ State residents are those who have their normal/principal place of residence in the State.

⁴² See para. 2.2.1.

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in writing is obtained from the Commissioners in advance of such use in the State⁴³.

2.2.3.2 Persons employed by Car-Hire Companies established Outside the State

A person falling into this category may use in the State a qualifying vehicle⁴⁴ hired outside the State provided the vehicle is being removed from the State following the expiration of the hire contract therein.

2.2.3.3 Persons involved in Competition/Rallying of Vehicles

A person falling into this category may bring into, and/or use in, the State a qualifying vehicle⁴⁵ provided:

- permission is granted by the local VRO⁴⁶ in advance of the sporting event/competition;
- the vehicle is used solely⁴⁷ for the purpose for which the exemption is granted;
- the vehicle is removed from the State once the sporting event/competition has concluded.

Applications for exemption should be addressed in writing to the HEO at the local VRO. They should specify vehicle, owner, event/s details and the date on which it is intended to remove the vehicle from the State.

In considering the application, the HEO should ensure that the applicant and the vehicle meet the specified eligibility criteria and that satisfactory supporting documentation is produced. If granted, the letter of approval should contain all of these details. Additionally, exemption may be granted for one week prior to, and following, the event/s in question. The HEO should also advise the relevant SCD unit/s of the application details, whether granted or not.

2.2.3.4 Persons employed Outside the State but who return Home at Weekends⁴⁸

⁴³ Applications should be addressed to the VRT Exemptions Section.

⁴⁴ See para. 2.2.1.

⁴⁵ See para. 2.2.1. However, by way of exception to the normal rules, it should be noted that a vehicle owned by a State resident may be granted exemption under this heading.

⁴⁶ Permission may be granted by any VRO.

⁴⁷ A vehicle granted exemption may not be driven outside of the sporting event for which exemption has been granted and must be transported by car-transporter or similar means between events etc.

⁴⁸ Persons who return home daily, or more than three nights per week, are not entitled to temporary exemption.

The exemption granted here differs from that granted in all other areas of temporary exemption in that it is granted *on a concessionary basis only* and is not supported by legislation. Notwithstanding, a person falling into this category may bring into, and use in, the State a qualifying vehicle⁴⁹ provided:

- the person concerned spends at least four nights per week outside the State on business (occupational ties);
- his/her personal ties remain within the State at all times;

Application for exemption should be addressed to the HEO at the SCD office nearest to where the applicant resides in the State⁵⁰. In considering the application the HEO should ensure that the applicant and the vehicle meet the specified eligibility criteria and that satisfactory supporting documentation is produced. S/he should also advise the relevant SCD of the application details, whether granted or not. Where approval is granted a copy of the letter of approval should be sent to the VRT Exemptions Section.

2.2.3.5 STATE RESIDENTS EMPLOYED BY AN EMPLOYER ESTABLISHED IN ANOTHER MEMBER STATE OF THE EUROPEAN UNION

A State resident, who is employed by an employer established in another Member State may now be approved to use a **category A vehicle**, registered in another Member State either owned or leased by the employer, for private and/or business use in the State. However, **the vehicle must be used principally in the other Member State.**

This provision also applies to a self-employed State resident who establishes a legally accountable undertaking in the jurisdiction of another Member State and **whose business is carried on solely/principally within that jurisdiction.**

This relief is not available where an application for exemption is requested from a legal undertaking established outside the State:

- (1) which is not trading in the jurisdiction in which it is established, or
- (2) which provides a vehicle as part of a contract of employment to an employee who is a State resident where the vehicle is to be used solely/principally for business/pleasure purposes *in* the State.

⁴⁹ See para. 2.2.1.

⁵⁰ Application and approval forms are available from the VRT Exemptions Section.

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These procedures permit Category A vehicles to be approved for use in the State by State residents subject to the requirements and procedures set out below.

NOTE – CATEGORY B & C VEHICLES

Category B & C vehicles brought into the State on behalf of a person established outside the State for his/her private or business use are not subject to the restrictions imposed on the use of Category A vehicles by State residents in the State.

PROCESSING OF APPLICATIONS

A State resident who wishes to be approved to use a foreign registered company vehicle in the State should make application on the form provided. The granting and administration of this exemption is assigned to **Higher Executive Officers in charge of Revenue Anti-Evasion Teams (SCD)** for the area in which the applicant resides

Forms of application and approval are provided at (**Pages 5 & 6 - O.I. No. 65 of 2006**). These forms should be photocopied for use locally as required. An application may be lodged at any Revenue Office but should be forwarded without delay to the appropriate HEO (SCD).

The officer (HEO SCD) considering the application should:

- record receipt of the application in a suitable local record and number the application in an annual local series. (This number will be applied to the approval where granted);
- ensure that the application form has been fully completed and that the applicant has received a copy of the Public Notice VRT 2 (available on Revnet at this link [[leaflet VRT2](#)] (See www.revenue.ie/leaflets/vrt2.htm))
- ensure that the applicant has supplied his/her PPSN in the State and their UK National Insurance No. or other foreign national identity number (if appropriate);
- inform the appropriate Inspector of Taxes with regard to benefit in kind implications for an applicant;
- examine the supporting documentation provided in support of the application in accordance WITH SECTION ON SUPPORTING DOCUMENTATION BELOW

SUPPORTING DOCUMENTATION REQUIRED

(1) Where the **employer** (State resident/non-resident) providing the vehicle to an applicant employee is a **sole trader or private individual** who has established a legally accountable undertaking outside the State, the supporting documentary evidence may include:

Evidence that the employer (sole trader/individual) has established their principal place of business outside the State;

Documentary evidence that the applicant is an employee of the sole trader/individual;

Documentary evidence that the business is currently trading - primarily in a jurisdiction outside the State;

Evidence to confirm that the vehicle is an asset of the employer or leased by the employer;

- ❑ Employment records, copies of contracts, payslips, P60, national insurance number;
- ❑ Work contracts confirming the vehicle is provided as part of a contract of employment;
- ❑ Any other evidence required by the Revenue Commissioners.

(2). Where the **employer** providing the vehicle is a **foreign registered company**, the supporting documentary evidence should also include the certificate of incorporation, memorandum and articles of association confirming that the company is incorporated outside the State.

RECORDING & MONITORING OF APPROVALS

A copy of the application and a copy of the approval should be sent to the VRT Prosecution Unit, IPD, Bridgend and a copy filed in the local office with the original application form and supporting documents (or copies where originals are returned). The local record should also be noted accordingly.

SCDs should monitor compliance with the approval in the normal course of their duties and record the results in the local record. Approvals should be reviewed regularly by the Assistant Principal. Where the approved person ceases to meet the requirements for exemption, e.g. through a change of employer, a change in business arrangements etc., the person should be advised that exemption is withdrawn and the records noted accordingly. Withdrawal of approval and subsequent enforcement action should be carried out in consultation with IPD, Bridgend.

REFUSALS & APPEALS

The instructions as at paragraph 2.2.6 should be followed where an application for exemption has been refused.

Please note that the formal appeals procedure is not an option in any case where the applicant has not actually acquired a foreign registered vehicle. In such cases the next line manager should review the application.

SEIZURES

Staff are reminded that in dealing with possible breaches of the VRT Regulations they should issue all appropriate warnings before seizure action is taken. Where persons may qualify for exemption

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from VRT or from the registration requirement, seizure should be undertaken only as a last resort and after staff are satisfied that exemption is not appropriate.

REVIEW

These arrangements will be monitored by IPD, Bridgend, with a progress report to be forwarded to National Excises Branch on a monthly basis. Such report will contain information regarding (a) the number/type of applications received and (b) problematic cases and the manner in which such cases were handled.

2.2.4 FOREIGN STUDENTS

A qualifying vehicle (see para 2.2.1) driven by a foreign student, i.e. one who has his/her ordinary place of residence outside the State, may be granted temporary exemption provided the student:

- is in the State temporarily and primarily to pursue a course of studies;
- does not engage in full-time (part time and vacation work can be disregarded) employment during the period of temporary exemption.

No application is necessary here but, in the event that a particular student requests it, exemption may be granted by the local VRO provided all the eligibility criteria are met.

2.2.5 DEMONSTRATION/EXHIBITION/TRADE SHOWS/ PROFESSIONAL EQUIPMENT ETC.

A qualifying vehicle (see para 2.2.1) may be granted temporary exemption provided:

- it is used only for the purpose/s for which it is brought into the country;
- it is not offered for sale, sold or otherwise disposed of, hired out, lent or given as security in the State during the period for which the exemption is granted.

Exemption must be claimed, and granted by the local VRO, prior to the arrival of the vehicle/s in the State. The application, together with necessary supporting documentation, should be addressed to the HEO at the local VRO and should specify:

- the name and address of the owner/applicant;
- vehicle details;

- venue/s where the vehicle/s is/are to be used/demonstrated/displayed;
- the date on which the vehicle/s will be removed from the State.

The letter of approval, if granted, should contain the above details.

2.2.6 REFUSAL OF TEMPORARY EXEMPTION

Where a VRO official/SCD officer decides that an applicant is not entitled to relief, either because the eligibility criteria are not met, or because there is insufficient, satisfactory documentary evidence to support the application, the application should be refused.

A decision to refuse relief should be made:

- only when all the facts have been established (where possible this should be done by the local Revenue Office) and all available evidence submitted and assessed;
- in writing, by an official not below the grade of HEO.

The letter of refusal should contain:

- the precise grounds for the refusal;
- the options open to the applicant, e.g. payment of tax, removal of the vehicle from the State etc.;
- a request for payment of tax within a specified period;
- a reference to the formal appeals procedure.

It should be accompanied by a copy of the leaflet on Temporary Exemption ([VRT2](#)) and that on Excise Appeals([VRT6](#)).