

Method Statement for Employment and Investment Incentive (EII) Statistics Dataset

1. Introduction

The purpose of this document is to provide information on the commitment to quality activities and procedures Revenue has put in place in respect of the production of Revenue Statistics to comply with the Irish Statistical System Code of Practice (ISSCOP).¹

This dataset provides statistics based on analysis of Employment and Investment Incentive returns. The data provides a number of perspectives on the administration of the scheme.

The Employment and Investment Incentive (EII) is a tax relief incentive scheme which provides for tax relief of up to 40% in respect of investments made in certain corporate trades. The EII scheme allows an individual investor to obtain income tax relief on investments for shares in certain companies up to a maximum of €150,000 per annum in each tax year. The EII replaces the Business Expansion Scheme (BES) and EII will run until 2020.

Initially relief is allowed on thirty fortieths (30/40) of the EII investment in the year the investment is made. Potentially, this can result in a tax saving for the investor of up to 30% of the investment. Relief in respect of the further ten fortieths (10/40) of the EII investment will be available in the fourth year after the EII scheme investment was made providing that certain conditions are met. Potentially, this can result in a further tax saving for the investor up to 10% of the investment.

The EII scheme is available to unquoted micro, small and medium sized trading companies. Certain activities are excluded. A qualifying company can raise a lifetime maximum of €15,000,000 risk finance using this incentive, which may not otherwise be able to be raised. The tax relief is provided to assist companies to raise finance to allow them to expand and create or retain jobs. In order to qualify for tax relief each investment must satisfy conditions relating to a number of component parts.

Companies seeking EII relief must directly seek certification from the Revenue Commissioners. Some of the qualifying criteria include:

- A qualifying company must be a micro, small or medium sized enterprise;
- Is incorporated and resident in the State or another European Economic Area (EEA) State;
- Is not regarded as a firm in difficulty; and
- A qualifying company must meet the requirements of Article 21 Commission Regulation (EU) No 651/2014.

The EII is open to the majority of small to medium sized businesses however certain trading activities will not be eligible for the scheme.

¹ For more information see <http://www.isscop.ie/>

2. General Information

<i>Dataset Name:</i>	Employment and Investment Incentive (EII) Statistics
<i>Keywords:</i>	Employment, qualifying company, investment amount, funds invested, investor, range of investment, schemes, agriculture, forestry, fishing, manufacturing, mining, quarrying, construction, utilities, wholesale trade, retail trade, information, communication, transportation, storage, financial activities, insurance activities, real estate activities, administration, support services, public administration, defence, incentive, year
<i>Update Frequency:</i>	Annual
<i>Licence:</i>	CC-By
<i>Formats:</i>	.csv, .pdf
<i>Hyperlinks:</i>	http://www.revenue.ie/en/corporate/information-about-revenue/statistics/tax-expenditures/eii.aspx Open Data Portal: https://data.gov.ie/dataset/employment-and-investment-incentive-eii-statistics-2012-2016
<i>Business Owner:</i>	Philip O'Rourke / Donal McGrane
<i>Contact Information:</i>	statistics@revenue.ie
<i>Reference Years</i>	2012-2016
<i>Anonymisation or aggregation required:</i>	No, Macro-data
<i>Geographical Scope:</i>	National, broad regional breakdown

3. Production

<i>Coding:</i>	<p>EII Qualifying Companies grouped by sector. The sector is based on the 4 digit 'NACE code Rev.2' which is the internationally recognised economic activity code system. While the accuracy of the NACE codes on tax records is sufficient to underpin broad sector-based analysis there may be some inaccuracies at individual level. This should be borne in mind when considering the information provided.</p> <p>More information on NACE codes can be found at http://www.cso.ie/px/u/NACECoder/NACEItems/searchnace.asp .</p> <p>A geographical breakdown of EII Qualifying Companies registration addresses according to Revenue records is presented on the basis of Revenue's internal operational Regions.</p>
<i>Data Source:</i>	Taxpayer returns
<i>Imputation:</i>	Not applicable
<i>Breakdown:</i>	The data are broken down by total EII funds invested, qualifying companies & average amounts, distribution of investment amounts, exchequer costs, EII qualifying companies by region, qualifying companies by economic activity for each year.
<i>Computation:</i>	Figures have been rounded in some instances. Where there are only small numbers of cases in a category, exact figures are not provided to protect confidential taxpayer information. Confidentiality is central to Revenue's relationship with its customers. Revenue's obligations in relation to safeguarding data are reinforced by a range of legislative and administrative provisions that are designed to protect the rights and interests of citizens and businesses. See the list of Supporting Documentation below for further information on Revenue's Statistical Disclosure Controls.

4. Quality

<p><i>Relevance:</i></p>	<p>Data are used to:</p> <ul style="list-style-type: none"> • Inform the Tax Strategy Group and the Department of Finance on budgetary decisions • Provide answers to Parliamentary Questions (PQs) and Freedom of Information (FOI) requests. • Inform policymakers and internal stakeholders and • Fulfil requests for data from academics, students, journalists and members of the public.
<p><i>Accuracy & Reliability:</i></p>	<p>Data are compared with the previous year's data.</p> <p>Source data are input into Revenue's systems by the Collector General's area and the statistical outputs are assessed and validated are signed off by the Accountant General's area.</p>
<p><i>Timeliness & Punctuality:</i></p>	<p>An advance release schedule is provided for all datasets with anticipated publication deadline.</p> <p>Divergence from the notified schedule is publicised in advance, along with a new release date.</p> <p>See the list of Supporting Documentation below for a link to the current Revenue Statistics Publication Calendar.</p>
<p><i>Coherence and Comparability:</i></p>	<p>The dataset provides figures for EII qualifying companies & amounts by economic sector & Revenue operational region. The data are grouped at the same granularity for all years.</p> <p>Where there is a deviation notes are provided. Provisional data are also identified.</p>
<p><i>Accessibility and Clarity:</i></p>	<p>Published electronically on Revenue's Website & Open Data portal</p> <p>This dataset is consistent with the Open Data Technical Framework:</p> <ul style="list-style-type: none"> • with metadata, methodological and quality information • to Open Data 3-star Format (i.e., machine readable) and • searchable through keywords.

5. Supporting Documentation

[Revenue Statistics - Quality Statement](#)

[Revenue Statistics - Publication and Dissemination Policy](#)

[Revenue Statistics - Publication Calendar](#)

[Revenue Statistics - Statistical Disclosure Control](#)

[Open Data Technical Framework](#)

[Irish Statistical System Code of Practice](#)