



FIN-MO-03183-2019

3 rd

December 2019

Mr Niall Cody
Chairman, Revenue Commissioners
Office of the Revenue Commissioners
Dublin Castle
Dublin 2 D02 F342

Dear Chairman,


Thank you for your recent reply which provides a very extensive picture of where matters currently stand in relation to the comprehensive review of the flat rate expenses (FRE) regime being undertaken by Revenue.

I note the fact that the review has raised a number of aspects in the current regime where further policy consideration may be warranted. In particular, your letter mentions the differing treatment as between the self-employed and employees, the inclusion of professional registration fees and the nature of expenses that should come within the scope of the regime. The first of these issues is a broad one that is likely to have a bearing on many of the employment categories that currently benefit from the regime.

I note also your suggestion that the deliberations of the Tax Strategy Group (TSG) may provide a suitable forum in which the issues mentioned, including the necessity and feasibility of legislative change, might best be considered. I am supportive of such an approach. Also, having given the matter some thought, and in line with my comments at the Committee Stage of the Finance Bill this year, I do share the view that the question of tax relief for trade union subscriptions and indeed professional registration fees might also be addressed as part of the same exercise in the context of the 2020 TSG process.

Having regard to the fact that your letter envisages a proposed implementation date of 1 January 2020 for the revisions to the regime arising from the review, and that there is mounting interest in this matter among those likely to be affected by any changes as well as among their elected representatives, I would be very grateful if you could provide me with information as soon as possible on the next steps ahead of implementation.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Paschal Donohoe', written in a cursive style.

Paschal Donohoe T.D.,
Minister for Finance and Public Expenditure and Reform.