S.I. No. 644 of 2004

REGULATIONS

entitled

European Communities (Exemption from Tax for Certain Interest and Royalties Payments) Regulations 2004

Made by the Minister for Finance

(Pn. No.3621)
Price: €0.76

I, Charlie McCreevy, Minister for Finance, in exercise of the powers conferred on me by section 3 of the European Communities Act 1972 (No. 27 of 1972) and for the purpose of giving effect to Council Directive 2003/49/EC of 3 June 2003[1] as amended by Council Directive 2004/66/EC of 26 April 2004[2] and Council Directive 2004/76/EC of 29 April 2004[3], hereby make the following regulations:

1. These Regulations may be cited as the European Communities (Exemption from Tax for Certain Interest and Royalties Payments) Regulations 2004.

2. These Regulations apply as respects any payment made on or after 1 May 2004.

3. Section 267G (inserted by the Finance Act 2004 (No.8 of 2004)) of the Taxes Consolidation Act 1997 is amended in subsection (1) by substituting the following for the definition of “the Directive”:

“ ‘the Directive’ means Council Directive 2003/49/EC of 3 June 2003[1] as amended by Council Directive 2004/66/EC of 26 April 2004[2] and Council Directive 2004/76/EC of 29 April 2004[3];”.

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[1] OJ No. L 157, 26.6.2003, p.49
[2] OJ No. L 168, 1.5.2004, p.35
[3] OJ No. L 195, 2.6.2004, p.33

4. Section 267J (inserted by the Finance Act 2004) of the Taxes Consolidation Act 1997 is amended by substituting the following for subsection (1):

> “(1) Where interest or royalties are received by a company resident in the State from an associated company, credit shall be allowed for any withholding tax charged on the interest or royalties by a Member State pursuant to the derogations duly given from Article 6 of the Directive against corporation tax in respect of such interest and royalties to the extent that credit for such withholding tax would not otherwise be so allowed.”.

GIVEN under my Official Seal,

24 September 2004.

L.S.

Charlie McCreevy

Minister for Finance.