



WILLIAM FRY

TAX ADVISORS

A large, rusty, industrial gear is positioned in the foreground, its teeth pointing upwards and to the right. It frames a view of a modern office building with a glass facade and a central tower. The sky is clear and blue. The bottom half of the image is a dark, solid color with the text overlaid.

IRELAND AS A CENTRE FOR BUSINESS SOLUTIONS

THE FEATURES THAT SET IRELAND OUT AS A FAVOURABLE JURISDICTION TO LOCATE INTERNATIONAL BUSINESS ACTIVITIES ARE OUTLINED BRIEFLY BELOW:

- 1 Ireland has always had a clear, transparent and stable taxation system.
- 2 A Capital Gains Tax (CGT) exemption for subsidiary share disposals or what is commonly referred to as a participation exemption exists.
- 3 Dividends received from Irish companies are generally exempt from taxation and foreign dividends are exempt from taxation due to credits for foreign taxes and pooling of taxation credits. Profits of foreign branches are effectively tax exempt in Ireland due to unilateral credit relief, credits for foreign taxes paid by a branch and foreign branch credit pooling.
- 4 Dividends received from subsidiaries resident in an EU country or a country with which Ireland has a double taxation agreement are subject to tax at 12.5% provided that they are paid out of the trading profits of the subsidiary.
- 5 Ireland has fully implemented the EU directives that eliminate withholding taxes on cross-border payments of interest, royalties and dividends between associated companies of the EU Member States. Onshore interest pooling provisions apply to certain interest received from associated companies in double taxation treaty jurisdictions.
- 6 The corporate tax regime in Ireland provides for two main rates of taxation – passive income and capital gains are taxed at a rate of 25% and trading income is taxed at 12.5%.
- 7 Indirect taxes on labour costs are low with a national insurance rate ranging from 4.25% to 10.75% compared to other European jurisdictions with rates of up to 40%.
- 8 Ireland has no thin capitalisation rules.
- 9 Ireland has no CFC rules.
- 10 Ireland is the only English speaking Euro denominated common law jurisdiction in the EU.
- 11 Ireland has a favourable taxation regime for companies engaged in research and development.
- 12 Ireland has a highly talented and dynamic work force.
- 13 Ireland provides a sophisticated and well-established legal environment which is attractive to employers, employees and entrepreneurs.
- 14 Ireland has an extensive taxation treaty network, covering all the major world economies and is on a par with any other holding company jurisdiction.

YOUR TAXATION PARTNER

William Fry Tax Advisors has vast experience and expertise in advising some of the world's largest multinationals in relocating to Ireland on an inward investment and ongoing basis. If you feel that Ireland could play a part in the international activities of your business, please contact us to discuss further.



Martin Phelan

Martin is a Partner in William Fry Tax Advisors and has over 20 years experience in advising on international tax including using Ireland as part of a group's total tax minimisation strategy.

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Sonya is a Partner in William Fry Tax Advisors and has over 10 years experience specialising in tax structuring including inward investment and M&A across a number of industries sectors.

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