

***'To serve the community by fairly
and efficiently collecting taxes
and duties and implementing
Customs controls'***

Annual Report 2009

Eighty-seventh Annual Report of the Revenue Commissioners for the year ended 31 December 2009, including progress on the implementation of Revenue's Statement of Strategy, in accordance with the Public Service Management Act 1997, presented to the Minister for Finance.

April 2010

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Board's Review of 2009

The economic and financial environment in which Revenue and its customers operate has changed dramatically over the last two years. Two statistics in particular convey some of the more unwelcome changes. The first is that net receipts have dropped by €14 billion since 2007 – from €47.3 billion to €33.3 billion. The second is that the outstanding tax debt, which is a reasonable measure of the financial distress that many businesses and individuals are experiencing, has increased over the past 3 years by 91% from €1.1 billion to €2.1 billion, and this is set to climb further in 2010. The scale of the tax challenge arising from this is very significant.

Revenue is fully aware of the difficulties faced by taxpayers and is also deeply conscious of its overriding duty to protect and enhance the efficacy of the tax system. In this context, a positive trend in our collection programme is that the rate of timely returns compliance held up well in 2009, especially among the large cases. This is very important, as compliance provides the basis for debt management interventions.

Our approach in the current economic circumstances is best expressed in the word 'balance'. We have to balance our concern for taxpayers in genuine temporary difficulties with the requirement not to give them an unfair advantage over those taxpayers who are meeting their obligations and of course, with our absolute priority to safeguard the integrity of the tax system.

Revenue recognises that viable businesses can and do encounter cash flow problems. We have no desire to use the full weight of enforcement powers against innocent victims of the recession, or to drag them through the Courts, but to avoid that, businesses must engage with us honestly, wholeheartedly and early. Revenue cannot act as a banker or lender to businesses in difficulty.

The most difficult internal issue for us in 2009 was the loss of over 500 staff in a single year, principally due to Government schemes to incentivise retirement and career breaks. A loss of expertise and corporate memory of this size in such a concentrated period presents considerable challenges and has an unsettling affect on the organisation. Staff losses will continue in 2010 and consequently, reorganising to manage with less resources and rebuilding capability are key corporate priorities for 2010.

On the positive side, and there is more than one, Revenue has great staff and a culture of openness which includes an internal staff partnership structure that was 10 years old in 2009, and that works very well. We have fostered and developed relationships with many external stakeholders. We listen with great attention to what these and State stakeholders have to say. All of this will stand us in good stead in these more difficult times.

Progress on our Strategic Goals

In early 2009 we reviewed our Statement of Strategy 2008 – 2010 to determine if it remained fit for purpose in a rapidly changing economic environment. Our considered view was that the Goals, Strategies and Outputs set out in the Statement of Strategy remained valid, but that some changes of emphasis were required to help us cope with emerging issues. In particular, we undertook to support compliant taxpayers experiencing temporary difficulties, to continue to improve our on-line self-service channels, to focus more of our compliance effort on real-time intervention and to enhance Revenue's capability and reduce our operating costs while still delivering our key business programmes of compliance and customer service.

Collection & Compliance

Total net receipts for 2009 amounted to €33.28 billion, down €1.29 billion (3.73%) against the estimate in the Supplementary Budget of 2009 and down €7.79 billion (19%) compared to 2008.

As was the case in 2008, the most significant shortfalls were in Capital Gains Tax and Stamp Duties, down 62% and 43% respectively on the previous year's receipts. This is attributable to the continuing decline in property and share values. Corporation Tax fell by 23.3% year on year.

Receipts from Income Tax (PAYE), VAT, Customs and Excise also declined by 15.7%, 20.8%, 15.1% and 12.5% respectively. [Table 2: Total Revenue/Net Receipts]

Debt Management

Debt available for collection at the end of 2009 was €1,443 million, up from €1,233 million in 2008. Debt available for collection as a percentage of total gross receipts was 2.8%, up from 2.1% in 2008.

Despite the severe economic environment in 2009, compliance rates for filing returns and paying tax were only marginally down compared to 2008, thanks in large measure to the diligence of our Debt Management Units. The ability of businesses to meet their tax and duty obligations in a timely manner was seriously compromised by restricted credit availability and dwindling cash flow resulting from difficult trading conditions. Our collectible debt as a percentage of tax receipts remains very low by international standards. We are committed to keeping compliance levels up and debt levels down to the maximum extent possible. To this end, our support for viable businesses experiencing short-term difficulties will continue in 2010 and beyond, if necessary.

Compliance

Revenue monitors the health of the tax system through a programme of interventions, including assurance checks, random audits and risk-based audits. Our Risk Evaluation and Analysis Programme (REAP) is a sophisticated case selection system that enables us to focus our attention on high-risk customers and to minimise our interactions with compliant customers.

During 2009, our auditors completed 12,419 audits with an overall yield of €602 million, up 5.7% on the 2008 yield. Over 361,000 assurance checks, a less resource intensive form of intervention, were carried out in 2009, an increase of almost 14,000 on the 2008 figure. The yield from assurance checks was just over €66 million. [Table 6: Audit and Assurance Interventions 2009]

An investigation into trusts and offshore structures commenced in 2009. Its purpose is to examine the tax treatment of property, assets and funds settled by persons on Irish and foreign trusts and similar structures. At year end, the yield from this investigation amounted to €17.6 million from 94 cases. Enquiries are ongoing.

During 2008, because we were getting access to information about interest earned on deposits in financial institutions, we launched a voluntary disclosure initiative for persons holding untaxed funds amounting to €100,000 or more in deposit accounts. At the end of 2009, 1,214 disclosures had been made and €76.3 million paid. [Table 14: Special Investigations]. The account information is now received annually and will be used for risk analysis.

Our strategy of enhancing risk analysis and case targeting with third party information will continue in 2010. This year, Revenue will receive deposit interest information from credit unions. We will also receive information from the Taxi Regulator about owners of taxi plates, and from insurance companies in relation to vehicles that are not registered in Ireland.

Protecting Society

Safeguarding our citizens from the corrosive effects of smuggling in all forms is a core function of Revenue, in cooperation with our Joint Task Force partners, An Garda Síochána and the Naval Service.

Most notable in 2009 was the very substantial increase in the volume and value of smuggled cigarettes seized. In all, 10,600 seizures, amounting to 218 million cigarettes, were made in 2009, up 62% on the previous year. In October, a multi-agency operation, code named 'Samhna', headed up by Revenue's Customs Service, resulted in the seizure of over 120 million contraband cigarettes, the largest ever seizure of its type in Europe. The cigarettes had a retail value of about €50 million and a potential revenue at risk of approximately €40 million. The

operation involved the Customs Service, an Garda Siochana, the Criminal Assets Bureau, the Irish Naval Service and Air Corps, officers of HM Revenue & Customs and the PSNI. In addition, the European Anti-Fraud Office was involved. It is estimated that in excess of 150 officers from the various Agencies participated in the field in the operation.

Our Customs Service also achieved some notable successes in the battle against illicit drugs. Overall, the number of seizures of illicit drugs showed contrasting trends, with seizures of cannabis and cocaine/heroin down by 12% and 51% respectively. However, the number of seizures of amphetamines/ecstasy increased by 43%. In addition, there were 34 seizures of suspected criminal cash amounting to €1.35 million.

During 2009, Revenue also made 74 seizures of firearms and 227 seizures of other offensive weapons, including noxious gas, machetes and explosive materials.

We enhanced our capability significantly with the introduction, on 16 October 2009, of Revenue's new purpose-built customs cutter, RCC 'Faire'. The 23.6 metre sea-going vessel is the second of its kind for our Customs Service. A second container scanner was delivered to Dublin Port in November 2009 and following extensive testing went into use on 21 December. The new scanner will spend the majority of its time operating in and around Dublin Port. The existing scanner has been redeployed and will be managed from Rosslare.

Prosecutions

The application of appropriate sanctions in cases of serious non-compliance with tax and customs legislation is an essential element in maintaining public confidence in the tax system and in customs controls.

Revenue obtained 15 Court convictions for serious tax and duty evasion in 2009. Of these, 6 cases related to serious tax evasion, down from 15 in 2008. In one case, an individual was released on appeal after serving 4 months of a 20 month sentence. There were 9 Court convictions in 2009 for serious Customs & Excise offences, four more than in 2008. At the end of 2009, there were 123 cases at various stages of the prosecution process, an increase of 4% on the previous year. [Table 11: Prosecutions for Serious Evasion 2009]

During the year, a total of 548 summary prosecutions were secured, resulting in fines amounting to over €864,840 being imposed.

Customer Service

Revenue constantly strives to improve the quality and range of services on offer to customers. The prevailing economic environment makes it more important than ever that customers can interact with us quickly and easily. During 2009, we reviewed and updated our Customer Service Standards after widespread consultation with external stakeholders. The quality of our customer service is evidenced by the fact that Ireland is the highest ranked EU Member State for ease of paying taxes, according to 'Paying Taxes 2010 – The Global Picture', a study published jointly by the World Bank and PricewaterhouseCoopers. We are very proud of that ranking and will work hard to keep it.

Online Services

Online delivery is now the default for Revenue's services and we pay a lot of attention to ensuring that they are fast, efficient, user-friendly and comprehensive. By the end of 2009, almost 500,000 customers had registered for our 'PAYE anytime' service, up 55% on the previous year. The number of transactions increased significantly too, up by 41% to almost 670,000.

A new e-Stamping system was launched in December 2009 following extensive engagement with the Property Registration Authority and the Law Society. The new system enables practitioners to complete the stamping of instruments such as conveyances and leases in a fast and secure way via our Revenue On-line Service (ROS).

Increasingly, e-services will be mandatory for complex transactions. Mandatory electronic filing and paying of certain taxes came into effect in 2009 for Government Departments and Offices, State Bodies and larger companies. All other State agencies and companies which are obliged under the Companies Act to produce audited accounts came within the scheme on 1 January 2010. Under a new EU scheme, cross border VAT repayments between Member States are only available online, and later this year, we will introduce mandatory e-filing of CAT returns where reliefs or exemptions, other than for small gifts, are claimed by a beneficiary of a gift or inheritance.

Revenue recently achieved the ISO 27001 information standard for information security management, providing further reassurance to customers who interact electronically with us. This standard is independently audited and sets requirements in all aspects of security and data handling. Only 30 companies in Ireland have achieved this standard.

An external independent audit of data protection in Revenue was undertaken by the Office of the Data Protection Commissioner during 2009. In the final Report, which was published on the Revenue website, the Data Protection Commissioner stated that the Report reflects favourably on the approach to data protection in the Office of the Revenue Commissioners.

Simplification

Revenue achieved a fully integrated tax assessing and collection process during 2009 when the Corporation Tax Assessing System was incorporated into our Integrated Taxation System. Revenue staff now have all Corporation Tax assessing and collection data available within a single system, facilitating faster responses.

During 2010 we will introduce a modern, simpler business model for Capital Acquisitions Tax in conjunction with the Probate Office. A re-engineered Vehicle Registration Tax system will also be introduced.

Our programme of making automatic tax refunds wherever possible continued. We issued over 56,000 automatic refunds to the value of €9.6 million in respect of the costs of prescription drugs. Over 1,500 automatic refunds amounting to almost €760,000 were issued in respect of tuition fees paid for approved third level college courses. In addition, the granting of automatic age credits is now in place. The number of deposit accounts exempt from DIRT at the end of 2009 stood at 73,738, up from 68,855 in the previous year. Over 2,500 information posters highlighting exemption from DIRT for over 65s were displayed in Banks, Post Offices, Citizens Information Offices and Revenue Offices around the country.

Listening to our customers

Between December 2008 and February 2009, Revenue conducted a postal survey of about two thousand small and medium-sized enterprises. The purpose of the survey was to gather hard data from customers in relation to three areas: usage of and satisfaction with Revenue customer service; the factors that influence compliance; and difficulties encountered paying taxes in the previous 12 months. Among the key results of the survey was that 87% of respondents were either very satisfied or satisfied with our customer service. In addition, 22% of respondents indicated that they had encountered difficulties paying tax on time and/or in full in the 12 months prior to the survey. The results of the survey, together with our analysis of what they mean, were published on the Revenue website.

In response to concerns from business and tax practitioners we reviewed our process for handling repayments of Corporation Tax (CT) and Income Tax (IT). There were immediate improvements in response times, showing that the percentage of repayments approved and issued within five days increased from 48% to 63% for CT, and from 80% to 89% for IT. The benefits of the review will be fully realised in 2010.

Contributing to Economic and Social Development

Revenue has a pivotal role to play in contributing to Ireland's economic and social development, particularly in helping to create an environment that promotes economic growth, facilitates trade, encourages investment and improves competitiveness.

At home, Revenue provided advice and support to the Department of Finance on a broad range of measures contained in the Finance Acts. The successful introduction of the income levy was a particular challenge and we also successfully introduced the Air Travel Tax which yielded €84.4 million in its first year. The Research and Development regime was improved and new Guidelines issued. The first phase in the preparation of a new, consolidated VAT Act was also completed. Draft legislation was published on the Revenue website in October 2009 to initiate a consultation process with the legal profession, accountancy bodies and tax practitioners. Work also progressed on the preparation of a consolidated Customs Bill, with a view to enactment in 2010.

We contributed staff resources and research expertise to the work of the Commission on Taxation, and we assisted in the implementation of the Nursing Homes Support Scheme and the age related credit for private health insurance.

In 2008, a trade facilitation programme known as the Authorised Economic Operator (AEO) Programme was introduced to protect the international supply chain from terrorist exploitation. It works by granting recognition to reliable operators and encouraging best practice at all levels in the international supply chain. By the end of 2009, 35 AEO certificates had been issued to Irish traders, up from 14 in 2008.

Revenue contributes at many levels internationally. We are represented at EU, OECD, WCO and UN forums and make a considerable contribution to policy development and implementation.

By the end of 2009, Ireland had signed comprehensive double taxation agreements with 56 countries, of which 48 are in effect. During the year, new treaties with Chile and Vietnam, came into effect and treaties, with the Former Yugoslav Republic of Macedonia and Malta have effect from January 2010. Seven treaties were concluded and signed during 2009, and it is expected that seven further treaties including a treaty with Hong Kong will be signed during 2010. 13 Tax Information Exchange Agreements (TIEAs) were negotiated and signed and four further TIEAs were advanced [Strategy 3.2, Output 3].

On the international front, Revenue continues to play an active role in the work of the World Customs Organisation (WCO). In June 2009, Ireland completed a successful two-year term as Head of the Europe Region and as Vice-Chair of the WCO.

Developing our People and our Organisation

A highly skilled and motivated workforce is critical to the achievement of Revenue's goals. Over 500 of our colleagues left Revenue in 2009 between the Incentivised Scheme of Early Retirement, the Incentivised Career Break Scheme and normal course retirements. This presented us with particular challenges, given the moratorium on recruitment.

Our response has been to manage the situation through internal redeployment and to examine our business processes to identify efficiencies, while maintaining a clear focus on our core business. Significant efficiencies have been delivered through modernisation, restructuring and use of electronic systems and technology.

We have reviewed our training programmes and tailored them to ensure that they are focused on our current business needs, taking account of the changed economic environment. In January 2010, 99 Revenue students graduated from the University of Limerick; 23 with a BA (Hons.) in Applied Taxation and a further 76 with a Diploma in Applied Taxation.

In February and March 2009, staff from a number of offices in Monaghan and Louth relocated to the M: TEK II Building in Monaghan.

In April, the new Revenue office for staff of the Collector General's Division in Newcastle West, Co. Limerick was officially opened. The Collector General's office is now the largest decentralised office in the State. A week later, a second new Revenue office was officially opened at Geata na Cathrach, Fairgreen, Galway. The new building provides modern and efficient facilities for staff and deals with all aspects of Revenue business - tax, customs and excise - for employees, self employed and corporate customers based in Galway City and County and in County Roscommon.

We are actively engaged in the Transforming Government agenda, and contributing to shared services by providing printing and mailing services to other Government organisations and by hosting IT systems in our data centre.

Looking Ahead

Revenue's overall priority in 2010 and beyond is to protect the tax base. We will do this by continuing to make it as easy as we can for businesses and taxpayers to comply; giving otherwise viable businesses a fair hearing if they get into temporary difficulties, and finally, ensuring a level playing field for those who do comply by taking resolute action against those who don't.

As at the end of the first quarter of 2010, tax and duty receipts remain weak, down by €1.27 billion on the same period last year. Latest figures show that debt available for collection is just over 33% higher. While it is still too soon to judge the prospects for 2010 as a whole, initial indications are that it will be another very challenging year.

Towards the end of 2009, the Minister for Finance sanctioned the filling of up to 200 posts in Revenue by a combination of redeployment, internal appointment and recruitment. All three elements are now underway and Revenue is recruiting directly at Principal and Assistant Principal level for the first time. This is a very important development as we work to enhance our skill base.

We say a public thank you to everyone working in Revenue for their hard work and commitment in 2009. With their help and support we will successfully meet the challenges ahead.



Josephine Feehily

Josephine Feehily
Chairman



Michael O'Grady

Michael O'Grady
Commissioner



Liam Irwin

Liam Irwin
Commissioner

Main Results

Collection

- Net receipts amounted to €33.28 billion, down €7.79 billion (19%) against the corresponding figure for 2008.
- €9.39 billion was collected on behalf of other agencies. (PRSI and Health Contributions €9,207 million; Environmental Levy €24.1 million; Tobacco Levy €168 million).
- Debt available for collection in 2009 was €1,443 million, up from €1,233 million in 2008. Debt available for collection as a percentage of total gross receipts was 2.8%, up from 2.1% in 2008.

Compliance

- Total audit and assurance check activity yielded €670.3m from 373,718 interventions.
- The cumulative total from the major 'legacy' investigation projects reached €2.58 billion in 2009, with an extra €96.75 million collected during the year.
- An investigation into Trusts and Offshore Structures commenced in 2009. The end-year yield was €17.6 million from 94 cases.
- 15 Court convictions for serious tax and duty evasion were obtained. 6 cases related to serious tax evasion. In one instance, an individual was released on appeal after serving 4 months of a 20 month custodial sentence. 9 convictions were imposed for serious Customs & Excise offences, four involving custodial sentences.
- 45 avoidance schemes were under challenge at the end of 2009.
- Drugs with an estimated street value of €39 million were seized and €1.35 million of suspected criminal cash was detained at ports and airports.
- The number and value of cigarettes seized increased dramatically in 2009. In all, 218.5 million cigarettes valued at €92 million were seized. One operation, codenamed Samhna, involved the seizure of 120.3 million cigarettes, the largest ever such seizure in the history of the European Union.
- 1,171 seizures of tobacco were made with an estimated value of €3.7 million.
- 96,759 litres of alcohol and 283,817 litres of illegally laundered fuel were seized during the year.
- 1,019 seizures of counterfeit goods with an estimated value of €2.5 million were made. The items seized included DVD's, medicines, sportswear and handbags.
- 1,951 cars were seized and €1,114,235 was paid in penalties in relation to Vehicle Registration Tax offences.
- Our capacity to counter smuggling was enhanced during 2009 by the commissioning of a second Cutter, RCC *Faire*, and the deployment of a second mobile container X-ray scanner.
- 535 Customs and Excise prosecutions were obtained for a range of summary offences such as cigarette smuggling, marked mineral oil and oil laundering infringements and VRT offences.

- 1,083 convictions were secured, resulting in the imposition of fines totalling €2,182,091 for the non-filing of Income Tax, Corporation Tax and Relevant Contracts Tax Returns.

Customer Service

- By the end of 2009, a total of 497,502 customers had registered for our on-line 'PAYE *anytime*' service, an increase of over 55% on 2008. There were 669,617 transactions through the service in 2009, up almost 41% on the previous year. PAYE *anytime* was enhanced to conform to Level AA of the Web Content Accessibility Guidelines 2.0 - an internationally recognised benchmark of accessibility.
- A new e-Stamping system was launched in December 2009. It enables practitioners to complete the stamping process in a fast and secure way via the Revenue On-Line Service (ROS).
- Mandatory e-filing and e-paying were introduced for our largest companies and Government departments with effect from 1 January 2009.
- While the number of payment transactions made via the Revenue On-line Service (ROS) fell by 2.25% to 638,786, the value of those payments increased by 17.5% to €25.5billion.
- The 1890 telephone service for PAYE taxpayers was used by just over 2 million customers, with a call answering rate of 88%.
- Revenue made 56,133 automatic refunds of tax with a value of €9.6 million in respect of non-reimbursed amounts paid for prescribed drugs.
- At the end of the year there were 73,738 DIRT-free accounts in financial institutions for those permanently incapacitated and those aged 65 or over.
- Over 1,500 automatic refunds valued at almost €760,000 were made in 2009 in respect of tuition fees paid for approved third level college courses.
- Two new taxes were successfully introduced: The Income Levy and Air Travel Tax.

Efficiency and Effectiveness

- The cost of administration as a percentage of Gross Receipts was 1.09%.
- Total expenditure on training and development was €8.77 million, or 2.66% of Revenue's payroll costs.
- In 2010, 23 Revenue staff were conferred with BA (Honours) in Applied Taxation and 76 were conferred with Diplomas in Applied Taxation by the University of Limerick. To date, a total of 373 Revenue students have been awarded with Diplomas in Applied Taxation, with 89 being awarded Degrees in the first three years of the Degree programme.
- According to 'Paying Taxes 2010 – The Global Picture', a study published jointly by the World Bank and PricewaterhouseCoopers, Ireland is the highest ranked EU Member State for ease of paying taxes.
- In the course of 2009, 10 small Revenue offices were closed.
- In February and March 2009, staff from the Cavan/Monaghan District relocated to the new M: TEK II building in Monaghan. It includes a new Revenue Information Office, including a Vehicle Registration Office. The building was officially opened by President McAleese on 2 June 2009.

- A new Revenue office for staff of the Collector General's Division in Newcastle West, Co. Limerick was officially opened in April 2009. The relocation of 51 staff to the new offices marks the final chapter in the decentralisation of the Collector General's Division within the mid-west and completes Revenue's commitment to the Government decentralisation programme for the present.
- Also in April 2009, a new Revenue office was officially opened at Geata na Cathrach, Fairgreen, Galway. The opening of this office facilitated the consolidation into one building of about 200 Galway-based staff from two Revenue Districts.

Contribution to Economic Development

- Tax treaty network extended significantly: 7 new Treaties and 13 Tax Information Exchange Agreements concluded and signed; a further 6 Treaties concluded and awaiting signature.

Goal 1 - Ensure everyone complies with their Tax and Customs responsibilities

Revenue's primary goal is to ensure, as far as possible, that everyone complies with their tax and customs responsibilities – that they pay the right tax and duty at the right time and meet the obligations set out in tax and customs law.

Our objective is to ensure that the Government's tax collection targets are achieved by having efficient payment, filing and debt collection systems, and by continuous improvement of compliance levels. Better risk-based targeting of audit and other interventions and the application of appropriate sanctions where non-compliance is discovered will assist with this.

Strategy 1.1 - Ensure efficient collection and timely compliance

Internationally Ireland is among those countries that make it easiest for taxpayers to pay their taxes and comply with the tax system. In the 2009 joint World Bank and Pricewaterhouse Coopers survey on "Paying Taxes" Ireland ranked highest among EU countries in terms of making it easy to pay taxes and in having the least burdensome compliance requirements.

This type of survey is a reminder of the importance for the economy generally, and for inward investment in particular, of having a tax system that is easy to comply with, that is responsive to the needs of taxpayers and other stakeholders, and that encourages and actively promotes voluntary compliance.

Output	Result
1. Annual targets for tax and duty collection delivered	<ul style="list-style-type: none"> Table 1 and Table 2 show Gross and Net Receipts respectively. Collection performance in 2009 was below target by €1,288 million (-3.7%) and actual yield in 2008 by €7,794 million (-19%): <ul style="list-style-type: none"> Value Added Tax - The shortfall reflects lower than expected levels of consumer spending throughout the year. Sectors such as wholesale/retail, real estate, manufacturing and transport/communications were particularly weakened. Income Tax/Income levy - While combined Income Tax & Levy receipts came in €636 million below target, some €216 million of the shortfall is attributable to the introduction during 2009 of an age-related tax credit into the Tax Relief at Source (TRS) system in respect of health insurance. <p>This cost was largely offset by a boost to stamp duty receipts of €197 million in 2009 from the introduction of a levy on health insurance companies.</p> <p>The shortfall in PAYE tax also reflects a weaker economy in 2009 than had been projected at Budget time, resulting in labour market conditions being less favourable than expected.</p> Excise - In 2009, Excise net receipts were €4,901 million which is €99 million (2.1%) ahead of the Budget estimate and €699 million (12.5%) less than in 2008. <p>At the itemised level, VRT was the only commodity below target.</p> <p>VRT with receipts of €375 million was €21 million (5.3%) below target and €746 million below receipts in 2008. Total new car registrations in 2009 numbered 57,337, which was 94,611 (62.3%) less than in 2008.</p>

	<p>Alcohols receipts were €968 million, exceeding target by €18 million (1.8%) and €102 million below receipts in 2008.</p> <p>The Oils sector with receipts of €2,194 million, exceeding target by €51 million (2.3%) and was €24 million higher than the yield in 2008.</p> <p>The Tobacco sector, with receipts of €1,217 million, yielded €38 million more than expected and €45 million more than in 2008.</p> <ul style="list-style-type: none"> ○ Corporation Tax came in €149 million above target but receipts were boosted by a significant once-off payment of €354 million from a large financial company. The negative impact on corporate profitability of the recession and the downturn in the global economy, especially in the financial, manufacturing, wholesale/retail and real estate sectors, impacted on the underlying performance of CT. ○ Stamp Duties came in some €23 million ahead of target but receipts were boosted by a yield of €197 million from the introduction of a levy on health insurance companies. <p>Some 34% of the expected yield from property transactions (€171 million) failed to materialise due to diminished property values and reduced numbers of transactions while yields from the levies on non-life and life assurance fell short of target by 50% (€95 million). These shortfalls were counterbalanced to some extent by a surplus in the yield expected from share transactions and other stamp duties which exceeded target by €92 million.</p> <ul style="list-style-type: none"> ○ Capital Gains Tax - The shortfall and relatively low levels of yield reflect the ongoing impact of the downturn on the property and shares markets. ○ CAT - The shortfall is attributable to the impact of the downturn on the value of property and shares. ○ Customs receipts were €22 million (9.5%) below the Budget estimate and €37 million less than in 2008.
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<p>2. More efficient collection of tax and duty debt</p>	<ul style="list-style-type: none"> The economic and financial environment within which Revenue and its customers operate deteriorated significantly over the last two years. The outstanding tax debt, which is a reasonable substitute measure of the financial distress that many businesses and individuals are experiencing, has increased over the past 3 years by €1 billion, or 91% (from €1.1 billion to €2.1 billion). This reflects the challenge for businesses created by very difficult trading conditions, significant cashflow pressures and very limited credit facilities. <p>Debt available for collection in 2009 was €1,443 million, up from €1,233 million in 2008. Debt available for collection as a percentage of total gross receipts was 2.8%, up from 2.1% in 2008. Debt over 3 years old available for collection in 2009 was €366 million, up from €290 million in 2008.</p> <ul style="list-style-type: none"> In 2009, a total of €221.5 million was deemed to be uncollectible and was written off in accordance with established guidelines. This represents a €92.55 million (72%) increase on the 2008 figure. Approximately 60% is made up of insolvency cases i.e. receivership, bankruptcy and liquidation and examinership cases.
<p>3. More taxes and duties paid, and returns and declarations filed, on time</p>	<ul style="list-style-type: none"> The number of payments received for 2009 was 3,983,711 compared to 4,397,822 in 2008. Table 3 shows the average percentage of tax collected by the due date. Table 4 shows returns compliance for large, medium and all other cases. <p>Revenue considers that maintaining compliance at the levels shown in Table 4 represents a significant achievement in 2009 in light of the extremely challenging economic and financial environment in which businesses have been operating. We are committed to maintaining our focus on achieving high levels of compliance again in 2010.</p> <ul style="list-style-type: none"> The charging of interest on late payment of tax is the primary method used to maintain, and where possible improve, timely payment compliance. The amount of interest collected in 2009 was €67 million, a decrease of €12 million on the previous year. This is separate from interest charged and collected as a result of Revenue's Audit and Investigation Programmes. The number of Sheriff Enforcements was 38,790 the number of Solicitor Enforcements was 6,832 and the number of Attachments was 3,199. See Table 5 Collection Enforcement Programmes 2009.

	<p>Revenue appreciates that the current economic and financial environment has made it more difficult for some businesses to meet their tax payment obligations in a timely fashion. In particular, it is clear to Revenue that certain businesses that previously made their tax payments on time and that are fundamentally viable businesses have experienced serious cash flow problems. Revenue has worked with many of these businesses to restore timely compliance as quickly as possible. This has contributed to a certain reduction in the level of routine enforcement activity by Revenue in 2009 compared with 2008. However, the overall significant increase in insolvency activity through liquidations, receiverships and examinerships in 2009 in some cases arising directly or indirectly from Revenue collection and recovery action has also contributed to the reduction in the more routine enforcement actions by Revenue.</p> <ul style="list-style-type: none"> • In the small number of cases, where non-compliant customers fail to respond to standard collection enforcement measures, Revenue will undertake dedicated enforcement action. During 2009 such action included 4 bankruptcies, 3 garnishee orders, 1 mareva injunction, 1 committal order, 1 committal warrant executed and utilisation of the Commercial Court for the first time. • During 2009, Revenue, as an integral part of its overall approach to debt collection and enforcement, continued to be actively involved in company liquidations, receiverships and examinerships. Overall, in 2009: <ul style="list-style-type: none"> ○ 1,147 companies were wound up via Creditor Voluntary Liquidations, more than double the 556 recorded in 2008. ○ Revenue staff attended 362 creditor meetings and continued an active role as members of Committees of Inspection. ○ Revenue issued 110 notices under Section 214 of the Companies Act 1963 which ultimately resulted in 39 instances where Revenue petitioned the High Court for the appointment of a liquidator. ○ The number of Receiverships grew to 192 (compared to 48 in 2008). ○ There was also a continued increase in the number of Examinerships (91 interim examiners appointed in 2009 as against 72 in 2008). <p>Revenue continues to financially support liquidators in selected cases, particularly where the liquidator has evidence of fraudulent or</p>
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	<p>reckless behaviour or there are grounds to pursue actions against rogue directors.</p> <ul style="list-style-type: none"> • Close liaison was maintained with the Office of the Director of Corporate Enforcement and the Official Assignee's office.
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TABLE 1: TOTAL AMOUNT COLLECTED/GROSS RECEIPTS

	2009 €m	2008 €m
Value-Added Tax	15,068	16,593
Income Tax	13,963	17,992
Corporation Tax	5,335	6,046
Excise	4,950	5,703
Stamp Duties	1,023	1,813
Capital Gains Tax	606	1,494
Capital Acquisitions Tax	268	351
Customs	212	260
Collection on behalf of other Departments/Agencies	9,318	9,810
Total	50,743	60,062

Note: Any apparent discrepancies in totals are due to rounding.

TABLE 2: TOTAL REVENUE /NET RECEIPTS

Duties, Taxes & Levies	2009 Net Receipts	2009 Budget Estimates	2009 Net Receipts +/- Budget Estimates	2008 Net Receipts
	€m	€m	€m	€m
Income Tax:				
PAYE	8,488	8,994	-506	10,069
Income Tax from Self-Employed and certain other non-PAYE sources ¹				
Direct Payments	987	1,007	-20	1,657
Less other non-PAYE Repayments	-141	-124	-17	-138
Net Yield (see footnotes)	846	883	-37	1,519
Deposit Interest Retention Tax ²	614	705	-91	654
Withholding Tax (fees) ³	597	605	-8	604
Dividend Withholding Tax ⁴	156	135	21	350
Income Levy	1,138	1,153	-15	-
Income Tax total	11,839	12,475	-636	13,196
Value Added Tax ⁵	10,638	11,420	-782	13,432
Excise ⁶	4,901	4,802	99	5,600
Corporation Tax	3,889	3,740	149	5,071
Stamp Duties	1,003	980	23	1,763
Capital Gains Tax	545	625	-80	1,424
Capital Acquisitions Tax	256	295	-39	343
Customs ⁷	208	230	-22	245
Total	33,279	34,567	-1,288	41,074

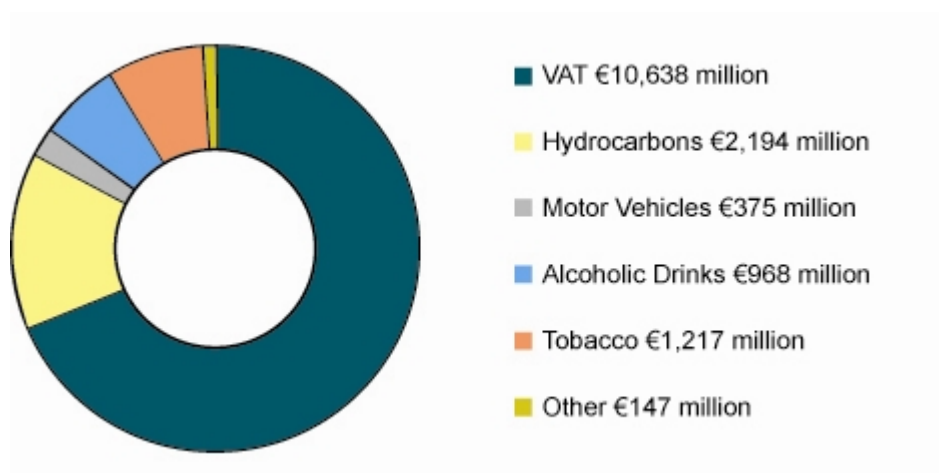
Note: Any apparent discrepancies in totals are due to rounding of constituent figures

1. Income Tax from the Self-Employed: The figures shown under this heading are net of repayments made directly to the self-employed but are gross before netting off repayments to other non-liaible individuals, charities, pension funds and foreign residents for tax deducted at source under various arrangements. Such repayments are normally made out of the non-PAYE collection and, if not adjusted for, would have the effect of understating the yield attributable to the self-employed. The repayments in question are accounted for in Table 2 under the sub-heading "Other non-PAYE repayments".
2. Deposit Interest Retention Tax: tax deducted from interest arising on deposits with financial institutions.
3. Withholding Tax: tax deducted at source from fees for professional services provided to state agencies and certain other designated bodies.
4. Dividend Withholding Tax: withholding tax on certain dividend and other profit distributions made by companies resident in the State.
5. The VAT receipts in 2009 are composed of €12,953 million of internal VAT and €1,010 million collected on imports, less refunds of €3,325 million.
6. A tobacco levy of €168 million, which is directly paid over by Revenue to the Department of Health & Children, is included in the Excise figures for forecasts and receipts in Tables 1 and 2, even though it is not included in the end-year Exchequer Returns as tax revenue.
7. 75% of the amount collected is paid to the EU as part of the Irish contribution to the EU Budget known as "Own Resources". The remaining 25% is retained by the State as collection expenses.

The figures for 2009 Net Receipts in Table 2 are some €69 million higher than the comparable figure for Tax Revenue receipts published in the end-2009 Exchequer Returns because of timing and accounting procedures.

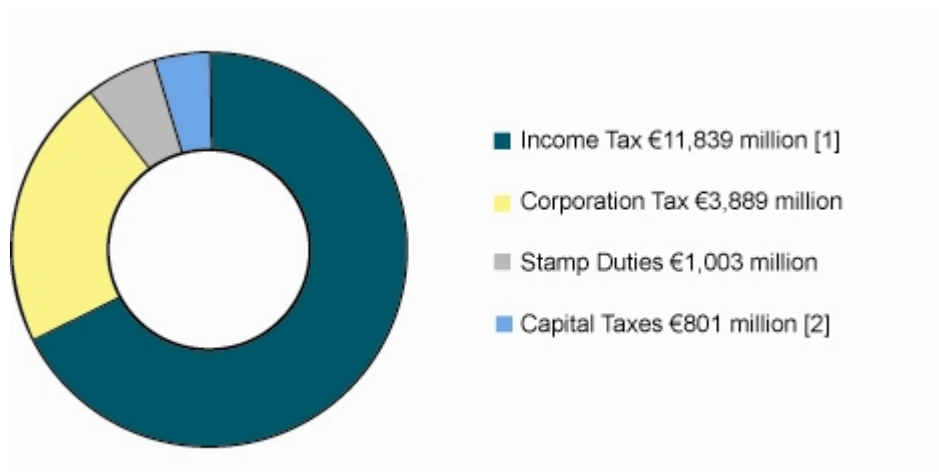
The payments made by Revenue into Tax Relief at Source (TRS) schemes for mortgage interest and medical insurance are netted off proportionately in arriving at the yield of income tax from PAYE and the self-employed.

CHART 1: INDIRECT TAX NET RECEIPTS



A total of €15,539 million was collected in net VAT and Excise receipts in 2009.

CHART 2: DIRECT & CAPITAL TAXES RECEIPTS



A total of €17,532 million was collected in Direct and Capital Taxes receipts in 2009.

[1] *Income Tax comprises receipts from PAYE, Income Tax from the self-employed and certain other non-PAYE sources, Deposit Interest Retention Tax, Withholding Tax and Dividend Withholding Tax.*

[2] *Capital Taxes include receipts from Capital Acquisitions Tax and Capital Gains Tax.*

TABLE 3: AVERAGE PERCENTAGE OF TAX COLLECTED BY THE DUE DATE

	2009	2008
PAYE/PRSI	94%	94%
VAT	90%	90%
Preliminary Income Tax (Non PAYE)	97%	96%
Capital Gains Tax	85%	89%
Corporation Tax	91%	93%
Relevant Contracts Tax	79%	78%

TABLE 4: RETURN/PAYMENT COMPLIANCE

Case Size *	Due Month Compliance End 2010 Target	Due Month Compliance 2009 Actual	Due Month Compliance + 1 End 2010 Target	Due Month Compliance + 1 2009 Actual
Large Cases	95%	92%	99%	96%
Medium Cases	90%	85%	95%	93%
All Other cases	75%	72%	85%	81%

* Definition of Terms:

- Timely compliance is defined using risk criteria and is calculated on a weighted basis for the main taxes (employers PAYE/PRSI, VAT, Corporation Tax, Income Tax and Relevant Contracts Tax).
- A Large Case is a customer paying over €500,000 in a year, a Medium Case is a customer paying between €75,001 and €500,000 and an Other Case is a customer paying €75,000 or less.
- Due month compliance represents tax paid in the calendar month in which it is due.
- Due month +1 represents compliance within one month of the payment-due date.

TABLE 5: COLLECTION ENFORCEMENT PROGRAMMES

	2009			2008		
	Number	Value of referrals (€m)	Yield (€m)	Number	Value of referrals (€m)	Yield (€m)
Solicitor Enforcement	6,832	297.7	46.2	6,578	237.2	65.1
Sheriff Enforcement	38,790	697.4	214.3	44,090	675.4	257.8
Attachment Enforcement	3,199	205.5	22.2	2,362	131.4	28.5
Total	48,821	1,200.6	282.7	53,030	1,044.0	351.4

Strategy 1.2 - Improve compliance through better-targeted interventions

Revenue's objective is to reduce the level of tax evasion and smuggling, along with improving compliance with our tax and customs systems through better-targeted audits and other intervention programmes. These programmes and targets are driven mainly by structured risk assessment and intelligence.

Our response to the threat posed by drug smuggling includes promoting co-operation, exchange of intelligence and proactively profiling drug-trafficking networks with the relevant national and international law enforcement agencies, along with effective operational interventions. Our capacity to counter smuggling was enhanced during 2009 by the commissioning of a second Cutter, *RCC Faire* and the deployment of a second mobile X-ray container scanner.

Output	Result
1. Improved compliance levels as a result of better targeted audit and other intervention programmes	<ul style="list-style-type: none"> 2009 was the second full year of using our electronic risk analysis system (REAP). While still a new and developing system, it is making a significant contribution to the risk based focus of our audit programmes. 64% of cases opened for audit in 2009 came from the 20% of cases identified by REAP as posing the greatest tax risk. Further REAP developments have continued to assist in prioritising cases for debt management interventions. <p>Checks on tax credit and relief claims are an ongoing feature of our PAYE compliance programme. Over 30,000 such checks were carried out in 2009 and corrective action was taken in appropriate cases. Work also commenced to extend the scope of our REAP system to include the PAYE sector. A separate risk run was developed using appropriate rules. Two pilot units were established to analyse the results and this work is ongoing.</p> <ul style="list-style-type: none"> In 2009, Revenue continued its policy of targeting evasion on a sectoral basis. Projects that commenced included solicitors, entertainment and nightclubs, the jewellery trade and Section 125 Interest Reporting cases. The construction sector accounted for a large proportion of compliance activity in 2009, with almost 20% of audit activity in the sector. <p>Our approach ranges from unannounced compliance visits to full comprehensive audits. The sectoral approach is proving to be a productive tool as part of Revenue's programmes to combat tax evasion and improve compliance and is now enhanced by our REAP system.</p> <p>There was a strong emphasis on businesses which have scope to pay suppliers or staff in cash and where large elements of sales are for cash. Approaches vary from a substantial programme of unannounced visits to cash business in "whole street" or "town" or industrial estate investigations, to focusing on particular sectors in areas such as major events, market trading etc. One objective of this approach is to deter businesses from abusing</p>

	<p>the tax system in furtherance of non-competitive/shadow economy trading. Visits to businesses are geared towards early intervention.</p> <p>Enquiries can include:</p> <ul style="list-style-type: none"> ○ Surveillance and use of intelligence. ○ Test purchases. ○ Examination of Cash Registers and Electronic Point of Sale systems. ○ Examination of books and records. ○ Interviews with proprietors, managers and employees. ○ Ensuring all employees are on the books. ○ Stock Checks. ○ Follow up visits. <p>Many of these visits would be carried out in conjunction with officers from the Department of Social & Family Affairs and/or the National Employment Rights Authority through Joint Investigation Units (JIU's).</p> <ul style="list-style-type: none"> • Table 6 illustrates the overall audit results for 2009 and the audit yield. 12,419 audits were settled in 2009 resulting in yield of €601.8 million. In addition, 361,299 assurance checks, a less resource intensive form of intervention, were also carried out. The yield from assurance check activity amounted to €68.5 million. While the level of activity is important we are developing our programmes to ensure that we are targeting the right cases. Overall numbers are down but the yield is up. The focus is on managing compliance risks through a range of options, not just relying on the traditional audit. • Revenue's Research and Analytics Branch conducts programme-wide and macro-level research at a corporate level. As part of this brief, and as one element of a pilot exercise using data mining techniques, a predictive model was created which endeavours to extend Revenue's REAP system to predict potential audit yield. The model was built in 2009 and piloted in a number of Revenue Regions. Currently, results are being collated and the model is being evaluated. Initial indications are positive and a similar exercise is planned for 2010. • In addition to risk-based interventions, Revenue conducted a random audit programme in 2009. The programme ensures that every self-assessed taxpayer can potentially be selected for an audit. Similar programmes were conducted in 2005, 2006, 2007 and 2008. In 2009 we selected 400 cases for this programme and, of these, a total of 210 were finalised by 31 December 2009, resulting in a yield of €0.3 million. Table 7 shows a breakdown of our random audit programme.
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	<ul style="list-style-type: none"> • A total of 190 e-audits were finalised during the year. Much of the e-audit resource was focused on the audit of cash businesses which use Electronic Point of Sales (EPoS) systems. These audits uncovered significant underpayments, some involving misclassification of Value Added Tax rates and suppression of sales. Revenue will continue our focus in this area in 2010. • The Finance (No 2) Act 2008 introduced a time limit on making a claim for Research and Development (R&D) tax credits. Companies are now obliged to submit claims within 12 months of the end of the accounting period to which the claim applies. In 2009 a number of R&D tax credit claims were subjected to audits which involved examinations by external experts in the various fields of science, as well as the normal tax audit of the quantum claimed. <p>All cases were found to be carrying on R&D activities within the meaning of the legislation but there were some adjustments to claims. The readjustments arose largely from cost allocation to R&D. In a number of cases some parts of projects were judged to be non-qualifying.</p> <ul style="list-style-type: none"> • The Capital Gains Tax Review Group, which was set up in 2007, reported no evidence of systematic avoidance or evasion of CGT in the risk projects undertaken. A successful evidence based trial was conducted in 2008, using data from existing Revenue sources to target potential CGT customers in advance of the October 2008 Pay and File deadline. The final results were analysed in 2009, and the evidence shows an increase in compliance among those contacted. This prompted a national mail shot campaign in late 2009. Preliminary results indicate an improvement in compliance. • Our Financial Services Banking Unit in Large Cases Division has been monitoring and responding to tax issues arising from the crisis in the financial sector. Our compliance programme has focused on tax risk in that sector including claims for loss relief, bad debts and employer taxes liabilities. Audit yield from the sector in 2009 amounted to €38 million and in addition, the tax impact of restricted losses amounted to €100 million. <p>Our High Wealth Individuals and Professionals Business Unit initiated enquiries into approximately 300 cases of the directors and executive/management level employees in the six main financial institutions. Enquiries have been closed in approximately 140 of the cases and are ongoing in the balance. To date, €1,137,030 in tax has been collected from these enquiries. This unit also made enquiries into the residence status of a</p>
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	<p>number of individuals.</p> <ul style="list-style-type: none"> • The first report, for the tax year 2007, on the restriction on the use of certain tax reliefs and exemptions by high-income individuals was completed by Revenue and published by the Minister for Finance in July 2009. The report showed that the primary objective of ensuring that individuals with an adjusted income of €500,000 or more (where the restriction applied in full) would pay an effective tax rate of approximately 20% was achieved. The measure generated an additional €40 million in tax in 2007. • Revenue is obliged under EU legislation to implement controls at the time of export of CAP goods and to conduct an audit programme. In the audit period July 2008 to June 2009, the commercial records of 14 selected CAP exporters were examined. Those traders had received CAP export refunds amounting to €48 million in the period audited, representing approximately 78% of the total export refunds paid by the Department of Agriculture, Fisheries and Food. These audits provided assurance that the entitlement to export refunds from EU Funds was properly established and substantiated. • During the year, 14,117 Suspicious Transaction Reports were provided to Revenue by financial institutions and other designated bodies. Almost 70% of the Reports received were in electronic format, allowing for greater exploitation of information to assist in risk profiling. 30 Reports are relevant to ongoing criminal investigations in tax and duty cases. • There were 74 seizures of firearms, including firearm components and crossbows in 2009: 227 seizures of offensive weapons, including noxious gas and machetes: 50 grams of explosive material in an improvised explosive device: and over 957 rounds of ammunition. • There were 62 seizures of goods prohibited under CITES (Convention on Trade in Endangered Species). The majority of the seizures were Hoodia Gordonii products, which are marketed as slimming agents and originated in the USA. Other seizures included bush meat and traditional Asian medicines. • There were 34 seizures of cash amounting to €1.35 million at airports and ports during the year. This money is suspected of representing the proceeds of crime or intended for use in criminal conduct. Following such seizures, it is investigated to establish the link to criminality with a view to forfeiture.
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	<p>In 2009 there were seven forfeiture orders amounting to €412,075 granted by the Circuit Court. These orders related to seizures made in 2005, 2006, 2007 and 2008. Forfeiture applications in a further 18 cases, amounting to €2.2 million, were before the courts at year end.</p> <ul style="list-style-type: none"> Two well-established programmes that focus on limiting the potential for abuse of limited liability continued in 2009. At the end of 2009 a total of 2,216 cases were being monitored under our Phoenix and Commonality programmes. The increase in the numbers of cases managed under these programmes reflects the increasing debt challenge posed by the economic and financial environment in which businesses are operating and Revenue's determination to give priority attention to the highest risk cases. Substantial work was carried out on the development of a new Code of Practice for Revenue Auditors including consultation with tax practitioners. A number of issues require further detailed consideration. Finance (No. 2) Act 2008 introduced radical changes to the Penalties Regime, involving determination by the Courts in disputed cases. These changes must be reflected in the new Code. It is hoped to publish the revised Code in 2010.
2. Effective response to increase in drug smuggling	<ul style="list-style-type: none"> In keeping with the recommendation of the Government's National Drugs Strategy (NDS), Revenue has put in place Strategic and Operational Drugs Enforcement Plans. Additionally, as recommended by the NDS, additional resources have been deployed. Specifically a second Revenue Customs Cutter <i>Faire</i> and a second X-ray scanner capable of screening freight containers have been deployed. The complement of detector dog teams has also been increased to thirteen. The Customs Service has continued to work with the other Joint Task Force partners to prevent the smuggling of drugs into the State. Some significant successes in drug/arms interdiction during 2009 again provided evidence of this inter-agency co-operation in action. <ul style="list-style-type: none"> In June, 1.1 tons of cannabis resin, with an estimated street value of €6.6 million, was seized in an industrial premises at Dunboyne, Co Meath and two individuals were arrested. In September, 13kgs of cocaine, with an estimated street value of €1 million was seized and two individuals were arrested. This operation is considered significant in terms of international law enforcement co-operation in fighting the drugs trade.

	<p>In November, 30 offensive weapons (stunguns disguised as mobile phones) and a viable explosive device were seized in Co. Louth and two individuals were arrested.</p> <ul style="list-style-type: none"> Table 8 illustrates Revenue seizures/detections of drugs during the year.
3. Effective response to increase in cigarette smuggling	<ul style="list-style-type: none"> The volume and value of cigarettes and tobacco seized during the year increased substantially over the previous year, see Table 9. One of the major successes was the Customs led <i>Operation Samhna</i> in October 2009 which involved the seizure of 120.3 million cigarettes and represented the largest seizure of cigarettes to date in the European Union. 12 significant seizures in maritime freight amounting to 172.45 million cigarettes were made in 2009 of which 127.648 million were counterfeit. Countries of origin included the Philippines, China, Spain, UAE, Egypt and Vietnam. An ongoing operation codenamed Operation Downstream which targets smuggled cigarettes at retail outlets, markets and other distribution centres that evaded detection at the point of importation resulted in 284 seizures amounting to almost 10 million cigarettes. Revenue successfully launched a new tobacco tax stamp with added security features in October 2009. Training was provided to both Revenue staff and the trade on the new features. New detection equipment was purchased and distributed to the relevant operational areas in Revenue.
4. Reduction in evasion of oil and alcohol excises, vehicle registration tax, and trade in counterfeit goods	<ul style="list-style-type: none"> As illustrated in Table 9, there were 14,082 seizures of excisable goods in 2009. Revenue continues to monitor compliance with VRT regulations. During 2009, 1,951 cars were seized and €1,114,235 was paid in penalties. In the course of the year two national VRT operations were carried out and over 4,900 vehicles were challenged leading to the seizure of 420 vehicles. 1,019 seizures of counterfeit goods with an estimated value of €2.5 million were made during 2009. Seizures encompassed a wide variety of goods including DVD's, medicines, sportswear and handbags. There were significant increases in the numbers of counterfeit cosmetics, jewellery and hair appliances seized. In a three-day World Customs Organisation sponsored international operation, codenamed 'Operation Pharmakeus', targeting unlicensed and counterfeit pharmaceuticals in May 2009,

	<p>Revenue's Customs Service seized more than 26,500 medical tablets. This operation was conducted in conjunction with officers from the Irish Medicines Board.</p> <ul style="list-style-type: none"> • 2009 also saw an increase of 15% in the number of applications from Right Holders to Revenue for customs action to detect and seize goods suspected of infringing their Intellectual Property Rights. • During the year, Revenue continued to work closely with the law enforcement authorities in Northern Ireland with a view to tackling cross-border fraud. A number of multi-agency operations were carried out in connection with tobacco smuggling and mineral oil fraud. In addition, several meetings of the Cross-Border Fuel Fraud Enforcement Group were held and ongoing co-operation and the exchange of information between Revenue and Her Majesty's Revenue and Customs (HMRC), Belfast, resulted in the detection of a number of cases of cross-border VAT fraud which are being tackled on both sides of the border.
5. Better use of Revenue's intelligence sources	<ul style="list-style-type: none"> • Open source software is being used to enable Revenue staff become more self sufficient in satisfying their information and analytic requirements. Our operational data is being mined using high-end analytical tools to help Revenue understand its tax base by sector, geographic region and risk. This allows resources to be deployed more efficiently and effectively. In addition this approach is used to proactively minimise the risk of potential fraud.
6. More challenges to tax avoidance schemes	<ul style="list-style-type: none"> • Throughout 2009 enquiries by our High Wealth Individuals and Professionals Business Unit and our Anti Avoidance Unit into potential tax avoidance transactions continued. These included: <ul style="list-style-type: none"> ○ Enquiries into similar financial transactions entered into by 26 separate individuals that give rise to a potential tax loss of capital gains tax of c. €88 million. ○ Enquiries into a number of separate transactions that used the national residence rules and the provisions of Double Taxation Treaties to substantially reduce their liability to Capital Gains Tax. <p>As a consequence of enquiries into potential tax avoidance transactions, 15 Notices of Opinion under the general anti-avoidance legislation, section 811 of the Taxes Consolidation Act 1997, were issued.</p> <p>Table 10 shows the Anti Avoidance activity during the year.</p>

	<ul style="list-style-type: none"> Investigations into claims for relief by investors in particular film production companies continued in 2009. In January 2009 the High Court delivered a judgement in favour of Revenue in Judicial Review proceedings brought by an investor in one of the film production companies. Revenue is currently in communication with 964 taxpayers involved in such investments.
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TABLE 6: AUDIT AND ASSURANCE ACTIVITY

Type of Intervention	Completed 2009	Yield €m	Completed 2008	Yield €m
Comprehensive (All taxheads)	4,353	279.0	3,904	261.6
Multi Tax/Duty Audits	1,735	62.9	2,065	64.6
Single Tax/Duty Audits	5,053	163.0	6,082	184.2
Single Issue/Transaction Audits	1,278	96.9	1,363	58.8
Total Audit Intervention	12,419	601.8	13,414	569.2
Assurance Checks	361,299	68.5	347,445	63.1
Total Interventions (Audit & Assurance)	373,718	670.3	360,859	632.3

TABLE 7: RANDOM AUDITS IN 2009

Yield Band	Number of Cases	% of Finalised Cases
Nil	151	71.9
< €2,000	24	11.4
€2,001 to €5,000	19	9.0
€5,001 to €10,000	10	4.8
€10,001 to €20,000	4	1.9
€20,001 to €50,000	1	0.5
> €50,000	1	0.5
Total	210	100

TABLE 8: DRUGS SEIZURES IN 2009

Type of Drug	Number of seizures	Quantity (kg)	Value (€)
Herbal Cannabis	1,544	1,170.398	14,245,506
Cannabis Resin	630	2,276.153	15,924,144
Heroin	1	0.002	300
Cocaine	39	33.995	2,379,670
Other*	6,001	456.332	6,451,748
Total	8,215	3,936.880	39,001,368

NOTE:

***OTHER* COVERS AMPHETAMINES, PRECURSOR CHEMICALS, MAGIC MUSHROOMS, STEROIDS, HALLUCINOGENIC SUBSTANCES AND ASSORTED PRESCRIPTION MEDICINES. IN ADDITION TO THE 456.332 KGS THERE WERE 712,282 MEDICAL TABLETS AND 4.59 LITRES OF MEDICINES SEIZED. THE ABOVE FIGURES INCLUDE SEIZURES MADE DURING JOINT OPERATIONS WITH AN GARDÁ SÍOCHÁNA.**

TABLE 9: EXCISABLE PRODUCTS SEIZED IN 2009

Product	Number of Seizures	Quantity	Value (€m)
Cigarettes	10,610	218,532,960 ⁽¹⁾	€92,057,009
Tobacco	1,171	10,451 Kgs	€3,718,495
Alcohol (Beer, Spirits, Wine)	396	96,759 Litres	€1,039,240
Oil	23	283,817 Litres ⁽²⁾	N/A
Other ⁽³⁾	1,771	461,161	
Vehicles ⁽⁴⁾	111		

1. Includes counterfeit brand cigarettes.

2. Includes Laundered, Smuggled and Marked Mineral Oil.

3. Other seizures refer to non-Excisable commodities such as conveyances, counterfeit goods (excluding cigarettes) and pornography.

4. Vehicles seized for Marked Mineral Oil Offences.

TABLE 10: ANTI AVOIDANCE

Avoidance schemes challenged	2009	2008
Number of schemes under challenge at start year	49	47
+ New schemes challenged during year	10	5
- Decisions on challenge taken during year	14	3
- Scheme withdrawn following challenge from VAT Anti Avoidance Unit	0	0
Number of schemes under challenge at year end	45	49

Strategy 1.3 - Improve compliance through the application of appropriate sanctions

The public is entitled to expect that non-compliance with tax and customs legislation will result, in the first place, in detection by Revenue and, in the second, the application of appropriate sanctions. A failure to detect and punish serious non-compliance and evasion and to challenge aggressive tax avoidance has the potential to seriously undermine confidence in the tax system and in customs controls. Part of any effective response to these issues requires us to harness the deterrent effect of taking more criminal prosecutions where there is sufficient evidence to support prosecution, and to update the civil penalty regime.

Output	Result
1. More prosecutions for serious evasion and other Revenue and Customs offences	<ul style="list-style-type: none"> In 2009, there were six Court convictions for serious tax offences. In one of these cases an individual was released on appeal after serving four months of a 20 month sentence. A three year suspended sentence was issued to an individual who was also instructed to pay €40,000 to Revenue and in the remaining four cases fines totalling €509,450 were imposed. In a separate case, a defendant was imprisoned on remand pending sentencing. He served three months on remand before being released. He was subsequently convicted and given a two year suspended sentence in January 2010. <p>See Table 11: Prosecutions for Serious Evasion 2009.</p> <ul style="list-style-type: none"> In 2009, there were nine Court convictions for serious customs and excise offences. Three of these convictions were imposed on one individual who received a six month sentence. In three further cases, custodial sentences were imposed, one of which was quashed on appeal in 2010 with a retrial ordered. In another case a two year suspended sentence was imposed. Fines were imposed in the two other cases. At the end of 2009, there were 123 serious tax and duty cases at various stages of the prosecution process. The number of summary 'tax' prosecutions increased in 2009 and nine cases were convicted for offences which included failing to produce books and records, failing to return a statement of affairs and in one case providing a false name and address to a Revenue official. The range of prosecutions was expanded and more than 80 additional cases were examined in 2009 with a view to prosecution. There was a 17% increase in the number of summary 'customs and excise' convictions in 2009. 29 custodial sentences of which 18 were suspended and fines totalling €864,840 were imposed. Temporary Closure Orders involving licensed premises were imposed in 3 alcohol

	<p>related cases and Community Service Orders were imposed in 8 cases. See Table 12: Summary Convictions 2009.</p> <ul style="list-style-type: none"> • A total of 165 convictions were achieved for cigarette related offences. 146 for cigarette smuggling and 19 for illegal selling. • 1083 convictions were secured, resulting in the imposition of fines totalling €2,182,091.00 for the non-filing of Income Tax, Corporation Tax and RCT Returns. See Table 13. • P35 Penalty Programme. The initial sanction imposed by Revenue on a customer for failing to return the P35 on time is the application of a civil penalty. In 2009, civil penalties were imposed in 519 cases to a total value of €1,704,535. • VAT/P35 Prosecution Programme. A vigorous prosecution programme was pursued during 2009. 569 cases were considered for prosecution. A total of 81 cases were successfully prosecuted during the year and fines amounting to €724,535 were imposed. • During 2009, the cumulative total recouped from the major "legacy" investigation projects reached €2.58 billion. Details of the yield from these Investigations are outlined in Table 14. • An investigation into Trusts and Offshore Structures commenced in 2009 and the yield, as at 31 December 2009, was €17.6 million from 94 cases. The examination is continuing and will focus on identifying undeclared tax liabilities by persons who have transferred or settled property, assets or funds to or on trusts, whether Irish or foreign, and other similar offshore structures. • In 2009, 13 of the 144 cases sent forward for prosecution for failure to file Intrastat returns by the due date were convicted by the Courts. Fines totalling €34,555 were imposed. 77 other traders arrived at settlements, and penalties of €125,325 were collected. Of the remaining 54 cases, 12 were adjourned, 21 withdrawn, and 21 are awaiting instructions from Revenue and State Solicitors offices. <p>Civil proceedings for failure to submit VIES returns by the due date were initiated in 44 cases. Penalties totalling €44,080 were collected in 22 cases. Of the remaining 22 cases, 5 were adjourned, 1 withdrawn and 16 are awaiting instructions from Revenue and State Solicitors offices.</p>
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	<ul style="list-style-type: none"> Regulations were made in 2008 and 2009 for the automatic reporting, to Revenue, of interest payments made by financial institutions operating in Ireland. Interest returns for 2008 were due in 2009 and details of 1,439,446 accounts were supplied. In addition, EU institutions, operating in Ireland, filed returns for the years 2005 to 2007 relating to 92,864 accounts. Payments of €55.3 million were received in 2009 from the Interest Reporting Voluntary Disclosure initiative announced in 2008. Total receipts received to date amount to €76.3 million, while the number of individuals to avail of the initiative is 1,214.
2. Increased incentive to disclose tax avoidance transactions	Four Protective Notifications under section 811A of the Taxes Consolidation Act 1997 were received in 2009 and are currently under examination.
3. Redevelop our systems for interest and collection enforcement	<ul style="list-style-type: none"> Process Automation for Interest on Late Payment (PAILP), which was introduced in 2009, automates the process of identifying and presenting to caseworkers suitable cases for charging interest on late payments. This process allows for the automatic production of warning or charge letters, after the cases have been reviewed to establish suitability for the imposition of an interest charge.

TABLE 11: PROSECUTIONS FOR SERIOUS EVASION 2009

During 2009	Tax	Customs	Total
No. of convictions obtained (not including cases where guilty pleas entered or adjourned for sentencing in 2009)	6	9 ⁽¹⁾	15
No. of cases referred to DPP	15	9	24
No. of cases for which DPP issued directions	15	8	23
No. of cases for which DPP issued summonses	7	8	15
Total	43	34	77
At year end	Tax	Customs	Total
No. of ongoing investigations	75	5	80
No. of cases being considered by DPP	4	1	5
No. of cases where directions issued by DPP but not yet in courts process	20	0	20
No. of cases before the Courts	12	5	17
Bench warrants in place	0	1	1
Total	111	12	123

1. Includes one case quashed on appeal in 2010 with a retrial ordered.

TABLE 12: SUMMARY CONVICTIONS 2009

Summary cases	No. of successful convictions
Cigarette Smuggling	140
Cigarette selling	19
Alcohol smuggling	11
Counterfeit Spirits	8
Commercial Oil	6
Marked Mineral Oil	246
VRT	18
Excise Licence	87
Tax Cases	9
VAT non filers	4
Total	548
Total fines imposed	€864,840

TABLE 13: PROSECUTIONS FOR THE NON-FILING OF INCOME TAX, CORPORATION TAX AND RELEVANT CONTRACTS TAX RETURNS

	IT 2009	CT 2009	RCT 2009	IT 2008	CT 2008	RCT 2008
Revenue Solicitor warning letters issued	13,421	1,816	75	11,040	1,481	243
Cases referred for the institution of legal proceedings	2,364	257	8	2,025	129	15
Convictions	1,030	52	1	1,086	45	-

TABLE 14: SPECIAL INVESTIGATIONS

Investigation	Yield in 2009 €m	Cumulative Yield €m	Total Cases
DIRT	-	225.0	25
Bogus Non Resident Accounts	7.7	646.6	12,175
Offshore Assets	18.3	953.4	14,867
Life Assurance Products	12.05	476.2	5,486
Ansbacher	3.21	107.3	139
Moriarty/Mahon	-	41.0	23
NIB	0.19	60.1	312
Interest Reporting	55.3	76.3	1,214
Total	€96.75	€2,585.9	34,241

Goal 2 - Provide quality and innovative service that supports all our customers

Voluntary compliance is greatly helped if business and individuals understand their tax and customs obligations. Revenue has a responsibility to provide clear information, technical support and make the system as user-friendly as possible.

Revenue provides a quality customer service. This is confirmed by feedback we have received, including feedback from surveys. Over the past number of years, Revenue has delivered an innovative range of electronic and other services that gives our customers a variety of ways of interacting with us.

Strategy 2.1 - Help customers pay the right amount and to get their entitlements

Revenue has a responsibility to help our customers, both individuals and businesses, receive their due entitlements and to pay only the right amount of tax and duty.

We strive to be better at explaining how the tax and customs systems work, what tax credits are and how to qualify for them.

We also seek to make it easier for customers to claim their entitlements.

This requires us to develop new and imaginative ways of interacting with customers, for example, giving more tax credits automatically or prompting claims on the basis of information already available to us. Part of this new approach involves providing more customised information and communications.

Output	Result
1. Customers more aware of their entitlements and communication and information dissemination better targeted at individual needs	<ul style="list-style-type: none"> Information posters about the Deposit Interest Retention Tax (DIRT) exemption for over 65s were circulated for display in Banks, Post Offices, Citizens Information offices and Revenue public offices. The number of DIRT exempt accounts now stands at 73,738, an increase of 7% on the 2008 figure. A wide range of PAYE informational/promotional activities took place during 2009. These included Revenue stands at a number of important events, including the National Ploughing Championships, the ISME conference and a number of Trades Union Conferences as well as promotional stands being set up in various shopping centres across the country. Information leaflets on tax credits were available at these events and customers were encouraged to register for the ROS services, including PAYE <i>anytime</i>, to allow them to manage their own tax affairs. Revenue staff visited the premises of many employers on request and provided tax information briefings. In recent years Revenue has run highly successful publicity campaigns encouraging taxpayers to claim their reliefs. The numbers claiming and amounts refunded have almost doubled in the past five years. The publicity campaigns comprised paid-for advertising, provision of information on our website, direct marketing and facilitating journalists to highlight the issue to the general public. In 2009, as well as general advertising, we ran a focussed campaign to help taxpayers to use the PAYE <i>anytime</i> system to obtain P21s (balancing statements) required for education grant applications. Significant changes to Mortgage Interest relief at source [TRS] were introduced in Budget 2009 and the Supplementary Budget that followed. Working with lenders and account holders, Revenue

	<p>implemented the changes in a manner which ensured that mortgage account holders who were entitled to relief under the new rules received it, with the minimum of delay.</p> <ul style="list-style-type: none"> • In March 2009, 96,000 information leaflets on Tax Relief for Medical Expenses and other related claims (with Med 1 claim form insert) were produced and placed in doctors' surgeries. • A booklet, explaining the key areas of PAYE, was issued with the 2009 Tax Credit Certificates. The content was written in an accessible format using simple language which received very positive feedback. • Revenue's Second Irish Language Scheme under the Official Languages Act is close to finalisation and will be introduced by mid 2010. We remain committed to the implementation of the provisions of the Official Languages legislation. This will be achieved incrementally, having regard to the level of demand and resource availability. Approximately 4,000 Revenue customers have indicated their wish to conduct their affairs through Irish. Over 90% of these are PAYE customers. <p>During 2009, An Coimisinéir Teanga instituted two formal investigations of Revenue. The first of these related to the production and circulation of a PAYE information booklet in separate English and Irish versions, rather than in a single, bilingual version. An Coimisinéir later agreed to discontinue this investigation on foot of the receipt by him of certain assurances from Revenue. The second investigation related to the date of implementation of the Irish version of Revenue's redesigned website and the publication of a proportion of Press Releases in Irish. The findings were that Revenue had breached its statutory duty under subsection 18(1) of the 2003 Act in both of these matters. An Coimisinéir made a number of recommendations which Revenue is working at implementing.</p>
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Strategy 2.2 - Make it as easy as possible to do business with us

Making it as easy as possible for our customers to do business with us is essential if we are to maximise voluntary compliance. We help minimise compliance costs, which in turn contributes to the competitiveness of the economy. It is evident from customer feedback, including surveys, that there has been substantial improvement in our service and our contribution to minimising compliance costs over the past number of years. We value such feedback principally as a means of identifying areas of our operations that need more attention.

Customers can help us, and themselves, to be more efficient by using electronic channels where they can.

Output	Result
1. A variety of service and self service channels available to our customers	<ul style="list-style-type: none"> Revenue's Customer Service Standards were reviewed and updated in 2009. They can be viewed on the Revenue website and printed copies are available in all of our public offices. The revised standards were agreed following widespread consultation with external organisations. A new e-Stamping system was launched in December 2009. It enables practitioners to complete the stamping process in a fast and secure way via the Revenue On-Line Service (ROS). Revenue engaged extensively with both the Property Registration Authority and the Law Society during the development and testing of the new system. eStamping brings the potential for cost savings and efficiencies for the public, practitioners and Revenue. With effect from 1 January, 2009 a new system was introduced where certain large taxpayers are required to submit returns and payments electronically using Revenue's On-line Service (ROS). <p>The first phase involved 7,500 group companies whose tax affairs are dealt with in our Large Cases Division. In addition, the commercial semi-State bodies whose tax affairs are also dealt with in Large Cases Division were included, as were Government Departments and certain other named Government Offices. Revenue has provided a dedicated Helpdesk for these customers to support them during the transition to e-filing/e-payment.</p> <p>Phase Two of Mandatory e-Filing came into effect on 1 January 2010 and extended the mandatory provisions for e-filing and paying on ROS to various public bodies, local authorities and state agencies and other 'large' companies. In 2009 Revenue formally notified all relevant customers about the commencement of mandatory electronic filing and paying and provided detailed information about the impact of the regulations and of the assistance and support that was available to help customers prepare for the January 2010 deadline.</p>

	<ul style="list-style-type: none"> By the end of 2009, a total of 497,502 customers had registered for our on-line 'PAYE <i>anytime</i>' service, an increase of over 55% on 2008. There were 669,617 transactions through the service in 2009, up almost 41% on the previous year. During 2009, 280,247 customers used this service. This was 12% higher than the target set of 250,000 users of PAYE self-service channels by the end of 2009. See Table 16: PAYE <i>anytime</i> Services. <p>This service was enhanced to conform to Level AA of the Web Content Accessibility Guidelines 2.0 - an internationally recognised benchmark of accessibility. New easy-to-use features were also introduced, including a visual tour of the options available.</p> <ul style="list-style-type: none"> Revenue has released the first of a planned range of complementary mobile phone options, a Health Expenses application, which allows customers record their expenses as they are incurred and then submit a total claim through PAYE <i>anytime</i> at the end of the year. An iPhone version is available with Windows Mobile and Java versions scheduled to follow. Our 1890 telephone service was used by just over 2 million callers with a call answering rate of 88%. In 2009, almost 600 queries were submitted to the Revenue Technical Service, of which 73% were dealt with by a Revenue technical expert. The remainder were either dealt with at local or district level or were returned to the correspondent. During 2009, Revenue put in place systems to facilitate the introduction of a new EU-wide electronic VAT refund procedure to take effect from 1 January 2010. Irish traders can now seek repayments of VAT from other Member States through Revenue's On-Line Service (ROS). The repayments are paid directly to traders' accounts via electronic file transfer. To comply with new EU legislation, Revenue's system for VAT Information Exchange (VIES) was updated to allow the capture of details in respect of services as well as goods. Monthly returns are also facilitated in certain instances.
<p>2. An up-to-date tax and customs system that is simplified, responsive and which minimises compliance costs</p>	<ul style="list-style-type: none"> Revenue Customs' Automated Entry Processing (AEP) system operates on a 24/7 basis automatically processing and validating customs declarations. This provides a simplified and paperless environment for traders to operate import and export procedures. In 2009, AEP processed 0.78 million import and export customs declarations and collected €1.36 billion in duties and taxes.

	<ul style="list-style-type: none"> • In May 2009, Revenue published a consultation document seeking the views of practitioners and other interested parties on a number of proposals to simplify the administration and collection of Capital Acquisitions Tax (CAT). The submissions contributed to the development of new business processes to modernise and simplify CAT administration and collection, and to legislative changes that were given effect by the Finance Act 2010. • During the year, new business procedures were devised to address Vehicle Registrations Tax measures introduced in the Finance (No. 2) Act, 2008. Negotiations with the external company, Applus+, for the provision of required services were concluded successfully. The related system developments were designed, tested and implemented. These are now in place awaiting the commencement of the Applus+ operations. The existing systems were enhanced to implement the 'scrappage scheme' announced in the 2010 Budget. • All oil traders were informed as to the Carbon Tax requirements post-2009 and of the changes required to their accounting to facilitate the new tax regime. Each oil warehouse put the necessary procedures in place and were ready to account for the new Carbon Tax in their respective areas. • Revenue achieved a fully integrated tax assessing and collection process during 2009 when the Corporation Tax Assessing System was incorporated into our Integrated Taxation Services system. Customer Service staff now have all Corporation Tax assessing and collection data available within a single system, facilitating faster responses to customer queries. • Revenue played an active role in the High Level Group on Business Regulation, progressing a number of cross-Departmental projects in 2009. These included the provision of an authentication service to the Companies Registration Office (CRO) enabling it to broaden the base of companies that can sign and submit documentation electronically. In addition, the Central Statistics Office (CSO) concluded an examination of the statistical potential of taxation, duty and trade data collected by Revenue and published a report in February 2009. Revenue has progressed a number of recommendations contained in the report. Recognising that enhanced data co-operation between the two offices to minimise duplication in data submission has the potential to reduce the administrative burden on businesses, a Memorandum of Understanding between Revenue and the CSO was signed in July 2009.
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	<ul style="list-style-type: none"> • Revenue progressed work associated with the Government's 25% administrative burden reduction agenda. A consultation exercise was conducted to identify obligations associated with what are regarded as the most burdensome Revenue regulations. Identified areas will be prioritised for a measurement exercise in 2010 in line with Department of Enterprise, Trade and Employment guidelines. • Revenue continued to run, as part of a Customer Service PAYE Simplification initiative, an automated PAYE tax refund scheme in respect of qualifying drug expenditure incurred which hadn't already been claimed. In 2009 there were 56,133 refunds with a value of €9.6 million issued under this scheme. • There were 1,576 automatic refunds of tax valued at almost €760,000 made in 2009 in respect of tuition fees paid for approved third level college courses. • Building on the introduction of a national register for Excise Licenses in 2008, a second phase has provided a fully automated system for processing these licenses giving internal resource savings and better customer service. • Revenue's Lean Six Sigma review was rolled out on a national pilot basis towards the end of 2009. This has resulted in a significant reduction in the average lead-time for assessed tax refunds with immediate improvements seen towards the end of 2009. In the first two months of 2010, approximately 95% of IT refunds and 75% of CT refunds were processed within the 10-day Customer Service Standard. The full benefits of this review will be seen more clearly during 2010. • In 2009, at the request of the Chief Justice, Revenue put in place arrangements to facilitate voluntary payments by members of the Judiciary in the context of the pension-related deduction scheme for public servants. By the 31 December 2009, 109 judges had paid or made arrangements to make voluntary payments under these arrangements. Payments amounting to just over €652,000 had been received by that date. In addition, commitments via standing orders, etc, which amounted to €56,800 per month, had been given.
<p>3. Compliance encouraged through more and better engagement with intermediaries and other stakeholders</p>	<ul style="list-style-type: none"> • Continuing our programme of customer surveys, Revenue carried out a postal survey of approximately two thousand small and medium-sized enterprises. The purpose of the survey was to gather information in relation to usage and satisfaction with Revenue customer service; the factors that influence taxpayer compliance; and difficulties encountered paying taxes in the

	<p>preceding year.</p> <p>High satisfaction levels were expressed, with more than 87% of respondents either very satisfied or satisfied with our customer service.</p> <p>Approximately 22% of respondents indicated that they had encountered difficulties paying tax on time and/or in full in the year prior to the survey.</p> <ul style="list-style-type: none"> • The Customs Consultative Committee is the forum for Revenue and trade representative organisations to discuss issues of mutual interest affecting the customs treatment of imports and exports. The Committee met regularly in 2009. The views of the Committee were sought on a number of important issues, including the Authorised Economic Operator Programme, the Electronic Customs Programme, the consolidated Customs Bill and the modernisation of the Community Customs Code. • Tax Administration Liaison Committee (TALC) is a forum for Revenue and organisations representing tax practitioners to meet and discuss issues relating to the administration of the tax system. The work of main TALC is supported by six sub-committees, which deal with specific areas of tax administration. <p>Six meetings of the group were held in 2009 and items discussed included the new e-stamping system, Revenue technical services for practitioners and administrative and interpretive issues arising from the Budget and the publication of the 2009 Finance Act.</p>
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TABLE 15: ELECTRONIC RETURNS 2009 v 2008

	2009	2008	% increase
VAT 3	526,774	501,037	5.13%
Employers' Monthly PAYE Returns - Form P30	494,559	499,587	-1%
Employers' Annual PAYE Returns - Form P35	143,080	128,896	11.00%
Cessation Certificate - Form P45	441,349	515,198	-14.33%
Income Tax Self Assessment Returns - Form 11	382,135	367,258	4.05%
Corporation Tax Self Assessment Returns - Form CT1	117,801	107,234	9.85%
Vehicle Registration Tax (VRT) Registrations	62,493	181,538	-65.58%
Relevant Contracts Tax - Form C30	201,265	192,752	4.42%
Relevant Contracts Tax - Form C35	19,103	16,252	17.54%
Customs Declarations	781,279	953,922	-18.10%
Total No of all ROS Returns	3,169,838	3,463,674	-8.48%

CHART 3: E-FILING V TOTAL FILING IN 2009

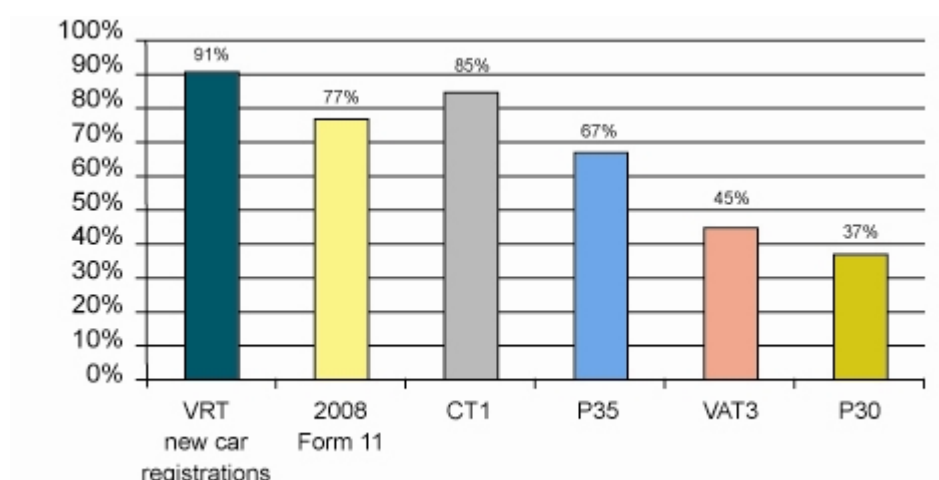


TABLE 16: 'PAYE ANYTIME' SERVICES

	2009	2008	% increase
Credits	262,726	155,543	69%
Reviews	74,091	31,141	138%
Profile/Pay & Tax/Address change	277,483	207,863	33%
Forms and Leaflets (web)	55,317	81,124	-32%
Total	669,617	475,671	41%
Registrations	497,502	320,041	55%
Users (Distinct PPSNs)	211,976	183,193	16%

TABLE 17: PAYMENT TRANSACTIONS IN ROS

	2009	2008	% Increase
No of Payment Transactions	638,786	653,517	-2.25%
Value of ROS Payments	€25.51 billion	€21.7 billion	17.55%

TABLE 18: VOLUME OF BUSINESS 2009

	Volume in 2009	Volume in 2008	% +/- 2009/2008
PAYE Employments	2,496,762	2,591,042	-3.64%
Self Assessment (Income Tax)	601,083	597,938	+0.53%
Companies	155,820	154,621	+0.78%
VAT Registrations	276,792	287,406	-3.69%
Contacts			
Personal Callers	1,068,926	1,142,167	-6.41%
Telephone Callers Includes 1890 calls:	4,003,765	4,863,287	-17.67%
Visits to the Revenue website (www.revenue.ie)	11,604,785	11,179,798	+3.80%
Items processed			
Correspondence	3,153,329	3,341,303	-5.63%
PAYE Employee Reviews	1,418,283	1,282,394	+10.60%
PAYE Returns	92,793	102,101	-9.12%
Income Tax Returns	533,196	493,306	+8.09%
Income Tax Repayments	244,630	216,917	+12.78%
Corporation Tax Returns	138,932	139,546	-0.44%
Corporation Tax Repayments	36,418	28,538	+27.61%
VAT claims received	385,749	343,967	+12.15%
Payments received by Collector General	3,983,711	4,397,822	-9.42%
P35 Returns	238,375 ⁽¹⁾	234,434	+1.68%
VAT3 Returns	1,170,991	1,232,698	-5.01%
RCT35 Returns	43,944	45,869	-4.20%
RCT30 Returns	531,533	571,084	-6.93%
Capital Gains Tax Returns	46,892	55,365 ⁽²⁾	-15.30%
Environmental Levy Returns	10,912	13,743	-20.60%
CG50s (Applications for Clearance Certificates)	2,249	6,217	-63.82%
C2s (Sub-contractor certificates) issued	20,005	23,705	-15.61%
Relevant Contracts Tax (RCT) Repayments	143,530	208,018	-31.00%
RCT47s (Payment card authorisations) issued	212,207	274,600	-22.72%
Dividend Withholding Tax (DWT) Returns	6,815	6,341	+7.48%
DWT - Distributions to Individual Shareholders	361,615	1,067,632	-66.13%
Tax Clearance Certificates issued	167,527	185,575	-9.73%
Claims repaid to non-residents	11,295	19,359	-41.66%
Exemptions granted to charitable/sporting bodies	481	513	-6.24%
Customs & Excise Declarations	779,247	963,198	-19.09%
Intrastat Declarations	105,263	112,727	-6.62%
VIES declarations	36,949	38,059	-2.92%
New vehicles registered	72,429	195,743	-63.00%

Second-hand vehicles registered	76,740	90,808	-15.49%
Inland Revenue Affidavits	19,218	23,748	-19.08%
Gift/Inheritance and Discretionary Tax Returns	27,524	28,069	-1.94%
Capital Acquisition Tax Certificates of Discharge	33,306	35,407	-5.93%
Returns in relation to Companies Capital Duty and Composition Duty and Levies	2,331	2,130	+9.44%
Instruments presented for marking and stamping	111,627	171,205	-34.80%
CREST refund claims received	23,336	46,865	-50.21%

1. *Includes all P35 Returns (original, supplementary and amended). In previous years this entry excluded supplementary and amended returns. Figures computed on previous basis as follows: 213,831(2008); 215,334 (2009); + 1.68%.*
2. *This figure replaces an erroneous figure of 28,247 which appeared under this heading in last year's report*

TABLE 19: CUSTOMER SERVICE STANDARDS AND RESULTS

Service	Standard	Results 2009	Results 2008
Complaints	Processed impartially within 20 working days	100%	100%
Telephone Service*	PAYE 1890 calls (answered)	88%	88%
	Other calls answered within 30 seconds	82%	73%
Registrations *	VAT 100% within 10 working days	96%	96%
	Other 100% within 5 working days	96%	94%
Returns, Declarations Applications	ROS 100% within 5 working days	97%	95%
	Non ROS 80% processed within 10 working days	IT 14% CT 46% Other 95%	IT 20% CT 39% Other 97%
	Non ROS: 100% processed within 20 working days:	IT 24% CT 77% Other 98%	IT 37% CT 76% Other 98%
	AEP Immediate Response	100%	Immediate Response
Repayments	Non-ROS 80% processed within 10 working days	87%	64%
	Non-ROS 100% processed within 20 working days	95%	84%
	ROS 100% within 5 working days	IT 87% CT 47%	IT 76% CT 35%
Correspondence, e-mail, fax *	80% processed within 20 working days	82%	94%
Applications for Tax Clearance Certificates *	100% processed within 6 working days	91%	89%
Application for Non-Resident Tax Clearance Certificates	100% processed within 6 working days	85%	100%
Applications for Standards in Public Office Tax Clearance Certificates	100% processed within 6 working days	100%	100%

* The results for 2009 in the above table in respect of these services (covers the period January to August 2009 only). Following a review of our Customer Service Standards in 2009 the table below provides results for the remainder of the year.

TABLE 19A: CUSTOMER SERVICE STANDARDS AND RESULTS

Service	New Standard	Results Sept – Dec 2009
Telephone Service	PAYE 1890 calls: 50% within 30 secs 85% within 3 mins 100% within 5 mins	56% within 30 secs 85% within 3 mins 94% within 5 mins
	Other calls answered: 50% within 30 secs 85% within 3 mins 100% within 5 mins	52% within 30 secs 78% within 3 mins 88% within 5 mins
Registrations	PAYE Customers registering for PAYE <i>anytime</i> , passwords will be issued within 5 working days by ordinary post	91%
	Business customers registering for ROS, passwords will normally be issued within 8 working days by ordinary post	100%
	Business customers registering for secure email, passwords will normally be issued within 3 working days by ordinary post	100%
Correspondence, e-mail, fax	50% 10 days 85% 20 days 100% 30 days	93% 10 days 98% 20 days 99% 30 days
Applications for Tax Clearance Certificates	100% processed within 5 working days	81%

Goal 3 - Contribute to economic and social development by participating effectively both Nationally and Internationally

Revenue's primary responsibility to the community is to collect taxes and duties and enforce tax and customs laws. Revenue also has a wider role in contributing to Ireland's economic and social development, particularly in creating an environment that promotes economic growth, encourages investment and improves competitiveness.

Of course, tax and customs systems that are fair, responsive and efficient are, themselves, key ingredients in ensuring economic success and international competitiveness, and Revenue has a key role in providing advice to the Department of Finance on changes to the tax system in the Budget and Finance Bill.

Revenue works with other Departments and agencies to implement Government programmes and contributes actively to a very wide range of national fora.

On the international front, Revenue negotiates double taxation treaties, which are vital to our international competitiveness and inward investment, and we contribute to the development of tax and customs policies and legislation at the EU, the OECD and the World Customs Organisation (WCO). Our objective in this area is to make a positive impact and contribution at national and international level to the implementation of Government policy and programmes.

Strategy 3.1 - Effective contribution to economic and social issues by active participation in Government programmes

Revenue continues to play an active role in a wide range of Government and cross-Departmental activities. In particular, we work closely with the Department of Finance in the development of the Budget and the Finance Acts.

We co-operate closely with An Garda Síochána, the Criminal Assets Bureau, the Naval Service and the Air Corps in the fight against illicit drug smuggling and organised crime.

We also carry out a wide range of “agency” tasks on behalf of other State bodies. These include the collection of PRSI, health levies and the Environment Levy on plastic bags. Our Customs service is closely involved with the implementation of the Common Agricultural Policy, and with preventing the importation of prohibited, restricted or counterfeit goods.

Output	Result
1. Effective tax and customs legislation	<ul style="list-style-type: none"> Revenue provided advice and support to the Department of Finance on a broad range of measures which were contained in the Finance Act 2009. These include: <ul style="list-style-type: none"> The amendment of the VAT on property legislation to counter tax avoidance involving misuse of a provision, which was meant to prevent double taxation, so as to achieve an indefinite deferral of VAT liabilities that would otherwise arise on the sale of property. The amendment of the VAT Act to provide for a reverse charge mechanism where the National Asset Management Agency (NAMA) or a NAMA entity acquires property. A 1% stamp duty levy on life assurance policies was introduced by in the Finance Act 2009. The stamp duty is imposed on insurers and arrangements have been put in place by Revenue to ensure the efficient collection of the amounts due. The rate of Capital Gains Tax was increased from 22% to 25% as respects disposals made on or after the date of the Supplementary Budget (8 April 2009). The rate of Capital Acquisitions Tax was increased from 22% to 25% and the class thresholds were reduced with effect from the date of the Supplementary Budget (8 April 2009). The rate of interest charged on overdue tax was reduced, in the case of the fiduciary taxes (these include VAT, PAYE/PRSI, DIRT, RCT, Dividend Withholding Tax, etc), from 0.0322% per day (broadly 12% per annum) to 0.0274% per day (broadly 10% per annum) a

	<p>reduction of some 16% and, in the case of the other taxes, from 0.0273% per day (broadly 10% per annum) to 0.0219% per day (broadly 8% per annum) a reduction of some 20%.</p> <ul style="list-style-type: none"> Revenue provided advice and draft legislation for the Department of Finance on various tax related provisions for the National Asset Management Agency Act 2009. In particular, legislation was included in the Act restricting the offset of trading losses carried forward from previous accounting periods to 50% of participating banks' trading income in any accounting period. The measure seeks to ensure that, on return to profitability, a minimum of 50% of the banks' trading income will remain chargeable to tax in an accounting period notwithstanding claims for relief in respect of losses carried forward from previous accounting periods. <p>A further measure included in the National Asset Management Agency Act 2009 involved the introduction of an 80% rate of tax on that part of the profits or gains arising on a disposal of land which is attributable to a rezoning decision where the disposal and the rezoning occur on or after 30 October 2009.</p> <ul style="list-style-type: none"> A new Income Levy was introduced with effect from 1 January 2009, chargeable at progressive rates on an individual's aggregate income from all sources before any tax reliefs, capital allowances, losses or pension contributions. Significant mid-year changes to the Income Levy, including increases in the rates of levy, were announced in the April Supplementary Budget and legislated for in the Finance Act 2009 with effect from 1 May 2009. <p>A comprehensive Guidance Document on the levy was published on the Revenue website and updated to take account of changes made.</p> <ul style="list-style-type: none"> Statutory Instrument No. 134 of 2009 was made to provide regulations for the administration of Air Travel Tax (ATT). Statutory Instrument No. 476 of 2009 (Stamp Duty (e-Stamping of Instruments) Regulations 2009) was made by the Revenue Commissioners for the purposes of commencing the e-stamping system on 30 December 2009 and for setting out certain requirements in relation to the operation of e-stamping. Statutory Instrument No. 573 of 2009 entitled "Income Tax (Employments) Regulations 2009" was made by the Revenue Commissioners to facilitate administrative efficiencies and to cater for greater use of information technology
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	<p>developments by allowing for Notices of Determination of Tax Credits and Standard Rate Cut-Off Point (SCORP) to be made available on Revenue's on-line "PAYE <i>anytime</i>" services or sent by hard copy to taxpayers on request with effect from the 2010 tax year and also to ease payroll difficulties relating to applying PAYE to arrears of pay.</p> <ul style="list-style-type: none"> • The VAT Regulations 2006 in relation to VIES statements and the refund system for foreign traders were amended by means of Statutory Instrument. The Instrument also amended the rules governing both bad debt relief and the issuing of invoices in relation to second-hand means of transport sold in the transitional period (1 January 2010 and 30 June 2010) for the introduction of a margin scheme of taxation in respect of such transport. • The travel agent's margin scheme for Value-Added Tax was enacted in Finance (No. 2) Act 2008 and came into effect on 1 January 2010. Extensive consultation took place with travel agents' associations and practitioners and other interested parties during 2009. Following these consultations Commissioners' Regulations Statutory Instrument No. 289 of 2009 Value-Added Tax (Amendment) Regulations 2009 concerning simplified accounting arrangements were made in July 2009. A detailed information leaflet on the scheme was issued in September 2009. • During 2009 Revenue completed the first phase in the preparation of a new, consolidated VAT Act. This involved publication of draft text, on which public comments were invited. • In 2009 work continued on the preparation of a consolidated Customs Bill with a view to enactment in 2010. • A considerable amount of tax-related legislation was enacted in Acts other than the usual Finance Act. This included: <ul style="list-style-type: none"> ○ Financial Emergency Measures in the Public Interest Act 2009 (tax relief for pension-related deduction). ○ Charities Act 2009 (exchange of information with Charities Regulator). ○ Nursing Homes Support Scheme Act 2009 (tax exemption for certain payments). ○ European Parliament (Irish Constituency Members) Act 2009 (tax treatment of salaries of Irish MEPs).
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	<ul style="list-style-type: none"> ○ Housing (Miscellaneous Provisions) Act 2009 (disclosure of information to Revenue by Private Residential Tenancies Board (PRTB)). ○ Oireachtas (Allowances to Members) and Ministerial and Parliamentary Offices Act 2009 (tax treatment of Oireachtas allowances). ○ Local Government (Charges) Act 2009 exchange of information between Revenue and Local Authorities in respect of second homes. <ul style="list-style-type: none"> • A new age-related tax credit in respect of private health insurance premiums paid in respect of insured persons aged 50 years and over, and an annual health insurance levy payable by health insurance companies in respect of insurance policies underwritten by them was introduced in the Health Insurance (Miscellaneous Provisions) Act 2009. • The 20% incentive rate of tax on income and profits or gains arising from dealing in residential development land was abolished with effect from 2009 and new rules were introduced for the treatment of losses arising from such activities. Following the abolition, in the case of individuals, income from dealing in residential developing land will be taxed under normal income tax rules whilst the profits or gains of companies from dealing in residential development land will be taxed at the 25% rate of corporation tax which applies to dealing in land. • The Criminal Justice (Surveillance) Act 2009 makes provision for use of surveillance by Revenue in respect of suspected arrestable offences (offences carrying a penalty of 5 years or more) under customs and taxes legislation, e.g. cases of serious evasion of customs duty, excise duty, VAT fraud, oil laundering and cigarette and drug smuggling. The Act was introduced to provide for judicial and procedural safeguards in respect of surveillance carried out by the Gardaí, Defence Forces and Revenue officers.
2. National programmes and other initiatives that reflect Revenue's input	<ul style="list-style-type: none"> • Revenue participated in the inter-Departmental Group which was established to examine options for a shared services approach in the payroll and finance functions of Departments and Agencies. The Group produced reports for the Secretaries General Steering Group and the 'Transforming the Public Service Cabinet Committee on Shared Services'. The initial focus was on the development of shared services between Local Authorities. Proposals will be developed for extending shared services to other sectors.

	<ul style="list-style-type: none"> • In 2009 Revenue continued to work with the Department of Justice, Equality and Law Reform to ensure that Revenue requirements are included in relevant legislation. Among the issues considered were the Criminal Justice (Surveillance) Act, 2009; the Communications (Retention of Data) Bill, 2009; Europol Council Decision and other initiatives aimed at simplifying the exchange of information between law enforcement agencies in the EU. • Revenue and the Department of Finance provided technical assistance to the Commission on Taxation and also assisted with the costing of proposals. • Revenue is committed to supporting the Government's National Drugs Strategy for 2009 – 2016 as a member of the Oversight Forum on Drugs. Revenue has assigned an officer to work in the Office of the Minister for Drugs. • Revenue actively works with the Department of Social and Family Affairs (DSFA) and the National Employment Rights Authority (NERA) to combat tax and social welfare fraud and to monitor employment rights compliance through Joint Investigation Units (JIUs). Apart from the large annual central data exchanges, information is shared on individual cases daily between the three areas. In 2009, Revenue JIU officers carried out over 5,500 interventions, of which 1,572 were outdoor operations. 22% of the outdoor operations were with DSFA and/or NERA. The outcomes for Revenue included registering over 500 new cases, re-classifying a further 442 and collecting €2.7 million. <p>Furthermore, a new High Level DSFA/Revenue Liaison Group was established, in late 2009, to oversee other joint initiatives in tackling the shadow economy and the management of exchanges of data and information sharing to combat fraud.</p> <ul style="list-style-type: none"> • Revenue and the Department of Community, Rural and Gaeltacht Affairs advanced work during the year to facilitate the implementation of the main provisions of the Charities Act 2009 in a way that will minimise duplication of effort between Revenue and the new Regulator and eliminate any undue compliance burden on the charitable sector.
<p>3. Customs activities that facilitate legitimate trade to the greatest extent possible consistent with our security and anti-smuggling responsibilities</p>	<ul style="list-style-type: none"> • The trade facilitation programme known as the Authorised Economic Operator Programme (AEO) was introduced with effect from 1st January 2008 as part of a series of measures introduced by the EU to protect the international supply chain. During 2009 a further 21 AEO certificates were issued bringing the total to 35 issued to Irish traders.

	<ul style="list-style-type: none"> • Implementation of the Multi Annual Strategy Programme (MASP) for Customs continued with the second phase of the Export Control System and the introduction of the Economic Operator System (including the Authorised Economic Operator scheme) in July 2009. Both are mandatory EU systems intended to increase the safety and security of the supply chain and will be further enhanced with the release of the Import Control System and associated Risk Profiling in June 2010. • Revenue and the Central Statistics Office (CSO) developed a series of questions for inclusion in the Quarterly National Household Survey (QNHS) in Quarter 2 2009 with a view to developing a more definitive measure of loss in tax revenue to the exchequer due to cross border shopping. The 2009 results published by the CSO indicate that the total household expenditure on shopping in Northern Ireland in the year to July 2009 was €435 million. Revenue estimates that this resulted in a loss of €81 million to the Irish exchequer over that period.
4. Effective provision of agency services on behalf of other Departments and Offices	<ul style="list-style-type: none"> • Revenue provided extensive advice to the Department of Finance on a range of proposals in preparation for both the April Supplementary Budget and the 2010 Budget. Considerable work was successfully undertaken in drafting legislation for the Finance Act 2009 and work commenced on the drafting of the 2010 Finance Bill. • Revenue collects PRSI on behalf of the Department of Social and Family Affairs and Health Contributions on behalf of the Department of Health and Children. The amounts collected and paid over by Revenue to those Departments in 2009 were: <ul style="list-style-type: none"> ○ Net PRSI and Health Contributions from employers/employees €8.911 billion. ○ Net PRSI and Health Contributions from the self-employed €296 million. • Revenue also provides a daily print and mail service for the Department of Social and Family Affairs. In 2009, a total of 728,993 filled envelopes were issued on their behalf. • The environmental levy collected by Revenue, in 2009, on behalf of the Department of the Environment, Heritage and Local Government was €24,094,667. • Under the Nursing Homes Support Scheme Act 2009 Revenue have responsibility for the collection of monies due to the Health Services

	<p>Executive in relation to ancillary State support (nursing home loan) advanced to a person under that Act. The Nursing Home Support Scheme (Collection and Recovery of Repayable Amounts) Regulations 2009 (S.I. No. 436 2009) govern Revenue's agency role in that regard.</p> <ul style="list-style-type: none"> • Revenue provides a computer hosting service on behalf of Government Departments and Public Sector agencies. In 2009 hosting services were provided for the following: <ul style="list-style-type: none"> ○ Department of Finance ○ Department of Transport ○ Department of Education and Science ○ Public Appointments Service ○ Department of Environment, Heritage and Local Government <p>Revenue has extensively reengineered its primary Data Centre and is set to extend this service significantly in 2010.</p>
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Strategy 3.2 - Active participation internationally with a view to increasing Tax and Customs cooperation

The growth in international trade and investments, globalisation, the use of tax havens, cross-border eCommerce, cross-border tax fraud, the smuggling of illicit drugs and border security concerns all present major challenges to Ireland in terms of developing appropriate responses.

Revenue plays an active role in developing appropriate responses to these challenges. In particular, greater international cooperation between tax and customs administrations is an essential part of any response to tackling cross-border tax and customs related criminality. Revenue continues to work towards fostering and developing greater international co-operation in these areas.

We continue to negotiate double taxation treaties and contribute to the development of tax and customs policies and legislation at the EU, the OECD and the World Customs Organisation (WCO). In doing so, we are conscious of the need to promote Ireland as a location for inward investment and to ensure that the right balance is struck between security concerns and trade facilitation.

Output	Result
1. EU policy proposals and legislation that reflects Irish interests to the greatest possible extent	<ul style="list-style-type: none"> New Regulations were signed by the Minister for Finance to give effect to new EU legislation on VAT. The VAT package consists of three EU VAT Directives dealing with: <ul style="list-style-type: none"> Changes to the place of supply of services. A new regime for the intra-Community refunds of VAT which allows Irish traders seek repayments of VAT from other Member States through ROS. The requirement for summarised (VIES) statements for intra-Community supplies of services and the requirement for monthly VIES statements for goods. <p>These changes are operative from 1 January 2010. Following extensive consultation at EU and national level a detailed information leaflet outlining the new place of supply of services rules and how they apply from 1 January 2010 was published.</p> Following consultation between Revenue and the Department of Agriculture, Fisheries and Food, regulations were drafted implementing Council Directive 2008/55/EC on mutual assistance for the recovery of claims relating to certain duties, taxes, agricultural levies and other measures. The Minister for Finance signed the regulations into law in August 2009. Revenue together with Department of Finance were involved in discussions at EU level to amend and update (i) EU Directive 77/799/EEC concerning mutual assistance in the field of direct taxation (ii) EU Directive 16/308/EC concerning

	<p>mutual assistance for recovery of claims.</p> <ul style="list-style-type: none"> • The new "modernised" Community Customs Code updates and simplifies existing EU Customs legislation. The basic building blocks for the new Code (the Council Regulation) have been adopted and work is now concentrating on the implementing Regulation. • The European Commission adopted a proposal in November 2008 to amend the EU Taxation of Savings Directive with a view to closing existing loopholes and eliminating tax evasion. Revenue and the Department of Finance continue to contribute to the development of this proposal, which seeks to better ensure the taxation of interest payments channelled through intermediate tax-exempted structures and to extend its scope to similar income obtained on other financial products, including certain life insurance products.
2. Exert influence at the OECD, the WCO and other international policy-making organisations in line with Government policy	<ul style="list-style-type: none"> • Revenue continued to participate at meetings of the OECD Committee on Fiscal Affairs (CFA) and its various working groups. These include groups examining tax treaties, tax policy and statistics, transfer pricing, tax avoidance and evasion, consumption taxes and the Forum on Harmful Tax Practice (including its steering group). • Revenue is also a member of the OECD's Forum on Tax Administration (FTA) and the FTA Bureau. The FTA's vision, developed in May 2009, is to create a forum at which tax administrators can identify, discuss and influence relevant global trends and develop new ideas to enhance tax administration around the world. Associated with this, Revenue participated in a number of projects examining priority areas of interest to international tax administrations. • Revenue also contributed to various studies by the OECD's Large Taxpayer Compliance Management Group and the Large Taxpayer Treatment and Audit Working Group of the Intra-European Organisation of Tax Administrations. • Revenue together with the Department of Finance is contributing to a newly established Group working under the auspices of the Global Forum on Transparency and Exchange of Information. The Group is directing a peer review of all members of the Global Forum (including Ireland) to ensure they meet the current OECD standard on transparency and exchange of information. • Revenue chaired an OECD Pilot Group on Improving Procedures for Tax Relief for Cross-Border Investors. The Group, comprising both Government and business representatives, produced a standardised package of documentation to implement the recommendations

	<p>of two earlier OECD reports on improving cross-border tax claim procedures for portfolio investment income and also, more specifically, with granting tax treaty benefits to the income of collective investment vehicles. The EU Commission participated in the OECD work and it released a Recommendation on 19 October 2009 along the same lines as proposed in the OECD reports. The Irish Dividend Withholding Tax (DWT) System has been identified as one that already delivers many of the features advocated by OECD and EU.</p> <ul style="list-style-type: none"> • Revenue was involved in updating the Joint Council of Europe/OECD Convention on mutual administrative assistance in tax matters. This multi-lateral Convention provides for exchange of information and assistance in collection and service of documents. • Revenue continues to play an active role in the World Customs Organisation (WCO). In June 2009, Ireland completed a successful two-year term as Head of the Europe Region and as Vice-Chair of the WCO. For the past three years, Ireland served as a member of the WCO Policy Commission and currently represents the Europe Region on the WCO Audit Committee. • Revenue participated in an OECD Focus Group of 14 countries which published its report in 2009 titled 'Engaging with High Net Worth Individuals on Tax Compliance'. The work involved extensive consultation with the private sector including a public consultation at OECD headquarters and national consultations held by a number of the tax administrations including Ireland. These consultations informed the work of the group. • Revenue is also represented on the UN Committee of Experts on International Cooperation in Tax Matters. • Revenue's Liaison officers assigned to the Maritime Analysis and Operations Centre-Narcotics, in Lisbon and to Europol in The Hague continue to assist in the fight against drug trafficking and organised crime.
<p>3. An extended and modernised network of double taxation treaties and other international agreements that facilitates investment, international trade in goods and services, and supports the fight against tax evasion and other trans-national crime</p>	<ul style="list-style-type: none"> • By the end of 2009 Ireland had signed comprehensive double taxation agreements with 56 countries, of which 48 are in effect. The agreements cover direct taxes, which in the case of Ireland are Income Tax, Corporation Tax and Capital Gains Tax. Details of the treaty activity for 2009 are as follows: <ul style="list-style-type: none"> ○ 2 new treaties came into effect with Chile and Vietnam. A further 2 new treaties with the Former Yugoslav Republic of

	<p>Macedonia and Malta came into force and are effective from 1st January 2010.</p> <ul style="list-style-type: none"> ○ 7 treaties were concluded and signed with the following countries: Albania, Bahrain, Belarus, Bosnia-Herzegovina, Georgia, Moldova and Serbia. ○ Negotiations for a further 6 treaties with Armenia, Kuwait, Montenegro, Morocco, Saudi Arabia and UAE were concluded and are awaiting signature. ○ Protocols amending the exchange of information provisions in the existing treaties with Austria and Malaysia were signed, while negotiations commenced for a similar protocol with Belgium. ○ Negotiations for a new tax treaty with Hong Kong commenced in October and is expected to be signed in early 2010. ○ Negotiations for new tax treaties with other countries were progressed, including with Singapore, which is expected to be finalised in early 2010. ○ 13 Tax Information Exchange Agreements (TIEAs) were negotiated and signed with: Anguilla, Antigua and Barbuda, Bermuda, British Virgin Islands, Cayman Islands, Cook Islands, Gibraltar, Guernsey, Jersey, Liechtenstein, Samoa, St Vincent and the Grenadines, and Turks and Caicos Islands. ○ Negotiations for a TIEA with St Lucia were concluded and will be signed in early 2010. ○ TIEA negotiations were commenced and are continuing with the Bahamas, Dominica and the Marshall Islands.
4. Technical assistance to be provided to other tax and customs administrations and other bodies (OECD, WCO, etc.)	<ul style="list-style-type: none"> • As part of International co-operation Revenue continues to play a vital role in fiscal investigations involving cross-border fraud. Details of requests received and issued, under the various Mutual Assistance Conventions, Double Taxation Treaties, Directives, Protocols and Regulations are shown in Table 20: Mutual Assistance Requests. • During 2009, under the Customs 2013 Programme, Revenue hosted 14 incoming working visits from Customs officials from various Member States on a wide range of topics including risk analysis, audit, origin verification, post clearance control, AEO, eCustoms and dog handling.

	<ul style="list-style-type: none"> Revenue continued to participate in the Fiscalis Exchange Programme. There were 28 Inward and 27 Outward Exchanges in 2009. In 2009, Revenue participated in a Multilateral Control Platform (MLC) initiated by the United Kingdom. MLC is a body established to improve the quality, efficiency and effectiveness of multilateral controls.
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TABLE 20: MUTUAL ASSISTANCE REQUESTS

Mutual Assistance Request	Received 2009	Received 2008	Sent 2009	Sent 2008
From/to EU Member States	2,904*	3,376	413	1,830
From/to other countries	12	24	4	15
Total	2,916	3,400	417	1,845
Europol Requests	216	-	52	-

**Includes 1,339 requests received under Operation Danu, an international maritime operation coordinated by Ireland.*

Goal 4 - Develop our people, processes and technology to make sure we are a capable, responsive results-oriented organisation

Revenue strives to be a capable, flexible and results-oriented organisation. Our priorities include the building up of the capability of our people and continued investment in Information and Communications Technology (ICT).

We continue to develop expertise and skills and address skills and capability gaps to develop the organisation and respond to challenges. Our organisational structures continue to be adapted and developed as circumstances change.

Our ICT, in particular, remains aligned with the needs of our customers and with our own business needs and continues to exploit new opportunities.

We seek to maximise value creation from our investments in these areas so as to deliver improved operational efficiency.

Strategy 4.1 - Develop our people

The skills and experience of our people, together with their commitment, goodwill and pride in their work, have been crucial in enabling Revenue to deliver results and get to grips with the volume of business in recent years.

With more active customer service provision and a more risk-based and analytical approach to compliance, we are focusing more on skills development through targeted training.

Output	Result
1. Highly motivated and well trained staff capable of working in a challenging environment	<ul style="list-style-type: none"> Over the course of 2009 the total number of staff in Revenue fell by 7.2% (from 6581 to 6105). Some of this reduction was as a result of staff turnover caused by normal retirements and resignations. However, this was compounded by those who left as a result of the Incentivised Scheme for Early Retirement and the Incentivised Career Break Scheme together with the Government moratorium on recruitment / promotion. To cope with the impact of this reduction Revenue examined the increases and decreases in activity across each of our business sectors. This exercise was designed to ensure that the redeployment of staff was directed at critical functions and to strategic/high risk areas. The Management Advisory Committee (MAC) Sub-group on Capability Development published two reports in 2009. The recommendations from the first Report, which addressed audit capability, were substantially advanced during the year. These included a skills/qualifications questionnaire that issued to all staff. The results of this survey are now being collated and will assist in filling critical posts vacated by Revenue staff who availed of the early retirement and incentivised career break schemes. Distance/online learning projects are also being advanced. <p>The Sub-group's second report, on ICT capability, issued in November 2009 and is now at implementation stage. Its primary objective is to strengthen Revenue's internal capability in relation to the maintenance and enhancement of our ICT architecture. This will require a significant investment in the recruitment and development of suitably qualified ICT graduates, which is being progressed. These, and other initiatives currently underway, will ensure we maintain target levels of capability and performance across Revenue.</p> <ul style="list-style-type: none"> The total spend on training and development amounted to €8.77 million or 2.66% of payroll costs. In January 2010, 99 Revenue students graduated from the University of Limerick, 23 with a B.A. (Hons.) in Applied Taxation and a further 76 with the Diploma in Applied Taxation. The continued success of our partnership with the University of Limerick ensures the academic standards of our tax technical training

	<p>programmes and continues to enhance the professionalism, status, effectiveness and reputation of the organisation. The Degree and Diploma courses are designed to give Revenue staff the technical expertise to deal with complex issues, particularly in audit and in combating non-compliance and avoidance. To date, our partnership with the University of Limerick has resulted in a total of 373 Revenue students being awarded with Diplomas in Applied Taxation, with 89 going on to receive Degrees in the first three years of the Degree programme.</p> <ul style="list-style-type: none"> • Our staff Mobility Policy is designed to provide staff with opportunities to gain new skills and perspectives. In 2009, 13.15% of staff changed their role in line with this policy. • The Performance Management and Development System (PMDS) is a fully integrated element of human resource management in Revenue. Payment of salary increments and access to promotion are dependent on staff members achieving appropriate performance standards. PMDS is also used to identify specific training needs and ensure that appropriate training is delivered, with particular emphasis on improving the skills required for delivery of our core business. Consistency and fairness in the operation of the PMDS are measured and monitored through Quality Assurance mechanisms. <p>During 2009, two groups at inter-Departmental and local Partnership level, developed improvements to the system. These improvements included a new, simplified Role Profile and Review form together with supporting documentation. Work has also commenced on a redesign of the PMDS site on Revenue's intranet. In late 2009 a formal review commenced of all aspects of the operation of PMDS in all Government Departments. Revenue is represented on this Review Group.</p> <ul style="list-style-type: none"> • 2009 signified the end of the first decade of Partnership in Revenue. During those ten years Partnership has been instrumental in the delivery of major and significant change initiatives and policies throughout the organisation. The deployment of the regional/divisional partnership model has proven very successful in providing a proactive and concrete approach to addressing regional/divisional issues. <p>Throughout 2009 we continued to encourage, develop and foster the Partnership ethic in particular with the use of our successful model for single-issue intensive groups which facilitate a participative approach to decision making in the organisation.</p>
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	<ul style="list-style-type: none"> In 2009 Revenue subsidised the cost of providing a comprehensive Health Screening Service for staff. A number of different screening options were available. Over 40% of staff availed of this service.
2. An organisation that has a positive attitude, and is responsive to diversity and committed to equality of opportunity for all its staff	<ul style="list-style-type: none"> The gender equality targets for 2009, set down in the 2008-2010 Statement of Strategy, have already been achieved for female representation at Higher Executive Officer grade and almost achieved for Assistant Principal and Principal Officer grades. These changes are a consequence of departures rather than appointments - See Table 21: Gender Equality.

TABLE 21: GENDER EQUALITY

Grades	Target % posts to be held by women by end 2009	% of posts held by women at end 2009	Target % posts to be held by women by end 2010
Higher Executive Officer (HEO) / Administrative Officer (AO)	48%	48%	50%
Assistant Principal (AP)	28%	26%	30%
Principal Officer (PO)	23%	22%	27%

Strategy 4.2 - Optimise our use of resources and our organisation structures

To effectively support our strategies we must continuously evolve as an organisation. The changes to our work environment over the last number of years required us to constantly refine and develop our structures and to look at new and innovative working methods.

Information and Communications Technology (ICT), an essential part of Revenue's operations, is critical to the achievement of our Goals. Revenue is at the forefront in exploiting technology to provide better services to our customers, to deploy effective compliance programmes and to maximise revenue collection.

Output	Result
1. Effective and efficient use of resources	<ul style="list-style-type: none"> • Cost of Administration as a percentage of Gross Receipts was 1.09% in 2009. See Table 22 and Chart 4 for details. • Revenue is fully compliant with the Prompt Payment of Accounts Act 1997 and the European Communities (Late Payment in Commercial Transactions) Regulations 2002 – see Table 23. • Revenue operates 77 bank accounts in the commercial banks and the Central Bank and Financial Services Authority of Ireland, to facilitate the wide variety of payment and refund options available to customers. Internet banking facilities are widely used as part of the management of these accounts, to ensure prompt value to the Exchequer. • In April 2009, the Minister for Finance, Mr. Brian Lenihan TD, officially opened Revenue's decentralised office in Newcastlewest (accommodating 51 staff from the Collector General's Division). The building houses staff involved in the front-line of collection of taxes for the Exchequer as well as the P35 Processing Unit. This successfully completed Revenue's contribution to the Government Decentralisation Programme for the present. • The then Minister for Community, Rural and Gaeltacht Affairs, Mr. Éamon Ó Cuív TD, officially opened the new Revenue office at 'Geata na Cathrach', Fairgreen, Galway in April 2009. This new office is home to the two Revenue Districts, Galway County and Galway City and Roscommon who are responsible for the administration of all taxes for taxpayers residing in these areas. While in February staff in the Cavan/Monaghan District relocated to M: TEK II Building, Armagh Road, Monaghan.

2. More effective strategy development, business planning and performance measurement	<ul style="list-style-type: none"> The Internal Services Project Board (ISPB) continued work on a project to improve the measurement and reporting of costs and performance. The results of this project will assist the development of a more outcome focused Revenue Performance Report.
3. Better internal communication to ensure the alignment of legislative and administrative needs	<ul style="list-style-type: none"> The internal process, established in 2008, to ensure that all operational manuals are kept up to date, continued in 2009.
4. Implementation of civil service modernisation agenda	<ul style="list-style-type: none"> Revenue was one of five Departments/Offices examined in 2009 under the Organisational Review Programme (ORP). The ORP is being carried out under the auspices of the Department of the Taoiseach and looks at current and likely future organisational capacity in three key areas - developing strategy, managing delivery and evaluation. A report, incorporating a follow-up action plan, will be published in 2010.
5. Optimal use of ICT in our business processes	<ul style="list-style-type: none"> Revenue achieved ISO 27001 certification for our public facing systems including ROS, providing further reassurance to customers regarding electronic interaction with Revenue. This standard is independently audited and sets requirements in all aspects of security and data handling, including physical security. Some 6,100 companies in the world have achieved the standard of which only 30 are in Ireland. Revenue's highly successful on-line service – ROS – was expanded significantly in December 2009 with the launch of e-Stamping. This provides a fast and cost-effective stamping system and has been developed to be compatible with broader developments on e-Conveyancing being undertaken by the Property Registration Agency. Following an extensive marketing campaign in the second half of 2009, the new system achieved an exceptionally high take-up level immediately after launch, with over 80% of all stamping being completed through the e-Stamping channel in the first quarter of 2010. The CT Migration project improved customer service by providing common screens and a common calculation system both internally and externally. The new system provides speedier real time processing of returns and the ability to issue notices of assessment on a daily basis. The redesigned notice of assessment provided a much more customer friendly service reducing customer contacts.

	<ul style="list-style-type: none"> • The Electronic Customs Programme is made up of a number of individual projects, <ul style="list-style-type: none"> ◦ Export Control System (ECS) (including significant changes to AEP). ◦ Economic Operator Registration and Identification System / Authorised Economic Operator (EORI/AEO). ◦ New Computerised Transit System (NCTS). <p>Implementation of these projects involved close co-operation between Revenue and the trade. All projects were successfully implemented in July 2009.</p> <p>Following implementation of these projects, attention has turned to ensuring the successful implementation of the Import Control System (ICS) and its associated Risk module due in June 2010. Considerable progress was made in respect of both projects in 2009.</p> <ul style="list-style-type: none"> • The System for the Exchange of Excise Data was introduced in January 2009 and the next phase, the Excise Movement Control System, is nearing completion. It will come into operation in April 2010 in line with revised EU deadlines. EMCS will support the excise community in providing more accurate and timely exchange of information, and will offer improved support for identifying fraudulent activities. It will implement many of the business activities, reference data repositories and information exchanges that currently take place using traditional means (paper exchange, faxes, telephone etc). • Revenue's Printing Centre upgraded its technology and introduced a number of enhanced new products and services for the Office during the year. This revamp allowed other Government agencies to avail of print media design and production as a shared service.
6. Enhanced systems to support customer insight, information management and customer analytics	<ul style="list-style-type: none"> • Revenue has to ensure that ICT spending delivers value for money. Prudent investment in areas such as infrastructure, analytics and business intelligence guarantees we derive full value from our information assets. • Revenue's contact management system, iC, is a fully integrated system that gives staff immediate access to customer file details and facilitates the tracking and management of correspondence. Introduced initially for PAYE, it has now been successfully extended to support the business taxes.

TABLE 22: COST OF ADMINISTRATION

	2009	2008	2007
Cost of Administration as a % of Gross Receipts	1.09%	0.96%	0.80%
Cost of Administration	€460,173,000	€484,833,000	€448,289,000

CHART 4: TOTAL EXPENDITURE WAS €460,173,000 BROKEN DOWN AS FOLLOWS:

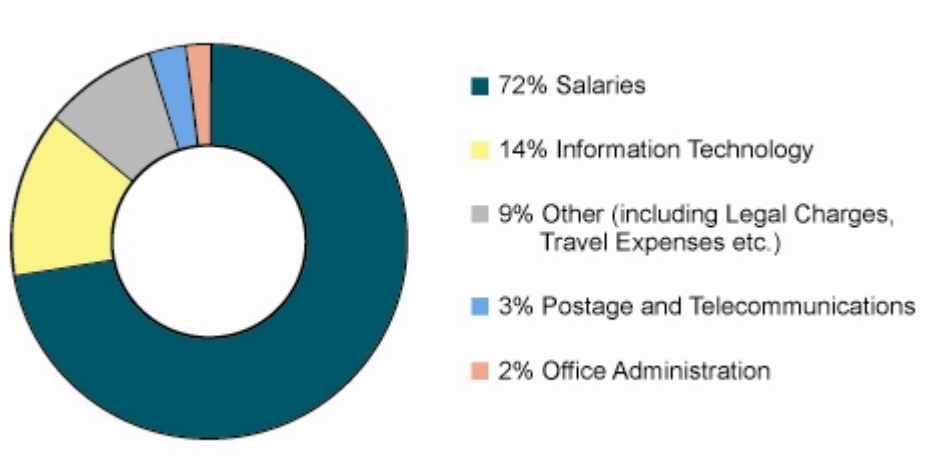


TABLE 23: PAYMENT OF ACCOUNTS STATISTICS 2009

Payments	Value
Total value of all payments	€126,499,762.23
Total value of all late payments (including those under €317)	€1,087,380.82
Value of late payments in excess of €317	€1,087,380.82
Value of total late payments as a percentage of total payments	0.86%
Number of late payments in excess of €317 (Invoice Value)	11
Amount of interest paid on all late payments	€362.71
Amount of interest on all late payments as a percentage of total payments	0.00029%
Average delay in days (Invoices in excess of €317)	11.5

Accounting for Our Performance

Comptroller and Auditor General

Revenue is subject to an annual audit examination by the Office of the Comptroller and Auditor General. The findings of this audit are published in the Comptroller and Auditor General's Annual Report. The audit reports on tax collected, expenditure, systems, procedures and practices. It also includes in-depth examination of selected Revenue activities.

Committee of Public Accounts

As Accounting Officer, the Revenue Chairman appears before the Committee of Public Accounts (PAC) to deal with issues arising from the Annual Report of the Comptroller and Auditor General and other matters relating to the activities of the Office that the Committee wish to discuss.

Other Committees of the Houses of the Oireachtas

The Chairman and Revenue officials attend other Oireachtas committees, such as the Committee on Finance and the Public Service, as required.

Appeals

Taxpayers have rights of appeal to the Appeal Commissioners and the Courts in relation to a range of tax and duty issues. Depending on their complexity, certain appeals can take a considerable time to bring to finality. Revenue has an Appeals Committee in place to consider which appeals should proceed to the higher stage. Table 24 sets out the decisions given in these cases at the various stages in 2009.

TABLE 24: OUTCOME OF APPEALS IN 2009

	Total 2009	Decided		Settled or Withdrawn
		Won by Revenue	Won by Appellant	
Number of Cases at Supreme Court stage	nil	nil	nil	nil
Number of Cases at High Court stage	4	nil	1	3
Number of Cases at CCJ stage	6	3	1	2
Number of Cases at Appeal Commissioner stage	110 *	20	13	35
Total number of cases decided, settled or withdrawn	78	23	15	40

* Includes 42 less complex cases where decisions were given by the Appeal Commissioners in appeals taken by the Divisions/Regions without referral to the Appeals Committee. Of these, 5 were decided in favour of the appellant and 37 in favour of Revenue.

Joint and Internal Review Procedure

Taxpayers who are dissatisfied with Revenue's handling of their tax affairs can have their case reviewed, either internally by a senior Revenue officer or by an External Reviewer acting in conjunction with a senior Revenue officer. The number of taxpayers requesting Joint and Internal Reviews in 2009 is set out in Table 25.

TABLE 25: INTERNAL REVIEWS IN 2009

	Internal	Joint	2009 Total	Internal	Joint	2008 Total
Number Received	17	35	52	28	37	65
Number Finalised	16	29	45	25	34	59
Decision Upheld	12	25	37	20	26	46
Decision Revised / Partly Revised	4	3	7	2	4	6
Withdrawn or agreed prior to being sent to Reviewers	0	1	1	3	4	7

The Ombudsman

In 2009, the Ombudsman received 116 complaints relating to Revenue and finalised 124 complaints. Table 26: Complaints Relating to Revenue Made to the Ombudsman in 2009 and Table 27: Complaints Relating to Revenue Completed by the Ombudsman in 2009 provide further summary information.

TABLE 26: COMPLAINTS RELATING TO REVENUE MADE TO THE OMBUDSMAN IN 2009

Total Received and Subject	Number of Complaints
Income Tax	62
VAT/ Inheritance Tax/ CGT	9
Customs & Excise	11
Stamp Duty	5
Delay/no response to Correspondence	11
Miscellaneous	16
VRT	2
Total	116

TABLE 27: COMPLAINTS RELATING TO REVENUE COMPLETED BY THE OMBUDSMAN IN 2009

Total Completed and Outcome	Number of Complaints
Not Upheld	38
Withdrawn	6
Discontinued	50
Assistance Provided	14
Partially Resolved	0
Resolved	16
Total	124

Note: Figures provisional pending publication of the Ombudsman's Annual Report for 2009.

Data Protection

An external independent audit of data protection in Revenue was undertaken by the Office of the Data Protection Commissioner over a number of dates between November 2008 and May 2009. The final report of the Data Protection Commissioner was published on the Revenue website. The Commissioner stated that the Report reflects favourably on the approach to data protection in the Office of the Revenue Commissioners.

The report includes a number of specific findings and recommendations and work has already commenced to advance the implementation of these recommendations to further strengthen the quality of our data protection practices.

Of the 12 access requests received in 2009 under the Data Protection Acts, 9 were granted in full, 2 were withdrawn and 1 was dealt with outside of access arrangements. In addition, 11 complaints received from the Office of the Data Protection Commissioner were dealt with, 9 of these were satisfactorily completed and 2 are ongoing.

Freedom of Information

Revenue's Freedom of Information publications under Section 15 of the FoI Acts (structure, organisation, functions, services and records of Revenue) and Section 16 (rules, procedures, practices, guidelines and interpretations of Revenue) are updated as required and published on our website.

TABLE 28: FOI REQUESTS

FOI Requests	2009	2008	2007
Received	129	141	117
Released in Full	45	44	25
Released in Part	46	52	40
Refused	25	22	15
Dealt with outside of FOI/Withdrawn/Transferred	21	18	37
Requests for Internal Review	10	12	11
Appeals to the Information Commissioner	10	5	1

Corporate Governance

The administration and management of taxes and customs is vested in the Revenue Commissioners, who are subject to the general direction of the Minister for Finance but are independent in the day-to-day management of the Office and in relation to taxpayers' affairs. The Board of the Revenue Commissioners consists of three Commissioners, one of whom is Chairman. The Chairman is the Accounting Officer for Revenue and the Head of the Office under the Public Service Management Act 1997.

The Board meets regularly to deal with a broad range of issues pertaining to Revenue, including strategic direction, the setting of key corporate priorities, financial and risk management, internal audit reports and minutes of Audit Committee meetings, senior management appointments and resource deployment. The Board reviews compliance with key legislation such as the Ethics in Public Office Acts, the Freedom of Information Acts and the Prompt Payment of Accounts legislation.

The Board reports annually to the Minister for Finance on the implementation of Revenue's Statement of Strategy, as required by the Public Service Management Act 1997.

Management Advisory Committee (MAC)

A Management Advisory Committee, consisting of the Board and all Heads of Division (at Assistant Secretary level), meets at least once a month to monitor performance across the organisation. The MAC reviews existing programmes and priorities to ensure that they remain responsive to emerging developments, deals with business issues which have cross-divisional impact and plays a key role in managing corporate risk. A formal system of delegation to each Assistant Secretary is in place, in accordance with the Public Service Management Act, with specified lines of responsibility and accountability to the Board. These responsibilities include the management of risk and of divisional resources. In addition, the Board has formally delegated responsibility for certain Human Resource Management matters to Assistant Secretaries as a group.

Ethics in Public Office Acts 1995 and 2001

All Revenue officials at Assistant Principal level and above, as well as certain other officials, involved, for example, in procurement decisions, are required to submit an annual Statement of Interests under these Acts. In addition, the Board members are required to submit a Certificate of Tax Clearance not more than nine months before or after taking up duty.

Civil Service Code of Standards and Behaviour

The Code forms part of the terms and conditions of service of all Civil Servants. It underpins the existing rules in many areas, including Revenue's own Code of Ethics, and sets out the main principles, standards and values that the Civil Service espouses and upholds.

The Civil Service Regulation (Amendment) Act 2005

The Civil Service Regulation (Amendment) Act 2005 gives each Secretary General/Head of Scheduled Office, as appropriate authority, responsibility for managing all matters relating to performance, conduct and discipline of civil servants below Principal Officer level. (Ministers and Government continue to be the appropriate authority for these matters in relation to civil servants at or above Principal level). The Act and the revised Civil Service Disciplinary Code came into effect on 4th July 2006.

Internal Audit

While it is the function of management to put in place the necessary systems, processes and procedures required to deliver on Revenue's business objectives, the Board places a high degree of importance on having such systems and processes independently examined and assessed by Revenue's internal audit function.

The Director of Internal Audit reports directly to the Chairman, as Accounting Officer. Internal audit in Revenue is overseen by an Audit Committee, which is made up of five members, four of whom are from outside Revenue. The role of the Committee is to oversee the internal audit function and to advise the Revenue Board in relation to its operation and development. The Committee operates in accordance with a Charter, which sets out its role, membership functions, working procedures and reporting requirements. The Charter is jointly agreed by the Revenue Board and the Audit Committee and is formally signed off by the Revenue Chairman and the Chairperson of the Audit Committee, who is one of the external members. The Committee meets four times per year - usually in March, June, September and December.

Assistant Secretaries



Denis Graham
Investigations &
Prosecutions



Eamonn O'Dea
Corporate
Business &
International



Eugene Creighton
Income & Capital
Taxes



Frances Cooke
Revenue Solicitor



Frank Mullen
Large Cases



Gerry Howard
East South-East



Gerard Moran
Corporate Services



Gerry Harrahill
Collector General



Joe Howley
Border Midlands West



Liam Ryan
Information,
Communications
Technology &
Logistics



Niall Cody
Dublin



Norman Gillanders
Planning



Philip Brennan
Indirect Taxes



Tony Buckley
South West *



Willie Funnell
Customs &
Accountant
General

* In addition, Tony Buckley has national responsibility for Training and Capability Development, reporting to the Chairman.

Appendix

Donation of Heritage Items

Section 1003 of the Taxes Consolidation Act 1997 provides for a credit against tax liability where a taxpayer donates certain heritage items to the national collections. The following items were donated in 2009:

- The Brian Friel Archive valued at €450,000.
- The Padraig H Pearse letter to the General Commanding the British Forces in Ireland valued at €206,762.50.

Both donations were made in 2009 following formal determinations made in 2008 by the selection committee administering the scheme.

Donation of Heritage Property to the Irish Heritage Trust

Section 1003A of the Taxes Consolidation Act, 1997 provides for a credit against tax liability where a taxpayer donates certain heritage property to the Irish Heritage Trust. There were no donations under this scheme in 2009.

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