

TALC Sub-committee on Simplification and Modernisation of Business Supports for SMEs

Meeting Date: 1 February 2024
Location: Main Conference Room, Bishop's Square
Time: 10.00

Minutes

Item 1: Minutes of previous TALC Sub- committee on Simplification and Modernisation of Business Supports for SMEs

- Minutes of the meeting of 11 January 2024 were agreed.
- Minutes will be published at <https://www.revenue.ie/en/tax-professionals/talc/index.aspx>

Item 2: Overview of prioritised Reliefs using the business life- cycle

- Revenue gave an overview of the proposed approach to the consideration of reliefs/supports by reference to the phases in a business life cycle i.e. Start-up, Growth and Maturity (see appendix).
- The inclusion of reliefs at each point was based on submissions from the professional bodies and to allow for an efficient discussion. The document was circulated to the group in advance of the meeting.
- Subject to noting that certain reliefs/supports may be relevant to multiple phases of the business life cycle, the general approach was agreed. It was also agreed that the list may be added to or amended during this review as required.

Item 3: Outline of issues regarding supports in the Start- up Phase

Practitioners outlined their key areas of concern regarding: -

- Start Up Relief for Entrepreneurs (SURE)
- Employment Investment Incentive (EII)
- Start Up Capital Incentive (SCI)
- Start-Up Relief S486C

Discussions on Interest relief and Loss relief (proposed for the agenda) were deferred to future meeting to allow for relevant representative to attend.

Practitioners outlined a range of concerns regarding the conditions to claim start-up reliefs. It was noted that the legislation, and attendant conditionality builds, to some extent, on older BES requirements. Additionally, the importance of understanding the interaction between reliefs was noted. It was indicated that companies at start-up stage may not have access to tax advice and may take decisions to opt for particular forms of relief that may prejudice access to more appropriate options at a later stage in their development.

Practitioners also expressed concern at the risks of withdrawal of relief for breaches of conditions. It was noted that compliance interventions activities in relation to RICT reliefs are becoming a feature of work in several Revenue Divisions. In this context, Revenue agreed to review the current standard documentations requests issuing with Level 1 Intervention letters to ensure that only information which has not already been submitted is requested.

Item 4: Observations/comments from Small Firms Association (SFA)

The SFA delegate welcomed the work of the sub-committee and set out concerns from a business perspective. He expressed concern about the lack of awareness of available supports in the start-up business community and the challenge of meeting all conditions, especially for small scale start-ups. He proposed some possible improvements to the “Starting and Running a Business” section of the Revenue website to enable business to understand their options and the associated conditionality.

Action Points:

- Revenue to invite a colleague to provide a briefing on the General Block Exemption Regulation (GBER) and its impact on business reliefs.
- CCAB -I to submit details on issues the wish to raise with regard to Loss Relief and Interest Relief.
- Revenue to review documentation requests in Level 1 RICT interventions.
- Revenue to gather data on take-up of reliefs support in scope for review.
- Revenue to circulate a program of future meeting dates.
- Next meeting scheduled for Feb 12st at 10am in Bishops Square.

Attendees:

Revenue: Brian Boyle (Chair), Emma Brennan (Secretary), Davena Lyons, Martina Mulligan, Sarah Collins.

CCAB – I: Grainne McDermott

Law Society: Caolán Doyle (Apologies)

ITI: Anne Gunnell, Laura Lynch

SFA: David Broderick

Appendix

