

Speech by Aoife Lavan, President of the Irish Tax Institute

Annual Dinner 2025

Thank you, Martin

Introduction:

Minister, distinguished guests, fellow members, ladies and gentlemen, I am deeply privileged to welcome you here tonight, to the Institute's Annual Dinner.

Welcomes

I would especially like to welcome our Guest of Honour, Minister for Finance, Paschal Donohoe who just this morning, got back from South Africa, where he attended the G20 meeting. After your busy week, I'm sure, you're delighted to be spending the night with nearly 1000 tax & business professionals. We're very grateful to you, for being here, and we're keen to hear your insights, at this highly charged time in geo-politics.

I would also like to welcome your Oireachtas colleague Deputy Cormac Devlin.

Thank you for joining us, deputy.

Delighted to also welcome the Chairman of the Revenue Commissioners, Niall Cody, and recently appointed Commissioner Maura Kiely. Congratulations Maura and best wishes in your new role.

The Chairperson of the Tax Appeals Commission, Marie-Claire Maney is also here – you're very welcome, Marie-Claire.

I would like to take a moment to pass on our best wishes to Gerry Harrahill, who recently retired as Commissioner. Gerry has been an outstanding public servant for 46 years, and will be missed by his colleagues and all of us in the profession.

International Tax

I'm going to start with the latest twist and turns in international tax.

When you last addressed this audience, Minister, work on the OECD's Global Tax Reform project was still underway.

After much hard work and astute negotiation, you secured a good deal that protected Ireland's strategic interests, enabling us to join the OECD International Tax Agreement.

However, any hope that this would bring stability to international tax rules, was dashed 5 weeks ago, when Donald Trump effectively, tore up the hard-won global reform process, with potentially serious implications for Ireland. Despite all our efforts over the last decade, tax certainty remains as elusive, as ever.

It's not clear what will happen next, but we must prepare for the worst. The threat of a global tax and trade war is real. We will need all the political and diplomatic skills the Government can muster, to get us through, the difficult times ahead. I want to assure you that the Institute will work constructively with you and your officials, to protect our economic interests in this time of upheaval in the global economy.

Simplification

Meanwhile, we urge the Government to act speedily on the things, it **can** control.

Including:

- delivering top class public infrastructure;
- increasing the supply of housing;
- managing the cost of business;
- cutting red tape;
- and, of course, simplifying the tax system.

A clear, simple and easy to comply with, tax system would be a major competitive advantage for Ireland, as it seeks to attract foreign investment in the current uncertain environment.

Supporting Business

The new Programme for Government has committed to review and simplify the current business and enterprise tax system, and we welcome that. We also welcome the commitment to use the tax system, to promote innovation and growth in the domestic economy.

However, we need a greater sense of urgency around delivery. Progress has been made, but the pace of reform has been frustratingly slow.

The Institute has recently called out the overly defensive approach to the legislative design of SME tax measures. We believe this approach has hindered the pro-enterprise policies of successive governments. The policy intention of SME tax measures is to enable growth, yet the reality is, these measures can be a minefield for businesses.

Of course, officials have a duty to protect the exchequer, however, they also have a responsibility to promote economic growth. In our view, that requires a shift to a more supportive mindset across government. The system needs to understand that risk is an integral part of any enterprise and that those who take it, should be supported and are entitled to a fair reward.

Pensions

I couldn't let this opportunity pass without mentioning my favourite topic: pensions. I know it's not the most exciting dinner topic, but in a room full of tax professionals, I feel like I've a fighting chance!

Auto-enrolment

I'm excited about the roll out of Auto-enrolment "My Future Fund" in September. I believe it is important to make auto-enrolment as attractive as other pension structures, if not more attractive. Access to benefits from Auto-enrolment is restricted to age 66, unlike all other pension structures which allow earlier access. Auto-enrolment members should have the flexibility, to supplement their income, before age 66.

Self-Employed

I understand the challenge of including the self-employed in Auto-enrolment, however, I believe we need to persevere, particularly for the sake of the lower income self-employed.

The self-employed are already at a disadvantage when it comes to pension coverage, the lack of flexibility on contributions takes no account of the fluctuations they typically experience in their income, particularly as they approach retirement age. The limits on these contributions haven't been reviewed since 2010.

PRSA

I was also disappointed to see the return of BIK on Employer contributions to PRSAs, particularly at a time when 160,000 one member schemes are looking for a safe haven, in light of IORPs II regulations.

I understand, the reasoning behind this decision, however it's unfortunate, that the behaviour of a small number of companies has resulted in additional complexity, and a third method of calculating contributions, being introduced.

I hope that we can work together to find a simpler, more equitable approach. In the meantime, we urgently need clarity for pension administrators and employers on the operation of the new rules and look forward to continuing discussions through TALC on this issue.

Simplification

There have been numerous reports on pensions over the last 25 years. All recommending simplification, yet very little progress has been made. It is essential that the commitment to reform, is kept high on the agenda. I believe we should have a consistent approach to contributions; consistency in the treatment on death; transparency on costs; and a system that enables the self-employed to save for retirement.

In that context, Minister, I would like to congratulate you on the recently announced National Financial Literacy Strategy. This initiative will no doubt improve the level of financial wellbeing for all.

Work Life Balance

Keeping our eyes to the future, it is vital that our profession not only retains but also attracts the brightest and most talented individuals. The rapid evolution of AI technologies, coupled with the shifting priorities of the next generation of workers, will inevitably shape how our profession operates.

Adapting to these changes is essential to preserving the profession's appeal and long-term success.

As your Institute, we are committed to leading this transition by developing strategies to support our members and firms as they adapt in an evolving work environment. By embracing change and proactively adapting, we will ensure the profession continues to thrive.

Conclusion

Before I finish, a word of thanks to my fellow council members for their support. A special thank you to the superb team in the institute, who do a huge amount of work supporting the president, and all of you as members.

I would like to thank my wonderful husband for all his support and patience, and for carrying some extra weight at home, while I was off gallivanting around the country. Thanks also to my two children who cried every time I left the house, making me feel even more guilty.

A special thank you to my Mam and my family who are here tonight, and my Dad listening from above.

Finally, a heartfelt thank you to you, our members and your employers. The huge attendance at this event every year, demonstrates your commitment to our Institute and that support is vital to its success.

Thank you for listening especially as I rattled on about pensions (which is only a third of what I really wanted to say!) and I hope you enjoy the rest of your night.