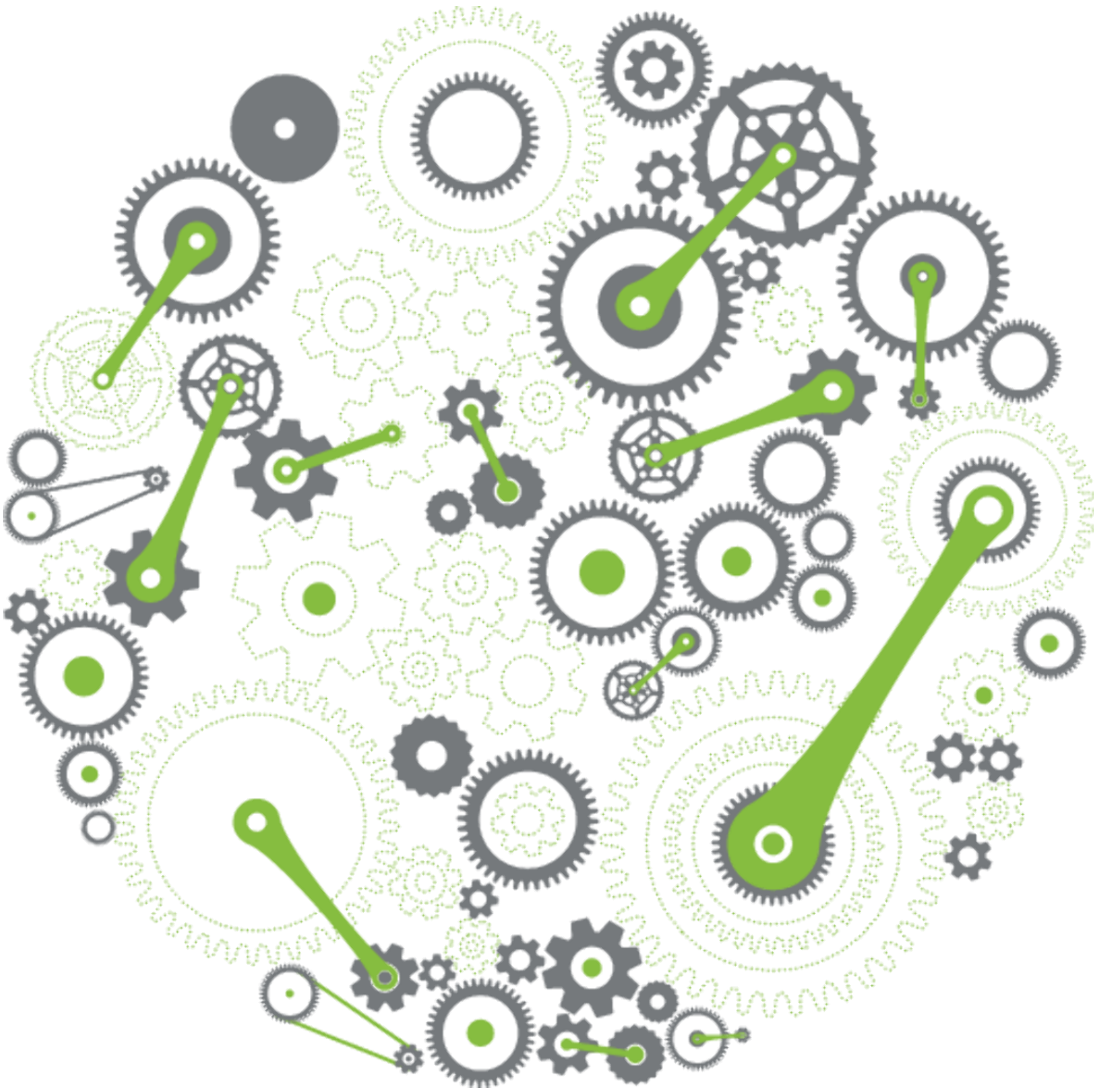

Tax Treaty Policy

Consultation Response

Deloitte.

7 May 2021

VIA EMAIL: taxtreatypolicy@finance.gov.ie

Dear Sirs/Mesdames:

We are pleased to submit comments on behalf of Deloitte in response to your public consultation on 7 April 2021 on Ireland's future tax treaty policy.

We appreciate this opportunity to share our views and trust that you will find our comments valuable to the discussion.

We look forward to continued collaboration with the Department of Finance on this and other tax initiatives, and are available to discuss anything in this document, as needed. In the meantime, if you have any queries, please do not hesitate to contact us at 01-417-2200.

Yours sincerely,

Lorraine Griffin

Tom Maguire

Lorraine Griffin
Partner
Head of Tax and Legal

Tom Maguire
Tax Partner

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2. Executive Summary

Tax treaties play a key role in economic growth and in supporting both indigenous business and inward investment. It is vital therefore that Ireland's tax treaty network is as wide as possible, encourages investment and incentivises cross border business. In this paper we outline some observations and recommendations regarding Ireland's existing tax treaty network and the suggested direction of travel. In particular we note the following key points:

- Depending on the outcome of the Pillar 2 process, Ireland's existing treaties may need to be amended for the "Subject to tax rule". Regard should be had in the implementation of such a rule so as to ensure certainty and to avoid taxation beyond Pillar 2 requirements.
- The definition of tax residence in Ireland's tax treaty network can differ from treaty to treaty. To the extent that similarity of definition is possible across treaties then in our view that should be applied. Such certainty of treatment and indeed interpretation is important for business internationally and to enhance Ireland's position as an attractive place for inward investment. This is particularly relevant in the context of the Irish funds industry.
- The proliferation of data centres in Ireland is likely to continue in the future and has the potential to provide for significant economic growth. Certainty in the treatment of such data centres and servers hosted on same is required to ensure that Ireland is regarded as a centre of excellence for such activity.
- Consideration should be given to providing greater certainty in treaties and protocols in connection with global mobility including a focus on remote working and a greater alignment of income tax with social security treatments cross border.
- Consideration should be given to providing lower rates of withholding tax in Irish tax treaties in cases of payments pertaining to "Green" technology.
- The Irish tax treaty network is of vital importance to the funds and aircraft leasing industries. Where possible the expansion of the treaty network should be a focus in the short and medium term to ensure that Ireland remains competitive in comparison to other jurisdictions such as the Netherlands and Luxembourg. In addition, the aircraft leasing industry would benefit from greater consistency as to the treatment of lease payments from a treaty perspective.
- We would be of the view that continued engagement with the tax authorities of developing economies is vital both in terms of fairness in taxation but also to encourage continued investment in such geographies.

3. Public Consultation Questions

In the subsections below, we present our responses to the public consultation questions.

2.1 Economic Considerations

a. Does Ireland's tax treaty policy sufficiently cater for the evolving economic and business environment?
b. Do you have any suggestions on how could Ireland's tax treaty policy be enhanced, as a means to continue to facilitate the economic opportunity into the future?
c. Does Ireland's tax treaty network sufficiently serve all business sectors in the economy?
d. How can Ireland optimise its tax treaty priorities in the context of recent international tax reforms, notably at the OECD?

e. What should the criteria be for prioritising the negotiation and renegotiation of specific tax treaties in the years ahead? Are there any significant gaps in Ireland's tax treaty network by reference to those criteria?

2.1.1 General principles

Tax treaties play an integral role in economic growth in Ireland both in supporting indigenous business expanding internationally and also by encouraging foreign direct investment. This is achieved through removing barriers preventing foreign investment and by allowing Irish enterprises to compete effectively in foreign markets while at the same time maintaining certainty and clarity for all parties.

Ireland's existing tax treaty network also facilitates the movement and taxation of individuals in cross border situations, an occurrence which may become more frequent in years to come post COVID19. Any treaty signed should be effective in the prevention of double tax and should not leave Irish individuals or companies at a competitive disadvantage globally.

Any amendment to or renegotiation of Ireland's existing tax treaties should be done with a view to incentivising and encouraging business and investment.

2.1.2 Interaction between existing treaties and Pillar 2

Pillar 2 of the OECD Inclusive Framework's ongoing work to reach a global consensus on international tax may require amendments to be made to Ireland's existing tax treaty network. While developments related to Pillar 1 may be introduced by way of a multilateral instrument, such a solution may not be required for Pillar 2 which may instead rely on amendment to existing tax treaties.

In particular, the "Subject to tax rule" looks to provide paying (source) countries with the ability to charge a top up tax in respect of specific types of intra group payments made to other group companies where the recipient has a tax rate less than the agreed minimum tax rate. Subject to the ultimate construction and scope of Pillar 2, this may necessitate amendments to Ireland's existing treaties to facilitate the Subject to tax rule (for example with respect to withholding taxes on royalties, interest and dividends). In addition, any amendment to existing treaties should only allow a top up tax in line with agreed upon Pillar 2 principles. Ireland's tax treaty network and the construction of its individual treaties should endeavour to avoid a situation where Irish recipients may receive payments subject to a top up withholding tax that goes beyond agreed Pillar 2 requirements. In cases where the paying country levies a greater top up tax than the agreed Pillar 2 amounts, this could put Irish companies at a competitive disadvantage where no double tax relief is available for the excess amount. Where the implementation of any measures in Pillar 2 requires amendment to existing tax treaties, regard should be had of the need to minimise the risk of double taxation.

Pillar 2 is likely to address a wide range of payments. Therefore, consideration should be given to a specific tax treaty article limiting the effect of Pillar 2 by ensuring the combined effect of source taxation and tax credit restriction do not exceed the agreed minimum rate. Clarity of application is critical in ensuring that the subject to tax rule may be used effectively and without technical uncertainty for either treaty partner. The need for such an approach will be determined by the eventual agreed rate in the first instance.

2.1.3 Existing concepts of tax residence

As the availability of treaty benefits and thus any elimination of double taxation rests on a person being a "resident of a Contacting State" it is important to ensure consistency of treatment, in so far as possible, can be achieved across all tax treaties. Some existing treaties, however, pose certain issues and we outline certain examples below.

<u>Protocol to the Ireland- UAE Double Tax Treaty</u>

Article 5(1) of the Ireland – United Arab Emirates double tax treaty notes as follows:

1. For the purposes of this Convention, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, and also includes that State and any political subdivision or local authority thereof. This term, however, does not include any person who is liable to tax in that State in respect only of income from sources in that State.

The Protocol to the treaty further expands on the definition of "resident of a Contracting State" in allowing certain persons to be entitled to claim treaty benefits. Paragraph 3 in particular outlines instances when a company may be regarded as resident in the UAE, but in the Protocol only extends such treatment in applying certain sections[1] of the Taxes Consolidation Act 1997. This limited extension with respect to corporate residence only operates in the context of distributions, while the treaty benefits associated with the payment of interest and royalties.

The use of a Protocol to this effect is therefore of limited assistance and in our opinion does not go far enough. The UK, by contrast, has not made use of a Protocol but instead has sought to simplify the definition of residence in the UAE by referring to "any person other than an individual that is incorporated or otherwise recognised under the laws of the United Arab Emirates…"

Overall, we would recommend that the treatment and definition of residence in Ireland's tax treaty network be made as consistent as possible where appropriate. Where a Protocol is employed to provide greater clarity, it should (insofar as is possible) extend to all aspects of the treaty and related benefits and not just to one particular section or article.

<u>Ireland – Cyprus Double Tax Treaty</u>

The OECD Model Tax Convention currently provides for a residence tie breaker[2] in instances where an individual is a resident in both Contracting States. In certain instances, such a tie breaker is not present in Ireland's tax treaties. One particular example is of the Ireland – Cyprus tax treaty. Cyprus and Ireland have agreed that article 4 of the Multilateral Instrument (MLI) will not apply. That treaty does provides as follows in Article 3(1) of said treaty:

…. the term "resident of Ireland" means

i. any company whose business is managed and controlled in Ireland. Provided that nothing in this paragraph shall affect any provisions of the law of Ireland regarding the imposition of corporation profits tax in the case of a company incorporated in Ireland;

[1] Sections 21B(1)(b)(i), 153 and 172D(3)(b)(i)
[2] Article 4(2) of the OECD Model Convention

ii. *any other person who is resident in Ireland for the purposes of Irish tax and not resident in Cyprus for the purposes of Cyprus tax.*

f. the term "resident of Cyprus" means

i. *any company whose business is managed and controlled in Cyprus;*
ii. *any other person who is resident in Cyprus for the purposes of Cyprus tax and not resident in Ireland for the purposes of Irish tax.*

The lack of a tie breaker clause in the Ireland – Cyprus treaty can result in a level of uncertainty. Where feasible, certainty should be provided with respect to residence articles and should be in line with the OECD Model treaty.

Opaque Funds

The Irish funds industry plays a key role in the financial services sector in Ireland, and the economy at large. It is important therefore that the industry is well equipped to compete internationally with jurisdictions such as Luxembourg and the Netherlands. A necessary condition for competitiveness is the ability for Irish investment undertakings such as ICAVs, corporate and unit trusts to access Ireland's double tax treaty network. From an Irish policy perspective, it has long been possible to obtain a tax residency certificate from the Irish Revenue Commissioners to support access to treaty benefits. Notwithstanding this, uncertainty can arise for foreign tax authorities in assessing whether such funds should be entitled to treaty benefits. Certainty would be welcome in this regard, either by defining appropriate terms in greater detail or by specifying in a protocol the types of funds to be treated as resident of Ireland. There is precedent for the latter approach, being adopted in the Ireland – US double tax agreement.

2.1.4 Future of work and remote working

The impact of the ongoing COVID19 pandemic has necessitated significant changes in the way many businesses operate. One of the most significant changes has been the shift to remote working in light of prevailing public health advice. In an October 2020 survey carried on by the Institute of Directors[3], nearly three quarters (74%) indicated that they would retain increased home working post COVID19. The interaction between increased remote working and Ireland's tax treaties is an opportunity to provide clarity to business and to make international expansion easier both for Irish companies and also for foreign inward investment.

The Netherlands amended their tax treaty policy document in 2020. In dealing with cross-border workers it makes the following point:

"The Dutch policy on cross-border workers has led to the incorporation of specific clauses in the tax treaties with Belgium and Germany that are designed to achieve the greatest possible degree of 'equality in the street' and 'equality in the workplace'. 'Equality in the street' means that cross-border workers who live in the Netherlands and work in Belgium or Germany should not be treated any worse, in terms of their eligibility for certain forms of tax relief, than residents of the Netherlands whose income from employment is fully subject to Dutch tax. For this reason, the Netherlands has included a compensation mechanism in its tax treaties with Belgium and Germany, which enables cross-border workers who live in the Netherlands to claim tax relief under Dutch law.

The Dutch policy is also to achieve 'equality in the workplace' by removing as many tax disadvantages as possible confronting cross-border workers in the state of employment.

[3] https://www.iod.com/news/news/articles/Home-working-here-to-stay-new-IoD-figures-suggest

This is why the tax treaty between the Netherlands and Belgium includes a 'pro rata' clause under which cross-border workers have a pro rata entitlement in the state of employment to the same personal allowances, tax credits and deductions by virtue of their marital status or the composition of their family as do residents of the state in question, in proportion to the gains and income taxed in the state of employment as a share of the taxpayer's worldwide income. It is also important to ensure that this does not lead to any double non-taxation".

Given the evolving nature of work and the location of work a similar provision should be considered for inclusion in Ireland's treaty policy approach. In addition, it would be useful to ensure that there is some form of co-ordination between the payment of taxes and social insurance contributions. At present it is possible that that the country entitled to levy tax is not in all cases the same as the country that is entitled to collect social insurance contributions. This should be factored into treaty negotiations.

Lastly, greater administrative cooperation is required with respect to ensuring that treaty benefits are properly obtained in the case of individuals moving cross border either on a secondment or on a temporary basis to facilitate remote working. While treaty benefits are intended to ensure no double taxation, in a practical sense it would not be uncommon for an individual to be subject to tax in another State which must then be reclaimed after the fact. In certain instances, this has been found to be challenging. For example, it would not be uncommon for an individual to receive a dividend from Switzerland subject to a withholding tax of 35%, notwithstanding the maximum treaty rate of 10% for individuals. It is then incumbent on the individual to seek a refund of the tax withheld – a process which may take significant time and which, in our opinion, may result in Irish individuals leaving tax in Switzerland.

2.1.5 The importance of servers and data centres to future economic growth

Based on a 2018 paper published by IDA Ireland, the economic contribution to Ireland associated with data centres since 2010 has been approximately €7.13billion. In addition, at the time of the report approximately 1,000 supplies were contracted with data centres operating in Ireland with 90% of expenditure benefitting Irish companies. The report outlines a range of direct and indirect benefits to Ireland as a hub for data centres, and also notes that *"…Research indicates that there is a significant pipeline of proposed data centre projects potentially coming online in the next five years which could see data centre investment in Ireland more than double from that seen to date…"*

Members of the OECD's Committee on Fiscal affairs reached a consensus on the treatment of electronic commerce in 2001, and such consensus is reflected in the amendments to the commentary on the OECD Model Tax Convention. The ongoing COVID19 pandemic has resulted in a marked increase in companies "digitalising" their business models and therefore an increased demand for web site hosting and data centre capacity. Ireland is well placed to take advantage of such increased demand subject to providing business with clarity.

In addition, many countries have brought about many forms of unilateral Digital Services Tax (including the possibility of an EU digital levy into the future) with many countries taking the view that such taxes are not covered taxes for treaty purposes. In that regard consideration should be given to our treaty policy document to regard such taxes and indeed similar taxes as a covered tax. Of course, such taxes may not survive the imposition of OECD's Pillar 1 or 2 initiatives but in the interim such clarification would be welcome.

2.1.6 Reduced rate of withholding tax on "Green Technology"

Consideration should be given to providing for reduced rates of withholding tax under Ireland's existing tax treaties where the payments arise from or in connection with the financing of "green technologies".

2.1.7 Hybrid entities

It is possible that due to the application of anti-hybrid rules either in Ireland or in another jurisdiction that qualification differences may arise relating to entities. As such, one Contracting State may see an entity in receipt of income as opaque and therefore entitled to the income on its own account but another State may see the same entity as transparent and therefore the income is attributable to the participators in the "hybrid entity". There is the potential for a treaty benefit to therefore be attributed to either the hybrid entity itself or the participators where qualification differences arise. It is understood from discussions at TALC that work is underway regarding certain entities and their status for tax purposes as being opaque or transparent. This is to be welcomed and indeed should include discussion from the perspective of the application of double tax treaties.

On a similar theme of hybrid mismatches, and connected to our previous comments on residence at part 2.1.3 of this paper, clarity should be sought as to the treatment of Common Contractual Funds (CCFs) and Investment Limited Partnerships (ILPs) to ensure that such entities are to be treated as transparent for the purposes of access to treaty benefits. Such a position should be adopted as part of Ireland's overall treaty policy.

2.1.8 Aircraft leasing

The Irish tax treaty network has been vital to Ireland's success as a centre of excellence for aircraft leasing. The negotiation of new treaties to expand Ireland's existing network would therefore be welcome, in particular with Indonesia, Brazil, Argentina, Colombia, Bangladesh, Nigeria, Gabon and Iran to name but a few.

From an aircraft leasing perspective, an exemption from withholding tax on payments made and received is vital. Notwithstanding this, a number of treaties do not provide for a full exemption[4]. Consideration should be given to whether such treaties may be renegotiated to provide for either a further reduced rate of withholding tax or a full exemption.

Lastly, now is an opportune time to review the existing articles which may apply to aircraft leasing. In practice, one of three articles can apply to the leasing of aircraft and the applicability of each can vary depending on the other Contracting State involved:

- Article 8 – Shipping and Air Transport: In a number of treaties, Article 8 only applies to the "operation" of aircraft which disapplies the article in cases of an Irish lessor which strictly is not regarded as the "operator". In contrast, some treaties have widened this to include Irish resident lessors[5].
- Article 12 – Royalties: The application of this article depends on the definition of a royalty but namely would include payments "for the use of" commercial or industrial equipment[6]. This would appear to be the case notwithstanding the

[4] In particular, the tax treaties with Australia, Japan, and Spain provide for higher rates of WHT compared to other treaties which allow for a zero rate of withholding.
[5] For example, the Ireland/Czech Republic and Ireland/Greece tax treaties
[6] For example in the Ireland/Italy tax treaty (In this instance Article 11(2))

OECD Model Convention making no such reference to commercial or industrial equipment in the definition of royalties in Article 12; or
- Article 7 – Business Profits.

The differing treatment of lease income in the manner described above can be unhelpful in providing certainty to Irish resident lessors. Consistency of treatment in the hands of the Irish resident lessor would be preferable.

2.2 Policy on Developing Countries

a) Are there any specific areas of Ireland's treaty policy which should be modified or tailored, in relation to developing countries?
b) Are there international best practices which Ireland can draw on to further enhance our approach to the specific circumstances of developing countries?
c) When negotiating with developing countries, should more emphasis be placed on the UN Model Treaty? If so, please provide details.
d) Should any specific standard positions e.g. on source taxation, be adopted for treaties with developing countries.

Other countries (e.g. the Netherlands) want to help foster effective tax systems in developing countries and take that into account in negotiating tax treaties. This is done through seeking to include both general and specific anti-abuse clauses in tax treaties with developing countries so as to ensure that developing countries' taxing rights are better protected.

The Netherlands is willing to accept certain aspects of the UN Model Double Taxation Convention in negotiating treaties with developing countries. For example, it is prepared to accept a broader definition of the term 'permanent establishment' in negotiations with developing countries. Unlike the OECD Model Tax Convention, the UN Model Double Taxation Convention extends the definition of the term 'permanent establishment' to include the provision of services in the state of source. Under the relevant provision in the UN Model Double Taxation Convention, a permanent establishment is deemed to exist if a resident of a state performs (related) services in the state of source for more than 183 days in a 12-month period. This gives developing countries greater powers to tax activities performed in their own countries than they would have under the OECD Model Tax Convention. Recognising the special position of developing countries, the Netherlands is prepared to include a clause on this type of 'permanent establishment for services' in its tax treaties with developing countries. The presence of a permanent establishment for services means that the taxpayer's net income is taxed, and guarantees that tax is levied only in the state of source, provided that there is a connection between the service and the state of source. This may not be applicable for all countries but if such an approach were to be adopted then credit would have to be available in Ireland for same. The question arises as to the economic timing of such an approach. Further it may have to be adjusted given the effects of COVID19 and such adjustments could include applying a maximum level of taxation that could be applied to such a permanent establishment along the lines of the dividends, interest and royalty articles in treaties. In that way the tax benefit of adopting the extended permanent establishment definition could be shared between both countries' Exchequers.

Reference is made later in this submission to the taxation of fees for technical services (based on gross income). The Dutch policy document explains that *"the Netherlands understands that, for developing countries with limited enforcement capacity, a state of source tax on fees for technical services may be a straightforward way of generating tax revenue. For this reason, the Netherlands is prepared to accept a state of source right to tax fees paid for technical services in negotiations with the poorest group of the most vulnerable developing countries.*[The document outlines a list of these countries for the application of legal certainty by reference to the first column of the list of ODA recipients published by the OECD's Development Assistance Committee] *A key consideration for the Netherlands is that a state of source right to tax fees for technical services is permitted only if the services are provided in the state of source, thus guaranteeing that there is a connection between the service and the state of source. There is a logical link here with the Double Taxation (Avoidance) Decree 2001, under which the Netherlands accepts unilaterally (i.e. in non-treaty situations) that tax paid on fees for technical services may be offset, but only if the services have been provided in the developing country in question. In other words, the Netherlands is not in principle prepared to agree, in negotiations with the other developing countries, to a state of source right to tax fees for technical services. Notwithstanding the above, it is conceivable that, in certain specific situations (for example, where a developing country has very few alternative sources of tax revenue), the Netherlands might nonetheless accept a state of source right to tax fees for technical services as part of an overall compromise covering a set period of time."* Such an approach could be considered here.

In addition, Irish tax policy should endeavour to support developing economies who may have limited access to tax administration resources as this would benefit cross border investment in the long term. This could facilitate a speedier resolution of mutual agreement procedures/competent authority agreement as developing countries would then have more capacity to address technical challenges

2.2.1 Source taxation and developing economies

A spill over analysis outlining the "Possible Effects of the Irish Tax System on Developing Economies" was published as part of Ireland's Budget 2016 documents, On the matter of tax treaties the report prepared by the IBFD explained that many tax treaties between Ireland and developing countries have been concluded in recent years and contain tax sparing credit provisions which are effected during a limited period of time. It explained that the *"Irish approach to including tax sparing credits in treaties with developing countries does not differ from the approach of many other developed countries and is in accordance with the OECD approach on this issue. Tax sparing credits are still available under a number of the more recent tax treaties concluded by Ireland whereas similar provisions included in the tax treaties concluded by other developed countries have already expired".* The issue of tax sparing articles is something that should continue to be considered as part of treaty negotiation. For completeness, the report explains the concept as follows *"When the tax paid in the source state is reduced as a result of a tax incentive, the foreign tax credit available for offset will be correspondingly lower, leading to additional tax being levied on the foreign source income by the state of residence. The sacrifice by the source state therefore does not benefit the investor but the state of residence, and therefore can undermine the intended aim of the tax incentive to the source state. This phenomenon can be addressed by including tax sparing credits in double taxation conventions. Tax sparing credits are a special form of double taxation relief sometimes used in tax treaties mainly with developing countries. Where a developing country grants tax incentives to encourage foreign investment, the country where the recipient of the income is resident may give a credit against its own tax on income received from the developing country for the tax which would have been paid in the developing country if the tax had not been "spared" under the provisions of the tax incentives."*

2.2.2 Taxation of fees for technical services

We are aware of a number of Asian countries and developing economies who seek to impose withholding tax on payments for services referred to commonly as "technical services". This is a consequence of the wording of the UN Model Treaty which, unlike the

OECD Model Tax Convention, has since 2017 included a special clause granting the right to tax fees for technical services (see Article 12A of the UN Model Treaty).

The treatment of such payments, and in particular whether they are to be assessed as royalties or business profits typically varies depending on jurisdiction. The analysis may also vary depending in the facts at issue. For example, where in the course of providing a service the supplier uses technology but does not grant or sell the technology then such payments may not fall to be classed as "royalties".

The question then arises as to how such payments and the corresponding withholding tax are to be classified by an Irish recipient in order to assess firstly whether the treaty allows for a reduced rate of tax, and secondly whether double tax relief may be availed of under Schedule 24 TCA 1997. In cases where these payments are assessed as "royalties", then relief under Schedule 24 may be availed of – however complications arise where the payments are not classified as royalties and are not viewed as arising from a Permanent Established in the source country and therefore cannot be relieved in the same way as tax on foreign branch profits.

We would recommend a review of such tax treaties to determine whether a Protocol may be appropriate in order to provide parties with greater clarity on the types of payments for service fees that may be treated as royalties, and whether double tax relief may be afforded to withholding tax that does not fall squarely on either royalties or business profits.

For developing countries with limited enforcement capacity, a state of source tax on fees for technical services is arguably a simple way of generating tax revenue. However we would recommend greater clarity be given to Irish taxpayers who may be in receipt of such fees to ensure that they are not disadvantaged through investment in developing economies who apply such withholding tax rules.

2.2.3 Technical assistance and capacity building

Since 2015, the international tax landscape has experienced significant change and increased complexity; the work being carried on by the OECD Inclusive Framework on the taxation of the digital economy (Pillars 1 and 2) is likely to result further complexity.

The review carried on in July 2015 noted that capacity building initiatives were identified as being a key factor in enabling developing countries collect their own tax revenues. The report further noted that Irish Revenue have, in recent years, provided significant assistance to developing countries in the use of systemised risk management. Such a policy is in step with other developed, open economies such as the Netherlands which notes in its own 2020 policy document on tax treaties:

"In order to ensure that developing countries are themselves better able to protect their own tax base and use the anti-abuse measures proposed in the BEPS project, the Netherlands is keen to strengthen the capacity of developing countries' tax administrations. The Netherlands pursues this aim by providing technical assistance through a range of bilateral and multilateral programmes. The Netherlands is involved in a number of bilateral programmes for providing technical assistance to various developing countries…"

We would be of the view that continued engagement with the tax authorities of developing economies is vital both in terms of fairness in taxation but also to ensure that Irish companies are not place at a disadvantage as a result of investment in such geographies.

2.2.4 Use of bilateral social security agreements

The use of bilateral social security agreements enable the movement of people between countries while protecting their pension entitlements. Such agreements facilitate greater cross border investment as they remove barriers to the movement of people. At present, Ireland has a limited number of bilateral social security agreements in place, but none with “developing economies”. If a core policy aim is to remove barriers to investment, then consideration should be given to entering into social security agreements with such geographies in tandem with the existing double tax treaty in place. In particular, a number of other jurisdictions have bilateral social security agreements in place with China, India, and Brazil, Turkey and Russia and consideration should be given to prioritising such agreements with Ireland.

Deloitte.