



Minutes

Subject: Minutes of Twenty-First Meeting of the Commission on Taxation and Welfare
Date: 08 April 2022
Time: 09:25 – 12:45
Venue: WebEx video conference and NECC.

In attendance:

Commission Members: Professor Niamh Moloney (Chair), Marie Bradley, Philip Brennan, Sandra Clarke, Philip Kermode*, Dr. Aoife Ní Lochlainn, Rena Maycock, John-Mark McCafferty, Dr. Tom McDonnell, Fergal O’Brien, Dr. Barra Roantree and Anne Vaughan.

Secretariat: Colm O’Reardon, Gary Hynds, Sinéad Ryan, Liam Cunnane, Hugh Cronin, Paul Dockery, Anne Marie Doherty, Aine Griffin*, Aideen Foley*, Lara Mullen*, Deirdre Ní Alluráin, Colin O’Connor*, Lynda O’Keeffe and Oisín Tarrant.

Apologies: Rowena Dwyer

*attended via WebEx

1. Welcome and Introduction

The Chair opened the meeting and briefly outlined the agenda.

2. Minutes

The minutes of Meeting 20 (25 March) were approved without amendment.

3. Draft Chapters of Commission Report

Members discussed two draft report chapters relating to tax administration and relating to the tax expenditure review process, , which were shared with Members in advance of the meeting.

4. Consumption Taxes and Stamp Duty

A Secretariat paper, “*Consumption Taxes and Stamp Duty*”, formed the basis of discussion for the session.

Members examined the current structure and approach to VAT, Excise and Stamp Duties and considered potential recommendations in these areas.

5. Strategic Reform

The Secretary presented a Secretariat paper, “Strategic Reform,” which was discussed by the Commission.

6. AOB

No matters were raised

Meeting closed at 12.45

Specific Action Points

Colour Code:

Completed

In progress

Ongoing/Repeated Action

Not Started

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ID	Action	Lead	Deadline	Status
Ref#	Brief summary of action point	Secretariat, Chair with Secretariat, DFIN, Other	Meeting X, May- 21, Other	Completed, In progress, Not started, Other
COTW01	Commission Membership to return signed principles and procedures document	Commission	18 June 2021	In progress
COTW02	Decision Time training session	Commission	9 June 2021	Completed
COTW03	Issue papers for meeting 2.	Secretariat	9 June 2021 (with Chair) 11 June 2021 (with Commission)	Completed
COTW04	Devise detailed project plan	Secretariat	N/A (On-going)	In progress
COTW05	Respond to follow up requests from meeting 2	Secretariat	25 June 2021	Completed
COTW06	Circulate Minister Heather Humphrey's speech to Commission members	Secretariat	23 July 2021	Completed
COTW07	Draft outline of public consultation and circulate same to Secretariat	Secretariat	3 September 2021	Completed

ID	Action	Lead	Deadline	Status
COTW08	Prepare paper on high level design principles of a taxation and welfare system	Secretariat	10 September 2021	Completed
COTW09	Gather feedback from members on consultation questions	Secretariat	10 September 2021	Completed
COTW10	Finalise public consultation structure and questions	Secretariat	24 September 2021	Completed
COTW11	Prepare follow-up briefing note on tax levers for public health	Secretariat	14 January 2022	Completed
COTW12	Draft paper on Commission approach to review of tax expenditures	Secretariat	8 October 2021	Completed
COTW13	Prepare briefing on tax expenditure review process and draft recommendations for reform	Secretariat	26 November 2021	Completed
COTW14	Update to high level design principles paper on foot of feedback from Commission	Secretariat	8 October 2021	In progress
COTW15	Prepare follow up briefing notes on options regarding changes to the social insurance system	Secretariat	17 December 2021	Completed
COTW16	Prepare Property Tax workshop for meeting on 26 th November	Secretariat	26 November 2021	Completed
COTW17	Prepare follow-up paper on environment, including alternative sources of revenue	Secretariat	February 2022	Completed
COTW18	Discussion paper on Site Value Tax/Commercial Rates reflecting workshop output.	Secretariat	February 2022	Completed
COTW19	Consider proposal and draft TOR for establishment of a Capital Taxes sub-group	Secretariat	17 December 2021	Completed

ID	Action	Lead	Deadline	Status
COTW20	Prepare follow-up paper on treatment of children and dependents, across tax and welfare systems	Secretariat	March 2022	Completed
COTW21	Finalise response to Pensions Commission output	Secretariat	February 2022	Completed
COTW22	Organise public stakeholder events	Secretariat	March 2022	Completed
COTW23	Prepare and deliver presentation on proposed report structure	Secretariat	March 2022	Completed
COTW24	Prepare follow-up paper on the taxation of investment income	Secretariat	March 2022	Completed
COTW25	Prepare follow up paper on the topic of capital taxes	Secretariat	March 2022	Completed

Tax admin and Tax Expend.

MB- refer back to meeting discussed at? Provide a guide in box at top.

TE- lack of specifics. Recommendations- tying it in with BOC etc. but we not mention lack of data- can't make decisions on some TE because of data. Can't make detailed recommendations as CoTW would have liked to. Clear that data isn't there. Clear re-reporting recommendation for each tax expenditure. Data on cost, value of each claim, (Employee share buy bsacks, just collect good data) why no concrete data being collected. Be stronger on how TE reievew lack of data has had on our work.

Chapter good. Don't disagree with anything else.

TA- p. 4. Voluntary compliance- high level. Tone of box not right.

P. 7- first set of bullets.

p.10 comments – agree linkage between DSP and Revenue. DSP is like an employer. They should apply payroll on all payments and do reporting. Extra layer of tech- only way it will work seamlessly. This is where DSP needs to get to.

Genuine utility to taxpayer? What does this mean?

AniL- not a lot of comments. Well written. Both chapters- succinct and clear- not too long.

Modernisation piece- know less- reading it as a lay person found it comprehensible.

DSP/taxing benefits- no idea how to answer the questions about this. Will be guided by what they think on this. Adequacy concerns.

TE- good piece of work to pull an introduction into practice of reviewing analysing etc and get it into 20 pages was good work. Style- clear and I liked style and tone- strong statements about what issues are currently- data, rigour of reviews, ex ante evaluations, (how ex ante reviews should take into account market failure etc very strong)

Agreed with recommendations. Good pieces of work.

TMCD- well written docs. Congratulations. About right size.

Agree with recommendations.

TE- process and principles not individual measures. Separation makes a lot of sense.

P. 4- appropriate to put in a tax easures- 'it is appropriate to consider ' (offset shortcomings in other areas- least bad thing to do)

S. 2, 3, 4 good.

P. 12- data limitations-

P. 14- very important- CoTW does not believe standards fully applied- strongly agree.

Rest of doc is about how to get to the.

Sunset clause- retrospective consideration of existing ones. Why not have a sunset clause?

Pensions maybe. This needs to be said each time it is reviewed. Always on the table.

Ex ante review=- excellent- this is crucial- not willy nilly adding reviews. 18 months process in advance please. Exceptins yes but not so regularly.

P. 16- structured CBA should be tried. Good explanation for why not.

Why justified if not a CBA done? At least at a high level.

Survey based reviews don't make sense. Keep all this inhouse. Review of DFIn work through IGESES or PBO.

Great chapter- well written- sternness be eased up a little. TE are a necessary evil- bad from ec point of view, distributional point of view- pinpoint where possible.

Reviews should have distributional impact. Always.

TA-

Chair- findings- there was not enough data- could be built into report?

PK- TA piece first. Agree with colleagues.

Well structured, clear etc.

It revolutionised bus processes- easy to pay and file taxes- thread to see through whole document. Big challenges require a complete revision of how you do things. Call into question how we do things. Whole of government one stop shop- very strong cohesion between govt departments. Be very strong on the relationships between DSP and dREvenue HAS to be put in place. Otherwise it won't work.

P.6- large volume of transactions of civil service are tax based.

Natural tax payer systems.

Like notion of compliance by design. Private actors- good point but useful to know how far we do with this? Further than banks and platforms. In all of this stuff. Sufficient protection for compliant individuals and businesses. Being more intrusive in way administration works. Those who respect the system are protected from those who do not. added responsibility from entitlements.

Findings of revenue having more responsibility than they do currently. CO-design approach always works well. Figures- 52.6 million for PMOD realtime – how much was timing only. Having data generated on real time only.

Recommendations- a little be sharper- for instance- endorsing digital transformation- call for further pushing the boundaries.

R. 3. Whole of gov solutions- set up a task force, structure or who to do this?

R4- advantages for means testing- be more direct in saying SW needs to up its game. Need to push a little bit more.

R5. Allergic to where practicable- wary of wording that is consensus making. Have a point. International best practice- be clearer on this.

Digital architecture- lots of thinking goes into this.

R. 6. Yes.

Employee skill sets. Point to make. Finance needs to sort this out on recruitment strategies.

Taxpayer acceptance- fine. Protection of system give indication of need for a fallback system. To assure people that no black hole. Digital exclusion. Only for those real cases who cannot do otherwise.

TE chapter- conclusions. Great paper. Be sharper in conclusions. Where possible- allergic.

Weed em out. 1 point page 13- dynamic cost modeline- decreased accuracy- don't say this.

Insufficiency in conclusions is fine- be specific that TE lists need to be married into something coherent- has to be a list. Relaxed on either a benchmark or a TE list but not the grey space that is currently there. TE list creates a grinding mill to examine TE.

Recommendations themselves- pretty fine.

1.1- Strong but maybe useful to add careful analysis of data at some stage.

1.2- Wary of lots of choices- each evaluation on a case by case basis- use best method for each one. Lots to be done to provide better evidence of what can and cannot be done. Best to be honest than not.

1.3- Fan of retropective sunset clauses.

1.4- Not clear on dedicated evaluation unit. Not sure how it looks. Function that looks at this. Outsourcing is fine too as long as aspects of evaluation that are then put together in house.

Great papers.

Chair- send in additional comments please. Whole of government to feed into strategic governance.

AV- comments very good so far.

TA- struggled with this chapter. Huge research done but chapter written in isolation. CS renewal, international trends, data sharing act, revenue plans and DSP plans. Piggy back on some of them, endorse them.

Section 2- repetitive.

First few recommendations- why not agree with them. Be more specific perhaps.

S4- teaching granny to suck eggs, support or endorse instead?

National data infrastructure board- how you link data.

Be careful about how we say stuff- don't get up DPC. Some stuff is required under law. What is our vision for ?? go out 3, 5 10 years. How do we see it in practice and from individual points of view? Need to see that

DNA of Revenue and DSP are different. Different experiences.

Have Secretariat spoken to DSP how this would work and taxation of benefits in real time?

AV would need to be assured that it would work in real time.

Circular problem- DSP pays, Revenue takes portion, DSP tops up to entitlement?

Scrutiny reservation on the taxing benefits.

Means testing. Absolutely- if one org can take robust info from other agency in real time fine do it. Difficulty is, if dependent on a payment then it really has to be in real time. Coded recommendation to organisations- scrutiny reservation on this too.

Don't lead with chin and say we are an expert.

Vision for the future. What is the administrative vision for DSP and Revenue- never have offices again- all driven by IT?

Outsourcing just hollows out the experience in departments.

3 rationales for TE- define what each of those are- what is a market failure for example?

[Section 6 go first?]

Final query- pension tax expenditure in other areas?

FOB. Findings. Level of lots of recommendations. Findings to recommendations. Get more granular in

General approach- link findings and recommendations structures. Shows discipline. Have evidence.

Don't focus on technology but ecosystem is key. Drop down a level and be more specific on what we are looking for? Whole of system infrastructure.

TA- modernisation didn't really come up- references PUP but not EWSS. Tax issues there.

TE- both chapters super. Recommendations letting people off the hook- be tighter.

Behavioural and dynamic approach to TE- push harder- revenue forgone model is an effective approach – NO. overall ecosystem across public sector- IGEES. Reflection materiality assessments- do the big stuff first. Not just the small ones.

Remain objective on use of TE. Criteria fleshout market failure etc. but don't begrudge when TE should be used. For some there will be a good public policy role in tax and public policy.

Remain objective in assessment.

Really large- added up- something seems off.

PB- TA first. Taxing DSP payments said in last cot.

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Medium term- delays in reporting. Annual taxes.

See tech designing out non compliance. No reason in med term why not extend to all sectors of the economy.

TE- yes on ex ante reviews- particularly strongly.

RM- agree with all.

TA- retile it across DSP

Stronger language in recommendations- whole of govt approach, collection of data in compliant way. Be more prescriptive about language- less endorse.

Papers seemed isolated from each other. Cross reference to each other. Silos. Cohesion across different chapters.

Grey box- agree with PB- adequacy concerns- true modernisation then a baseline of adequacy. Modernising TA impact on reviews of TE? More efficient, more effective? Note in recommendations on TE piece- joined up thinking approach. Whole of ToR approach.

P. 12 TE- so few beneficiaries- it shouldn't still be there if so small.

DATA DATA DATA. Modernisation piece. Not possible to have adequate reviews without better data.

SC- Be brief. Like flow of papers. What set out. Envisage it from a person reading it.

TE- auditing materiality- why not look at the bigger ones first? TE necessary then part of the system. Back to lack of data- findings around that. Impact that has had.

Ex ante and benchmarking review. All legislation in advance of new measures introduction.

In favour of all depts. Working together to provide real time data.

Tax of SW should be done in realtime and at source- enough tax credits to protect vulnerable people to protect payments.

BR- TE paper only. Language could be sharper in places.

1.2 recommendation- not clear what it was.

Be less civil service- be clearer.

Recommendations- support dedicated evaluation units. Primary recommendation. (legislative amendments sentence is flat) start with this. OCAG also a location but can't be recruited and retained there unfortunately.

Powergrab by finance to keep it inhouse?

1.6. Dept finance ?

1.5 ex ante comments- part of process should include articulation of what purpose of tax expenditure is. make this stronger.

J. McMC- both good papers.

P. 17- digital exclusion- non digital to be retained at a level that covers all non digitally excluded peopleacross all services- what level is digital and non digital.

TE- strong conclusion- 3 bits at end of documents that should set out context at beginning- no regular cost expend to state 2 lack of clarity masks scale and impact and starttignc approach. Need to be a framing piece at the beginning too.

COR- useful comments. Pitching recommendations- something high level. Do we want to have 2 types-declaratory and one action?

Language- great- as we work our way through. Reporting judgment as well as evidence.

Can't point to evidence on everything.

Vexed of grey box. ToR is about tax administration. Not welfare administration. No requirement for DSP to pull up socks.

Market failure- don't like the words- produces negative wording.

Data- not just data but a data strategy- link it into (AV thing) leads. Need better data strategies. Link into coherent strategies. Good recommendations. Peer review of DFin reviews.

Chair- say things that need to be said. Keep it on the table.

A great morning.

AV- scruting reservation- no difficulty in principle but in practice. More than happy to work with secretariat to get somewhere. Talk to rev and dsp involved to progress

OCAG- didn't always look at

Meeting 21: 08/04/2022

Meeting 21: Consumption Taxes and Stamp Duty	
Chair	Saw this in farmleigh and earlier. The summary shows where we came out. P/E is sharp and tricky here. EU context. On the other hand an important part of the base in order to have a balanced report need to mention. Paper suggests three ways of looking at it (outlined them) including on stamp duty (new). This topic has to come back again but try to identify principles.
JM McCaffrey	<p>VAT and zero rate – well set out in paper that any changes would need to be offset by welfare. Inefficiencies of that, hard to justify. Cost of living. Would you count zero rate as a tax expenditure type? The more you place in zero rate the more it is in that space.</p> <p>VAT rates – super reduced rate and what it covers seems odd and IE does seem to be an outlier. Seems a bit niche. Reduced rate horses and greyhounds.... If an industry needs the reduced rate how successful is it or is lobbying too</p> <p>Stamp duty – why doesn't bulk purchase of Apts not incur stamp duty. To do with REITs? Relates to houses but not apartments. (GH – viability difficult in apt space and only things being built)</p> <p>Increase in yield from other stamp duties – include a paragraph on the background to this e.g. credit cards</p> <p>Difficult bit is options: clearly when it comes to housing related taxes it is more prudent to go down the principle tax route. Historical overreliance on stamp duty. Question is has the reduction in stamp duty gone so far that it needs to be revisited – possibly in terms of revenue raising but there are consequences in terms of avoiding going onto the higher rate. All for a slight increase but don't know that it is going to yield so much or do more damage</p>
B Roantree	Focus on recommendations. Very much on stronger ground making principled recommendations in this space. Easier and more coherent position to hold rather than picking on this that deserve or don't deserve reduced or zero rates. The big money is in food here. Don't want to get into increasing VAT on food. Need to make the point of moving toward progressive VAT would have a regressive effect on low income but will raise revenue from higher income households that can redistribute.

	<p>Stamp duties are bad taxes except for financial transaction taxes. Why else would you want to tax a property that changes hand more often than tax property in general. Not good economic grounds for it and could restrict mobility. Discouraging people from relocating rurally example.</p> <p>Should not be increasing stamp duty rates with the exception of the bank levy. This levy does not have the distortionary impacts that other taxes have.</p>
<p>S Clarke</p>	<p>VAT – tossed and turned but it should be more principled based rather than picking on specific sectors. Think it is worth considering the numbers on the changes to the rates and what the differences of a 1% increase would make. Not in favour of an increase on the standard rate.</p> <p>Stamp duty – revenue raising, should be looking at increasing the rates on over a certain limit in terms of the house price. Should not impact on people relocating rurally as will be below the barrier.</p> <p>Bank levy – the banks will still pass it on anyway if it is reduced.</p> <p>Already having a situation where number of banks in country reducing. Is the bank levy something that stops other banks coming into the marketplace</p>
<p>R Maycock</p>	<p>VAT – lean in favour of the prescriptive recommendations. Greater change of rates being picked up the more direct we are. Specific changes to agri and related products but if you were to increase VAT there what would the impact on their margins be.</p> <p>Agree to move from zero to oral medicine horses greyhounds etc all ok.</p> <p>Stamp duty – very wary of making any changes on residential property due to housing shortage for next 1-2 decades. Need stock at affordable prices and could be seen as a Dublin tax if bands were to kick in and it could have distortionary effects on an already fragile market.</p> <p>Non-irish resident owners would be only exception to this</p> <p>Bank levy – notes that only have three banks left in the market and would an increase stop other entering the market. Is a revenue raising opportunity though</p>
<p>P Brennan</p>	<p>Stamp duty – inclined to agree Barra in the context of the tax but it is bedrock in the tax system and raises significant revenues so can't get rid of it.</p> <p>Bank levy – there is scope there. It is a mad tax the way it is levied. % rate would have to increase. Take the point about banks exiting. Remaining banks will hoover up the business. Probably passed onto consumer eventually. Really want a bigger contribution from banks that benefit the taxpayer.</p> <p>Housing – paper is silent on REITs. Read the TSG paper on it. Don't want to collect. Stamp duty is a very generous relief on what is there</p> <p>Take points about Dublin tax but talked about it in the CGT whether disposals of PPR should be capped or exempted. In absence of a broad based wealth tax there is probably scope to raise some revenue from high end properties</p>

	<p>VAT – on excise, very little in the paper on it. Are we going to come to in the environmental piece. Aviation seems to be a distinct lack of action on it at an EU level. Need to call it out.</p> <p>Can seem merits of taking principles on vAT but fear of accusation of copping out in light of all that is going on. Favour looking at some of the specifics in there. May not be revenue raising but need looking at. Agri property is a business, why should it be different.</p>
<p>F O'Brien</p>	<p>Balance between principles and spceifics. This part of work needs to be clearly revenue raising. Seriously considering a step across all of the VAT rates – keep the relatively between then but over a five year period it could be achieved. Money here is in the rates and we should be scoping out some packages.</p> <p>Ref back to tracker of macro revenue raising sense</p> <p>Agree on point on not putting too much in transaction activity re Stamp Duty</p> <p>There is alogic in remit around housing to look at PPR and NPPR. Worth considering if stamp duty is a tool to help people.</p> <p>Should the tax system be treating holiday homes and PPR the same in terms of stamp duty to try to give some advantage to those trying to buy a PPR. Don't see the distortionary impacts</p> <p>Bank levy – were is the incidence going to lie. Challenges re competition in the sector. Out of whack with rest of europen in terms of costs in the market</p>
<p>P Kermode</p>	<p>Based on what paper has said and prev deicussion revenue is to be got here. Do think that there is an oppportunity to use what is happening at Eu leve to say we are not quite as stuck as we were. Really look at why we are doing this re different rates.</p> <p>When you look at the rates issue a couple of things strike you – it is tax expenditure a la carte. Zero and reduced rates the item that wualifies most is certain and creates complexity in terms of certain interest groups. One way of tackling this it to tackle the rate level of the reduced rates.</p> <p>The EU is looking at how the rates are regulated across the union so an oppportunity to use this to make a more sensible system</p> <p>Wary of increasing the standard rate as high already</p> <p>Could see (1) if you want money you need to change reduced rates (2)need to examine what is in there.</p> <p>Wary about comparing items for the disabled with greyhounds. Start a tax expenditure examination to achieve (2)?</p> <p>Wary of the position in agriculture – interaction of flat rate addition and other rates? Interesting to flesh it out a bit more. Do need to look at the cumulative affect on sectors such as agri and housing more generally</p> <p>Not much scope to modify excise rates due to constraints of single market</p> <p>Theologically opposed to stamp duty and would like ot see it buried but like others it is too much to give up. Would be minimalist in approaching it. Need to see how it plays out in the capital versus income debate and also need to look at it in the property area. Not</p>

	<p>keen on huge changes but might get to yield on property low but on capital gains could be higher? Would want to know why we would be doing bank levy. VAT – have to go for it but could present something reasonable without getting too much into the detail</p>
<p>A Vaughan</p>	<p>To get to specifics have to have your principles so do that to help with some of the specifics. Report has to point to the medium and long term and can't look after the short term. Like fergals idea of packages. Revenue raising yes so the narrative is v important here in terms of why we might be coming forward with packages in VAT. May be scope on rates but lower incomes would have to be compensated. Stamp duty – you wouldn't introduce it but you have it now so need to do something with it</p>
<p>T McDonnell</p>	<p>Stamp duty – agree with the position that it is a terrible tax and shouldn't exist. Combination of introduction of SVT if got rid of stamp duty for PPR (?) It is an impediment to the labour market Stamp duty on NPPR has a justification though as trying to incentives people to move away from commercial at the moment. Bank levy – bizarre tax almost random in nature. Not clear what it is trying to achieve other than grab some money from that sector which is not a good justification for a tax even if the sector is unpopular. It is a procyclical tax so fails on that ground too. As a net revenue raising comm have scope here VAT – enormous revenue raser so unusual not to be proposing anything in this area. Hard to increase rates in short term but we are medium to long term. There is scope as to the rates. Don't increase zero. 23% is high but looking at the reduced rate items it is difficult to identify any of them whereby the reduction is justified. Over the medium term should be looking at amalgamating them all into a single rate which is above revenue neutral maybe 18%. Use the excise system to punish bad habits. Need to be strong what we say on carbon tax in the final report</p>
<p>A Ni Lochainn</p>	<p>Stamp duty – agree with others. Doesn't appear to be much scope in terms of reform given the scale of revenue it brings in VAT – agree that we have to look at the rates. Should be putting forward a principled argument but need to make some specific recommendations and looking at the lower rates. Don't necessarily have justification for them as they stand now Can make environmental argument on a number of them e.g. livestock. Need to say something on fertiliser. EPA report on state of Irish water and there is a correlation to use of fertiliser. It should not be zero rated.</p>

M Bradley	<p>Opportunity to increase tax yield and looking at it longer term. This is fair as based on the more you use the more you pay. Powerful in terms of how much money you could raise by increasing rates.</p> <p>Changed view on 23% - could see scope for it increasing (?).</p> <p>Do we go with a single rate of existing mechanics of reduced rates.</p> <p>Don't have a firm view on it</p> <p>Need both principles and specifics. On the latter don't understand the 9% rate and it should be abolished.</p> <p>Nervous about abolishing the 4.8% so need to know more about it - marging in agricultural sector.</p> <p>Tour guides at 13.%% doesn't make sense</p> <p>Stamp duty – life assurance ones are a bit sneaky but effective and there may be scope to increase them without too much drama.</p> <p>Bank levy – a grab at the sector but it is effective and is constitutionally valid. A surcharge on CGT could be argued against on discrimination grounds.</p> <p>Stamp duty residential – yield for 2021 is significant. Don't have conceptual disagreement with its existence. It does what it does. May be potential in increase the yield on higher end properties without too much difficulty.</p>
Chair	<p>Good progress. Appetite to do something ambitious here. Also hearing a lot of explaining what works and what doesn't.</p> <p>Consumption – fair amount of interest in raising the rates and debates around how that is done.</p> <p>VAT – can do different packages and options</p> <p>Uncomfrotablness around what is in the buckets and why</p>

Meeting 21: Strategic Reform	
CoR	<p>Fiscal sustainability – there are unknowns. This paper have we anything to say if the system should change in between big exercises like this.</p> <p>Disc on tax expenditure has bled in here, but in a more general way.</p> <p>Range of things in paper to try and bring tax expenditure in like with multi-annual etc.</p> <p>Mismatch between scrutiny system we have and the reality</p> <p>Tries to call out tax breaks is free money type of thing.</p> <p>Totality of public resources and expenditure needs to be taken into account</p> <p>Not a mssive part of the report but useful to comment on it</p>
B Roantree	<p>Mention of accrual budgeting. In same space increasingly archatic system of echequre taxes and returns. Should make better use of multi-annual budgeting. Important things in the welfare spaceon this.</p> <p>SW budgetary process 'over the lifetime of the Government'</p>

<p>M Bradley</p>	<p>Should ban the budget because at this point it has no real substance – what matters is the summer economic statement. Budget is a PR event. Need to focus on where we have moved to and what really matters – it is not budget day. Takes pressure of the Gov for spending money cos they have to Move towards accrued accounting is really important. Too tied up in short term thinking. Government still has to have a strategy despite the ups and downs.</p>
<p>T McDonnell</p>	<p>The budget should be very boring and should unfurl over a 12 month period. Nothing should be announced on budget day except modest thing Agree accruals basis To what extent do we want to mention fiscal sustainability on benchmarking and indexation. Could depoliticise a lot of these issues. There can be downsides too. We may wish to form a view on it, it does not detract from the democratic process. (Asked for paper on it from secretariat)</p>
<p>P Kermode</p>	<p>Like the idea of the paper. Like that a lot of these things contribute to a lot of increased transparency not just at budget time.</p>
<p>F O’Brien</p>	<p>Not to be overinflated in terms of our own importance. Is there a process – what happened to the 2022 COTW report. Lots of investment by the stae on what needs to be reformed and monitored. Ultimately how does this get implemented – who is the keeper of the flame. IFAC?</p>
<p>A Vaughnan</p>	<p>Good idea to give guidance on implementation. 1986 reports – they were v different reports. All of the recommendations on SW have been done over time. It is toe the nature of the reports and we have to take a view as to what kinds of a report we are writing. SW 1986 was apractical thing. Rates are too low and shOuld increase them. It was possibly more practivalb eand more doable. CoT had a different type of approach at that time. Where are we in that sort of space. My own view is good policy that can be operated on the ground is not useful policy. Be it collection or distribution. Say more, do more in this paper. Have to keep in mind are you doing a deisng opers mode or policy mode or policy operational interface. PMOD was a really sucesssful design process. PUP was a policy reponse followed by operational. Important discussion here on policy intrsuments and tools and operational pieces Roadmaps – work tend to work in the short to medium terms. What can work is where you get cross governmental agreement e.g. slaintecare. Performance reporting should drop into SW also. No IT system is going to solve human issues we need to address Really important that the rport is bought into by administrations (governments)</p>

	Supportive of benchmarking comments
P Brennan	Budgetary process is mad. Lack of ignorance of most of the population of tax and SW