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Submitted to Your Vision, Our Future
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A representative of an organisation

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Organisation:
The Irish Association of Pension Funds

Chapter 1 - General Questions

1 What elements of the taxation and welfare systems do you feel are working well?

Please elaborate below::

2 What elements of the taxation and welfare systems do you feel are not working well?

Please elaborate below::

3 Good quality public services, welfare provision and infrastructure are financed mainly from taxation and PRSI. What are the features that you think our taxation and welfare systems should have in order to meet these needs?

Please specify::

From a pensions perspective, particularly for the Pay As You Go elelemnts of the system (State and Public Sector Pensions) it is important that the systems are sustainable if they continue to rely on future taxation to pay those pensions.

4 In your view, what main reforms are necessary so that the Irish taxation and welfare systems can embrace the opportunities and meet the challenges that Ireland may face over the next 10-15 years?

Please outline your views::

There needs to be greater long term planning and better implementation of analysis and recommendations.

Chapter 2 - Fiscal Sustainability

1 What reforms to the taxation and welfare systems should be considered to ensure the system is sustainable and resilient and that there are sufficient resources available to meet the costs of public services in the medium and longer term?

Please specify taxation reforms you consider important::

The Report of the Interdepartmental Pensions Reform and Taxation Group sets out a bsis for simplifying the pensions system. It is important that those are implemented.

Please specify welfare reforms you consider important::

The Pensions Commission Report sets out a basis for enuring the sustainability of the State Pension. This needs to be fully considered and recommendations implemented.

2 Rate each issue below in terms of strategic importance to the taxation and welfare system over the next 10-15 years (1 being least important and 5 being most important):

importance options - Achieving good public health outcomes for our people:
5

importance options - Addressing the climate crisis:
5

importance options - Adequate social transfers and benefits:
5

importance options - Growing employment:
5

importance options - Sustainability of public finances:
5

importance options - Sustained economic growth:
5

3 Given approaching demographic pressures and future uncertainties, future funding of public services is a critical issue. In order to meet these challenges, what is the appropriate balance between the taxation of a) earned income, b) consumption e.g. VAT and c) wealth e.g. capital acquisitions tax?

Please outline your views::

Chapter 3 - Promoting Employment

1 What reforms to the taxation and welfare system should be considered to ensure that taxation and welfare work in tandem to support economic activity and promote employment while also supporting those most vulnerable in an equitable way?

Please outline what reforms should be considered::

Auto-enrolment to a pension scheme should be intrioduced the ensure people can have adequate pensions when they retire.

2 Does Ireland's taxation and welfare system strike the right balance between maintaining the incentive to increase earnings and alleviating some of the risks of low income (poverty and deprivation)?

Not Answered

Please explain your view::

3 Are income supports equitable in terms of how they treat people of working age?

Not Answered

How is this balanced with the requirement to meet differing needs?:

4 What changes to the social insurance system should be considered to ensure sustainability into the medium to longer term? (Please note the recommendations of the Pensions Commission and NESC Report 151 on the future of the Irish social welfare system)

Please specify changes to be considered?:

The recommendations of the Pension Commission provide a reasonable basis for sharing the long term costs of the State Pension.

Chapter 4 - Climate

1 As Ireland moves to a low carbon economy, what should be the role of the taxation and welfare system in:

a) taking advantage of opportunities? :

b) mitigating the risks? :

c) in meeting Ireland's emissions targets?:

2 Are there existing taxation and welfare measures that are counter-productive to Ireland's climate change commitments?

Not Answered

If yes, please specify::

To what extent are these justified in the Irish context and are any reforms necessary?:

3 What changes should be made to the taxation system to ensure longer term fiscal sustainability given the expected impact of the continued decarbonisation of the Irish economy, in particular the impact of reducing tax revenues from energy, carbon and motor taxes?

Please detail the changes::

Chapter 5 - Housing

1 Taking into account previous taxation related interventions in the housing market, what role do you think the taxation and welfare systems have to play in contributing to the long-term supply of housing?

Please outline your views::

2 Should the taxation system have a role in supporting or promoting any specific form of housing tenure (e.g. home ownership, rental), or should it remain neutral?

Not Answered

Please elaborate further::

3 What in your view is the role that taxation should play in housing affordability?

Please outline your views::

4 Following the introduction and recent amendments to the Local Property Tax (LPT) and the commitment in Housing for All to introduce a new taxation measure to activate vacant land for residential purposes, do you consider there is a role for a Site Value Tax in Ireland?

Not Answered

Please elaborate further::

Chapter 6 - Supporting Economic Activity

1 How can Ireland maintain a clear, competitive, sustainable, and stable taxation policy with regard to its attractiveness to Foreign Direct Investment (FDI) in light of the rapidly changing global environment?

Please outline your views::

2 How can the taxation environment support indigenous enterprise, particularly small and medium sized enterprises (SMEs) to be productive, to innovate and be competitive internationally?

Please specify::

3 With regard to starting, scaling or growing a business in Ireland:

a) what features of the current taxation system work well?:

b) what features do not work well and how can these be improved?:

Chapter 7 - Tax Expenditures

1 How do you think the process of reviewing taxation measures and taxation expenditures is currently functioning?

Please outline your views::

There are some areas where there should be some form of automatic indexation applied e.g. the Standard Fund Threshold for pensions.

How well defined do you think the benchmark taxation system is in Ireland?:

2 How do you think the process of taxation expenditure review could be improved?

Please specify::

3 Please give examples of taxation expenditures that you believe run counter to public policy/are badly designed?

Please specify::

Please explain your rationale? :

4 Please provide examples of taxation expenditures that you believe work well, either in Ireland or internationally?

Please specify::

Chapter 8 - Public Health

1 How well do the taxation and welfare systems support good public health outcomes, addressing health challenges including but not limited to those caused by or related to tobacco and alcohol use, obesity, poverty and/or environmental issues?

Please outline your views::

2 What changes would you like to see to better promote the goal of good public health?

Please specify::

Chapter 9 - Administration

1 How can modernisation of the taxation and/or welfare administrations evolve to best meet customer needs in a satisfactory manner while respecting data rights and ensuring secure and reliable tax collection?

Please outline your views::

What do you see as the implications of modernisation for taxpayers either positive or negative?:

2 What improvements in service quality and delivery could be achieved by integrating (elements of) the taxation and welfare administrations?

Please specify::

Are there any risks arising from such integration? :

Chapter 10 - Submit Your Ideas

1 Taking into account the Terms of Reference, submit any other thoughts, ideas or feedback on taxation and welfare in Ireland:

Please outline your views::

The pensions system had been anyalysed so much over the last 30 years. The issue has been the implementation of good recommendations. We need to stop viewing it as a long-term issue that can be put to one side. Taking action now will ensure people can have decent retirements in the future. The Pensions Roadmap, the Report of the Interdepartment Pensions Reform and Taxation Group and the Report of the Pensions Commission are the most recent reports that all provide a strong basis for a sustainable pensions system in Ireland and focus shoud be on implementing these.