



CORPORATE AND COMMERCIAL

Update – Calls for Competitive Tax Code for Share Based Remuneration

by **Gillian Dully**

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The Irish Venture Capital Association (IVCA) has called for a competitive Irish tax code for share based remuneration in order to address a key aspect of the challenges now threatening Irish inward investment.

The IVCA is the representative organisation for venture capital firms in Ireland and it made a submission in response to the Irish Government's public consultation process on the tax treatment of share based remuneration.

The IVCA submission points out that the current Irish tax regime for share incentive plans places small and medium sized businesses at a disadvantage in attracting and retaining highly skilled workers in comparison with the tax regimes in other jurisdictions.

The IVCA recognises that Irish SMEs and start-ups require flexible compensation programmes to attract and retain key talent.

In summary, the IVCA recommends the introduction of a simple tax efficient share option scheme regime for SMEs engaged in innovation activities similar to the attractive Enterprise Management Incentive Scheme operated in the UK.

The Irish Government is likely to come under increased pressure to adopt a more tax efficient regime for share based remuneration in efforts to position Ireland as a competitive economy post Brexit, particularly in light of the UK Chancellor's recent pledge to cut corporation tax in Britain to less than 15%.

If you are interested in obtaining more information about share incentives generally please contact Gillian Dully at gdully@lkshields.ie.

The IVCA submission can be found [here](#).

About the Author



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Gillian advises on corporate and commercial law to include mergers and acquisitions, joint ventures, shareholders agreements and various other commercial matters.

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