

IRELAND

TRANSFER PRICING PROFILE

1. Reference to the Arm's Length Principle

Section 835C of the Taxes Consolidation Act 1997 (as inserted by Section 42 of the Finance Act 2010).

The Taxes Consolidation Act 1997 (and Finance Acts amending that Act) may be accessed on [Irish Statute Book](#).

2. Reference to the OECD Transfer Pricing Guidelines

Section 835D of the Taxes Consolidation Act 1997 (as inserted by Section 42 of the Finance Act 2010).

3. Definition of related parties

Section 835B of the Taxes Consolidation Act 1997 (as inserted by Section 42 of the Finance Act 2010).

4. Transfer pricing methods

Ireland's domestic legislation does not explicitly provide for the use of any transfer pricing methods in respect of transactions between related parties. However, Ireland's domestic legislation is construed in accordance with the OECD's Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2010 ("the TPG").

5. Transfer pricing documentation requirements

Section 835F of the Taxes Consolidation Act 1997 (as inserted by Section 42 of the Finance Act 2010). See also [Part 35A of Revenue's published Tax and Duty Manual on Income Tax, Capital Gains Tax and Corporation Tax](#).

In addition to the above, Section 891H of the Taxes Consolidation Act 1997 (as inserted by Section 33 of the Finance Act 2015 and as amended by Section 24(1) of the Finance Act 2016) provides for country-by-country reporting by multinational groups. Additional information on country-by-country reporting is set out in [S.I. No. 653 of 2016, Taxes \(Country-by-Country\) Regulations 2016](#). See also [Part 38-03-21 of Revenue's published Tax and Duty Manual on Income Tax, Capital Gains Tax and Corporation Tax](#), which addresses some frequently asked questions on the interpretation of legislation and regulations that implement country-by-country reporting in Ireland.

6. Specific transfer pricing audit procedures and / or specific transfer pricing penalties

There are no specific rules relating to transfer pricing audits in Ireland. The normal rules relating to Revenue audits and penalties apply.

In relation to general transfer pricing documentation, where a request by an authorised Revenue officer for information is not complied with or assistance in interpreting the documentation is not given, a penalty of €4,000 will apply (Section 835F(3) of the Taxes Consolidation Act 1997 (as inserted by Section 42 of the Finance Act 2010)).

The penalty for a failure to file a country-by-country report/equivalent country-by-country report is €19,045 plus €2,535 for each day the failure continues. The penalty for filing an incomplete or incorrect country-by-country report/equivalent country-by-country report is €19,045 (Section 891H(7) of the Taxes Consolidation Act 1997 (as inserted by Section 33 of the Finance Act 2015 and as amended by Section 24(1) of the Finance Act 2016)).

7. Information for Small and Medium Enterprises on TP

Information relevant for SMEs in tackling transfer pricing matters is available on the [JTPF webpage](#).

8. Information on dispute resolution

Competent Authority	<p>Mutual Agreement Procedure (“MAP”) requests relating to transfer pricing and attribution of profits to a permanent establishment</p> <p>Director, Transfer Pricing Branch International Tax Division Office of the Revenue Commissioners Treasury Building Dublin Castle Dublin 2, Ireland</p> <p>Tel: +353 1 858 9377 or +353 1 858 9712 Fax: + 353 1 679 3314 Email: transferpricing@revenue.ie</p> <p>Non-transfer pricing MAP requests</p> <p>Director, Tax Treaties Branch International Tax Division Office of the Revenue Commissioners Treasury Building Dublin Castle Dublin 2, Ireland</p> <p>Tel: +353 1 858 9885 or +353 1 858 9884 Email: taxtreaties@revenue.ie</p>
Organisation	Office of the Revenue Commissioners
Scope of MAP & MAP APA	<ul style="list-style-type: none"> • Relief for double taxation • Interpretation and application of tax treaties
Domestic guidelines & administrative arrangements	Revenue's <i>Guidelines for requesting Mutual Agreement Procedure (“MAP”) assistance in Ireland</i> are available at Part 35-02-08 of Revenue's published Tax and Duty Manual on Income Tax, Capital Gains Tax and Corporation Tax . The guidelines also contain information in relation to submitting a claim for a correlative adjustment in situations where a taxpayer has settled a dispute unilaterally with a foreign tax administration without involving the Irish Competent Authority.
Time for filing	A MAP request should be submitted in accordance with the time limits specified in the relevant double tax treaty and/or EU Arbitration Convention for submitting such a request.
Form of request	No specific form.
Documentation requirement	A MAP request should contain the information listed in Revenue's <i>Guidelines for requesting Mutual Agreement Procedure (“MAP”) assistance in Ireland</i> referred

to above. This includes (but is not limited to) the names and addresses of the parties concerned, the tax periods to which the MAP request relates, the legal basis for the MAP and a description of the nature of the action giving rise to, or expected to give rise to, taxation not in accordance with the relevant convention.

Throughout the MAP process, the taxpayer should ensure that each tax administration is provided with the same information at the same time.

User fees None

Tax collection / penalty / interest

No specific provisions - general rules apply.

Other dispute resolution mechanisms

EU Arbitration Convention for transfer pricing cases and cases relating to the attribution of profits to a permanent establishment.

Dispute resolution under the EU Arbitration Convention does not need to be initiated and may be suspended if one of the enterprises involved is subject to a 'serious penalty' for the transactions giving rise to the profit adjustment (Article 8 EU Arbitration Convention).

Unilateral Declaration of Ireland on Article 8 of the Arbitration Convention (*Official Journal L 225, 20/08/1990 P. 0010 – 0024*)

'Serious penalties' shall include penalties for:

- (a) failing to make a return;
- (b) fraudulently or negligently making an incorrect return;
- (c) failing to keep proper records;
- (d) failing to make documents and records available for inspection;
- (e) obstructing persons exercising statutory powers;
- (f) failing to notify chargeability to tax;
- (g) making a false statement to obtain an allowance.

The legislative provisions governing these offences, as at 3 July 1990, are as follows:

- Part XXXV of the Income Tax Act, 1967,
- Section 6 of the Finance Act, 1968,
- Part XIV of the Corporation Tax Act, 1976,
- Section 94 of the Finance Act, 1983.

Any subsequent provisions replacing, amending or updating the penalty code would also be comprehended."

Ireland has signed the OECD *Multilateral Convention To Implement Tax Treaty Related Measures To Prevent Base Erosion And Profit Shifting* ("MLI"). Ireland has opted for part VI of the MLI concerning the introduction of a mandatory and binding arbitration provision in tax treaties.

Government Website www.revenue.ie

9. Relevant regulations on Advance Pricing Arrangements

None. However, Revenue's *Bilateral Advance Pricing Agreement Guidelines* contained in [Part 35-02-07 of Revenue's published Tax and Duty Manual on Income Tax, Capital Gains Tax and](#)

[Corporation Tax](#) provide further information in relation to Ireland's bilateral APA programme. Any company that is considering making an application for a bilateral APA is invited to contact us – see competent authority contact details above.

10. Links to relevant government websites

<http://www.revenue.ie/>

11. Other relevant information

Revenue's *Guidelines on Low Value Intra-Group Services* are available at [Part 35A-01-03 of Revenue's published Tax and Duty Manual on Income Tax, Capital Gains Tax and Corporation Tax](#).

Secondary and compensating year-end adjustments may result in double taxation. Two questionnaires launched by the EU Joint Transfer Pricing Forum (JTPF) in 2011 took stock of the situation prevailing in each EU Member State with respect to secondary and compensating year-end adjustments as on 1 July 2011.

[Secondary Adjustments - overview on the legal and administrative/practical aspects in the different Member States](#)

[Compensating/Year-End Adjustments - overview on the legal and administrative/practical aspects in the different Member States](#)