

Legislative Monthly Newsletter

October 2020

Irish Political Developments



See here for all
[Budget 2021](#)
announcements

Budget 2021 – highlights

- **Commercial rates** waived until the end of this year
- €300m in additional funding for **Local Authorities**
- Establishment of €3.4 billion Covid and Brexit economic **recovery fund** to help sectors such as hospitality, culture & aviation
- **Hospitality VAT** drop to 9% 1st November until December 2021
- Reduction in **VAT** from 23% to 21% effective immediately until
- **Covid-19 Restrictions Support Scheme (CRSS)** will provide businesses with immediate funding if they are forced to close due to level 3 or higher restrictions. It will be subject to a maximum weekly payment of €5,000.
- New scheme for **self-employed** to allow them to take up intermittent work without losing their PUP benefit.
- **Earned Income Tax Credit for the self-employed** increased by a further €150, making it €1,650 per year
- **EWSS and PUP** to be extended beyond 31 March 2021
- **Debt warehousing** to be extended to allow the deferral of payments with no interest, 3% thereafter and no surcharge
- €340 million of voted expenditure will be spent on **Brexit supports** in 2021
- **Remote working** – Cost of broadband and some other expenses can be claimed through Revenue
- €1 billion in **public transport** to form part of the climate transition and green recovery
- €1.8bn funding announced for **sustainable transport**, cycling, walking and greenways
- €1.2 billion in funding for **Land Development Agency** to continue projects already underway and will deliver 9,000 affordable housing and cost rental units
- €1.6 billion in capital programmes under the **NDP**
- **Carbon tax** – Increase of €7.50 per tonne
- Over €221m funding announced for residential and community **retrofit schemes**
- Three additional weeks of **parental leave**

Dáil Business

Recently discussed and considered Bills

- [Investment Limited Partnerships \(Amendment\) Bill 2020](#) (Seanad – Report and Final Stages)
- [Trade Union Representation \(Miscellaneous Provisions\) Bill 2018](#) (Dáil)
- [Climate Action and Low Carbon Development Bill 2020](#)
- [Finance Bill 2020](#) (Dáil – Second Stage)

In other news

- Following the reintroduction of Level 5 restrictions countrywide, Government launches new [‘Keep Well’ Campaign](#)

Consultations

Upcoming submissions for November

- EU Trade and Investment Policy Review ([click here](#))
- State of intellectual property in third countries ([click here](#))
- Deposit Return Scheme - Consultation on Potential Models for Ireland ([click here](#))
- EU Consultation on Sustainable Corporate Governance ([click here](#))

Please contact any of the Chambers Ireland team if you wish to discuss any of these consultations.



Brexit

EU-UK Brexit Negotiations – EU to take legal action over Brexit breaches

The European Commission began formal infringement proceedings against the British government on Thursday, 1st October for breaching “good faith” through its Internal Market Bill.

The bill currently making its way through parliament reverses aspects of the EU-UK withdrawal agreement signed last year and “would flagrantly violate” agreements made to avoid a border across the island of Ireland, the Commission said.

The EU had warned Britain that it would “not be shy” in taking legal action and gave London until 30 September to remove problematic parts of the Bill. The Commission informed the British Government of the impending legal proceedings in a letter of formal notice and gave London one month to respond.

Key dates in the Brexit timeline to keep an eye on

- 23 November** European Parliament plenary, which could be crucial in ratifying an agreement between the EU and UK
- 10 December** Start of 2-day European Council, the final such summit of 2020
- 14 December** Final European Parliament plenary for 2020
- 31 December** Final day of the transition phase for the UK

Northern Ireland and future EU FTAs

The Irish govt has been pressing the EU and UK to allow NI exporters to benefit from existing and future EU free trade agreements.

Under the NI Protocol, any goods produced in NI can circulate freely throughout the EU. However, those goods will not be recognised as EU goods for the purposes of being exported as part of existing EU FTAs due to country of origin rules. For more on this, please see [here](#).

Trade

Boeing WTO case: the EU gets formal green light to impose duties on U.S. imports

The Dispute Settlement Body of World Trade Organization (WTO) formally authorised the EU to take countermeasures against the United States. The EU can now increase its duties on U.S. exports worth up to \$4 billion. This decision follows the WTO panel announcement confirming EU retaliation rights in reaction to illegal subsidies granted to the U.S. aircraft maker, Boeing. More on this [here](#).

Commission proposes new ‘Single Window for Customs’

The European Commission has proposed a new initiative that will make it easier for the different authorities involved in goods clearance to exchange electronic information submitted by traders. The so-called ‘EU Single Window Environment for Customs’ aims to digitalise and streamline processes, so that businesses will no longer have to submit documents to several authorities through different portals. More on this can be found [here](#).

In other news

- European Commission proposes [new rules](#) to ensure adequate minimum wages for workers across the EU
- Irish trust in the EU [has grown](#) over the coronavirus pandemic, with 73% declaring that trust the EU and over 71% having a positive image of the EU.
- New Eurostat figures show that Ireland's [total revenue from taxes and social contributions](#) as a percentage of GDP stood at 22.7% in 2019, the lowest in the EU and well below the average of 41.1%.
- Mairead McGuinness formally approved as European Commissioner for Financial Services, Financial Stability and Capital Markets