



AN COIMISIÚN UM ACHOMHAIRC CHÁNACH
TAX APPEALS COMMISSION

Annual Report 2020



Table of Contents

Chairperson's Statement	3
Highlights	5
Headline Statistics	6
Response by the Tax Appeals Commission to the Covid-19 pandemic	10
Measures taken by the Commission in advance of essential staff returning to the office from 4 August 2020	11
Additional Measures taken since essential staff returned to the office	13
Staffing	13
Key Outputs	14
Overview of Appeals	17
Current Appeals	18
Legacy Appeals	19
Pre-Establishment Appeals	20
Number of Appeals per Year Received	21
Appeals 'On Hold' and 'Consolidated'	22
Appeals Received in 2020	23
Appeals Closed in 2020	24
Appeals Listed for Hearing in 2020	25
Determinations Issued	27
Case Management Conferences in 2020	30
Progress Made on Appeals in 2020	32
Appeals – Main Tax Types	33
Multiple Tax Types	36
Cases Stated	37
Bookfinders Ltd v. The Revenue Commissioners	37
Statutory Basis and Functions of the Tax Appeals Commission	39
Legislative Update	40
General Governance and Administration	41
Risk Management	42
Audit and Risk Committee	42

Internal Audit	43
Comptroller & Auditor General (C&AG)	43
C&AG Report on the Tax Appeals Process	43
Section 21 Reports	44
Freedom of Information	44
Data Protection	44
Protected Disclosure	44
Equality and Human Rights Act	44
Procurement	45
Information Technology	45
BTS Desktop service	45
Digital Dictation	45
Remote Hearings	45
Notice of Appeal Form and RPA	46
Case Management System	46
Funding and Expenditure	46
Appendix – Organisational Chart	47



Chairperson's Statement

Darwin spoke about “survival of the fittest” as those most responsive to change. I am more than content to be able to say that in 2020 the Tax Appeals Commission has more than survived, it has thrived.

The statistics in this annual report demonstrate that once we adapted to the change wrought by the global pandemic, work progressed at pace.

I am adhering in this report to George Bernard Shaw's view that it is the mark of a truly intelligent person to be moved by statistics. Our headline statistics demonstrate the significant progress and positive adaptation to the changed environment. The number of issued determinations increased by over 50 per cent, the quantum under appeal determined was €610 million, the quantum of the appeals scheduled was €1.531 billion, 100 hearings were scheduled remotely, over 12,000 emails were addressed, over 1,300 statements of case were requested and a 10 per cent reduction secured in the closing number of appeals on hand.

So, how did the Commission begin the adaptation imposed by the pandemic? A significant step forward was joining the Government's shared IT service, the Office of the Government Chief Information Officer (OGCIO). That provided us with the requisite capability to run virtual and blended hearings and the global support for our IT needs. We have also purchased polycoms, software to facilitate the use of digital bundles, voice recognition software to assist the dictation of determinations, and introduced robotics technology to automate new appeals processing.

We deployed a member of staff to provide IT assistance to all parties on remote hearings. This ranged from the assistance given to an 82

year old representing himself with his tax appeal on his own home computer to a multinational entity and their multi-million euro tax appeal, involving expert financial witnesses and senior executives remotely in multiple jurisdictions. The level of service and care given to both separate appellants in these differing cases was the same. I have included in this annual report a small sample of the sentiments of our customers as their feedback is what matters. Thank you to all the parties, whatever their size or background, for embracing the change and assisting us to hear and dispose of more appeals.

I was appointed by the Minister for Finance and took up post on 1 July 2020. To say that commencing a new job in a global pandemic is different, makes me the master of understatement. The last six months of 2020 have proven to be the most challenging but rewarding time of my professional career. It would be remiss of me not to thank the Minister for Finance for his support, especially in this most challenging of times, and his staff at the Department of Finance, who have been gracious, approachable and respected our independence at all times. I also extend my fulsome thanks to my staff and fellow appeal commissioners who have embraced my appointment and the adaptations with positivity and esprit de corps at all times. They have worked diligently and innovatively.

The Commission could not have adapted and thrived without the assistance of Barry Lowry, Chief Information Officer and his staff at the OGCIO, the Comptroller and Auditor General and his staff, and Stephen McGovern, Chair of the Audit and Risk Committee and his members. In addition, the stakeholders to the Commission have embraced the new protocols and systems and appreciation is extended to the President of

the Irish Taxation Institute, Sandra Clarke and her council and members, Chairman, Niall Cody, his fellow commissioners and staff at the Revenue Commissioners, the Chief Bureau Officer, Chief Superintendent Michael Gubbins and his staff at the Criminal Assets Bureau, all the partners and staff at the law firms, tax practitioners, accountants, in-house legal counsel and barristers across Ireland and in other jurisdictions and the general public, for whom we serve.

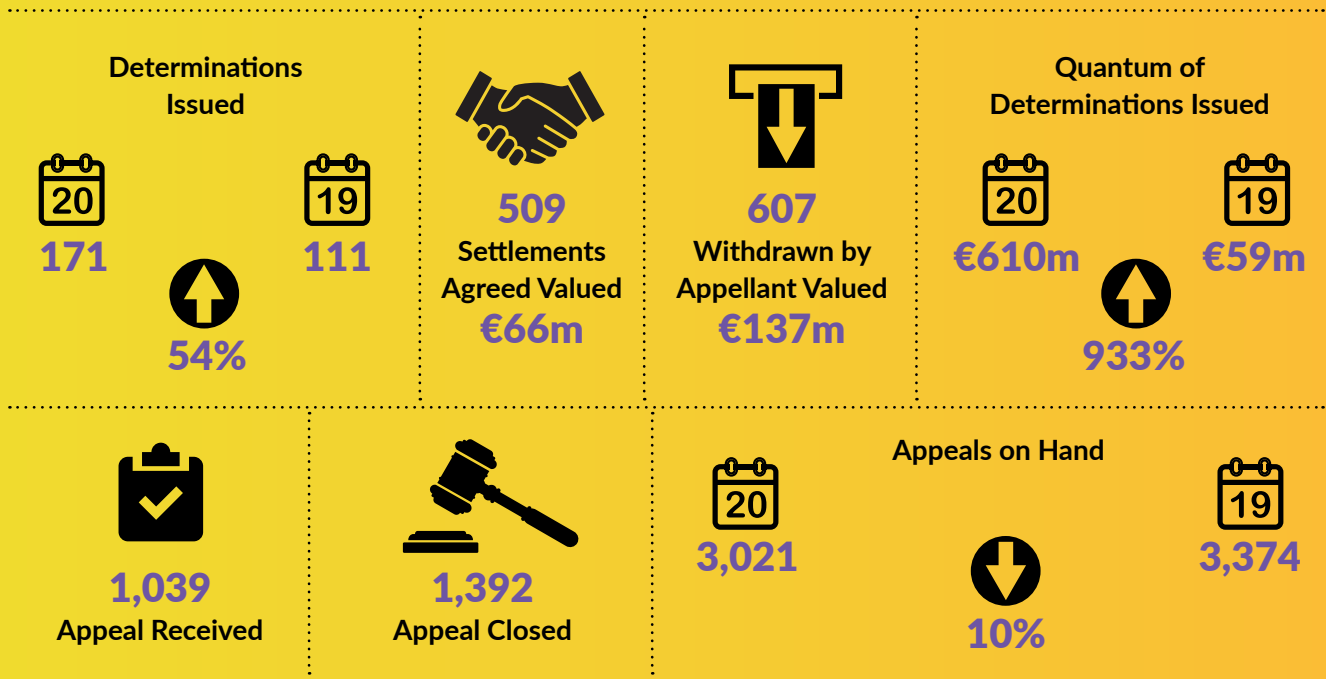
“Darwin spoke about “survival of the fittest” as those most responsive to change. I am more than content to be able to say that in 2020 the Tax Appeals Commission has more than survived, it has thrived”



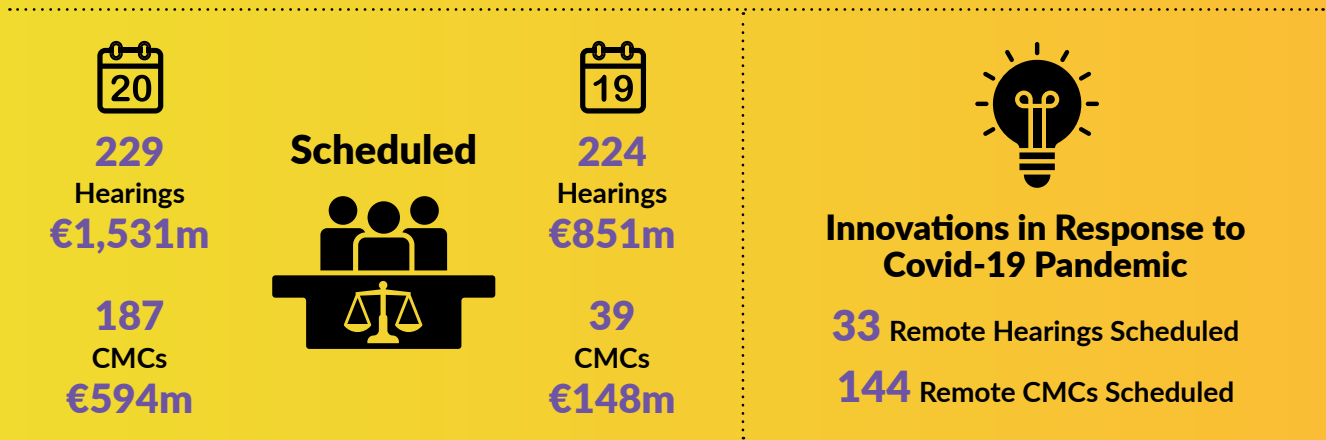
Marie-Claire Maney
Chairperson



Highlights 2020



Appeals on Hand as of 31/12/20, less those "On Hold" or "Consolidated"
1,854



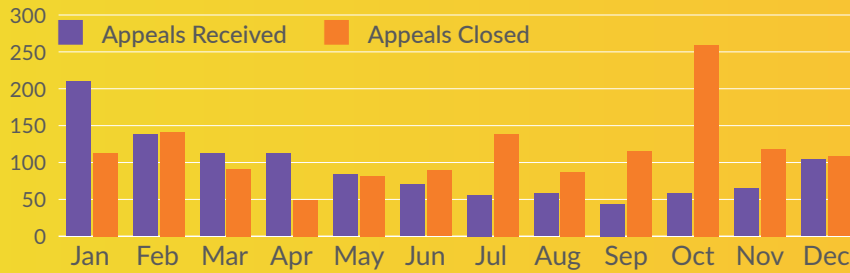
Public Contacts



Headline Statistics 2020



1,039
Appeals
Received



1,392
Appeals
Closed

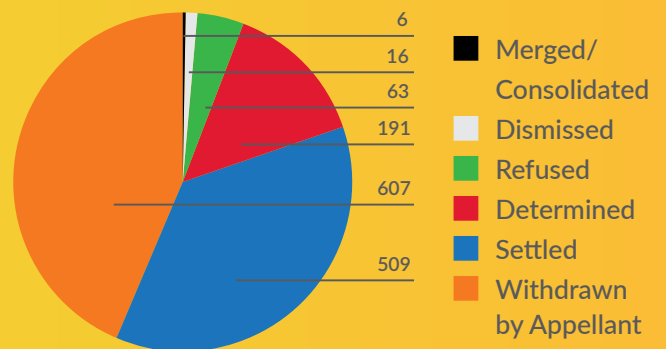


171
Determinations Issued, Valued
€610m

101 Determined by 949U Valued €1m

70 Determined after Hearing Valued €609m

Reason for Closure



229
Hearings

Scheduled



187
CMCs



€1,531m

€594m

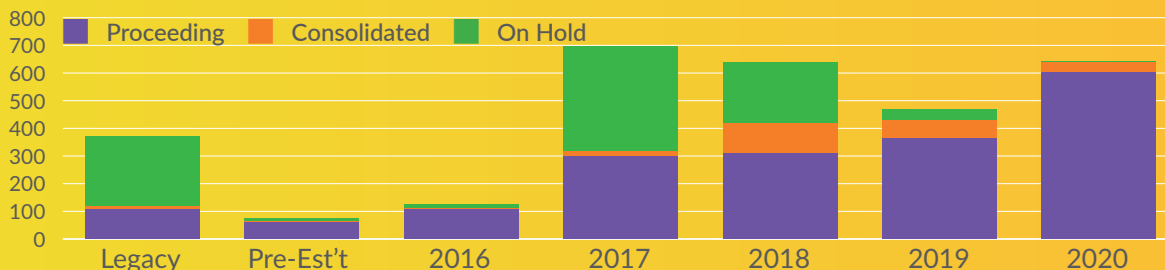


**Introduction of Remote Technologies
in response to Covid-19 Pandemic**

33 Remote Hearings Scheduled

144 Remote CMCs Scheduled

3,021 Appeals on Hand (Down 10% from 2019)

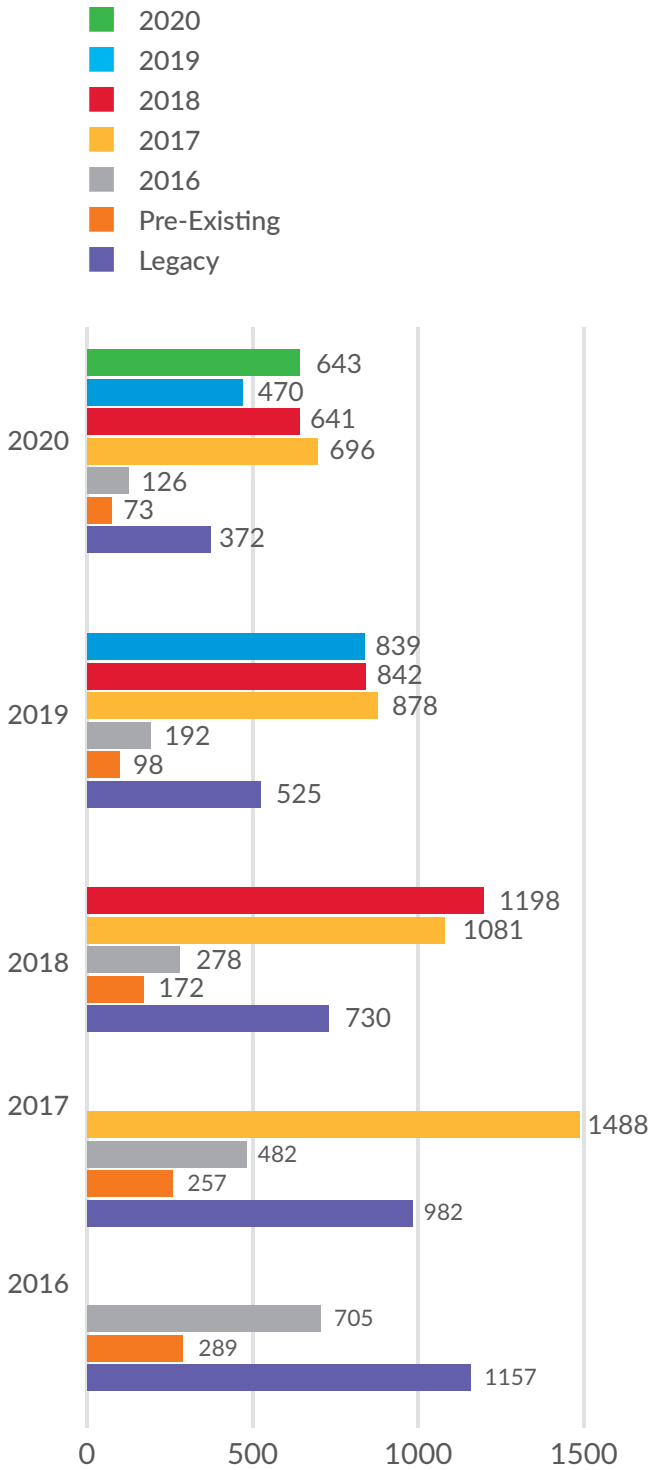


Appeals on Hand as of 31/12/20, less those "On Hold" or Consolidated

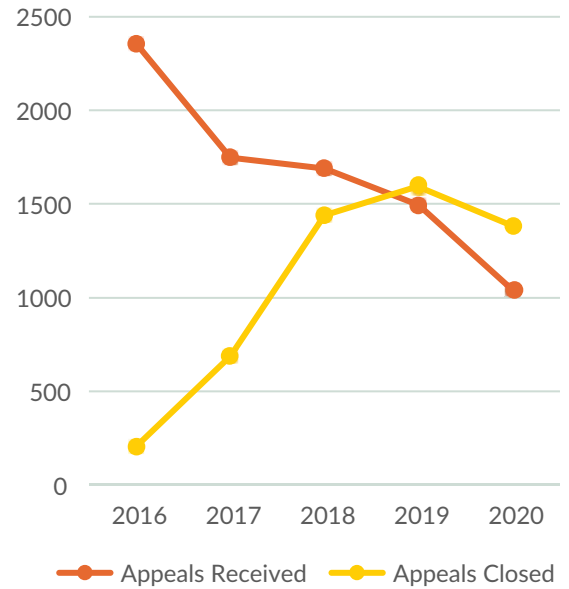
1,854

Appeal Trends in the Commission since Establishment

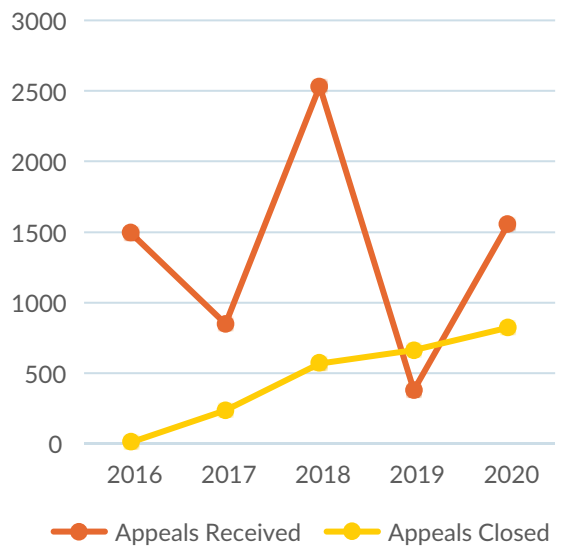
Appeals on hand as of Year End
2016-2020 by Year/Category



Appeals Received v. Closed since 2016

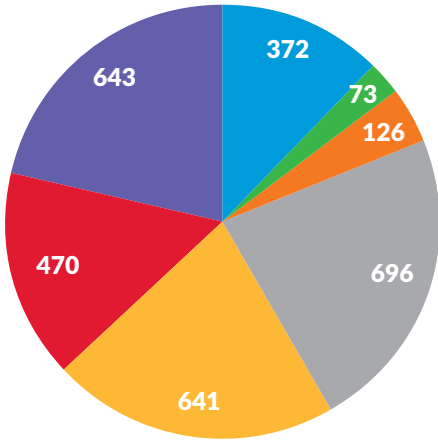


Quantum of Appeals Received v. Closed since 2016 (€m)

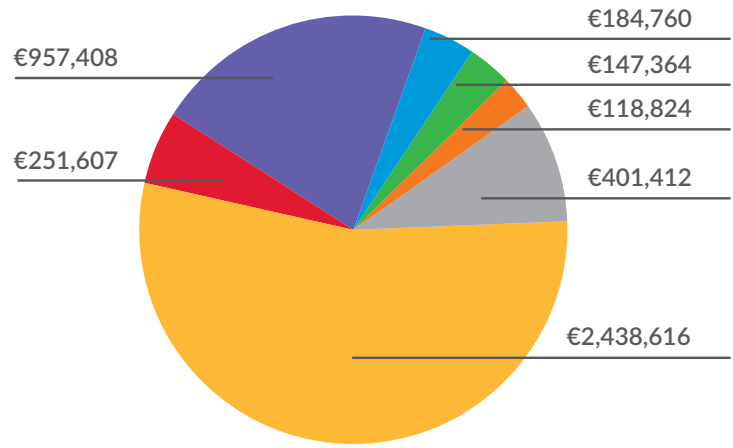


Current Position of the Commission, 3,021 Open Appeals

Open Appeals Breakdown
Total 3,021



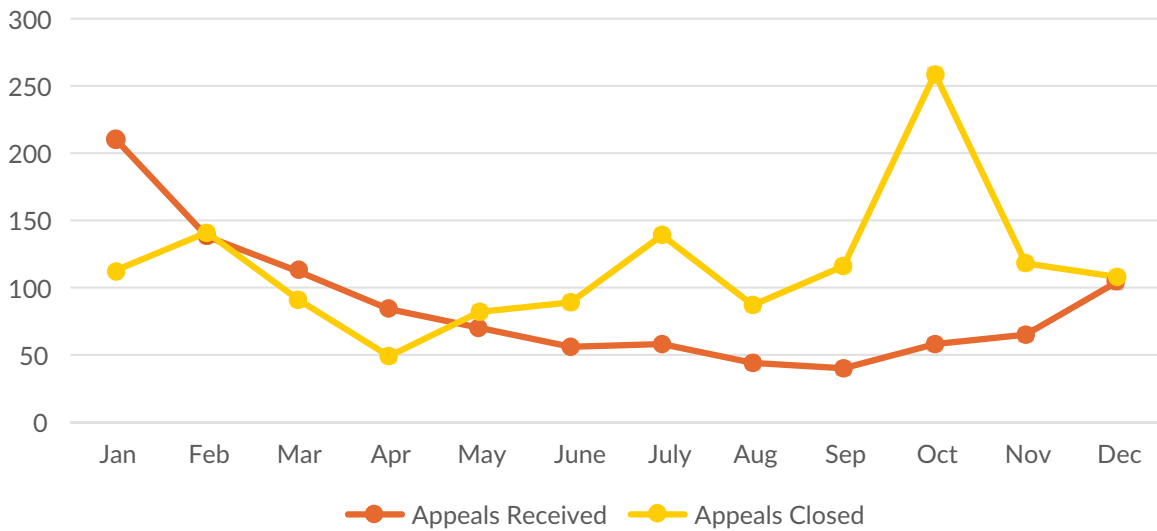
Open Appeals Quantum Breakdown
Total €4,499,991 (€000)



■ Legacy
 ■ Pre-Est't
 ■ 2016
 ■ 2017
 ■ 2018
 ■ 2019
 ■ 2020

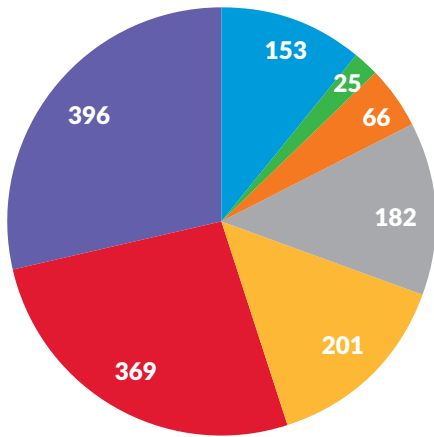
Developments in 2020

Appeals Received v. Appeals Closed (Monthly Breakdown)

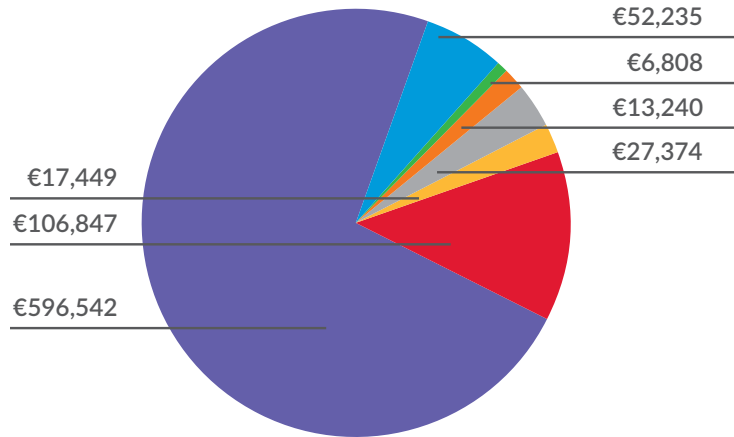


Appeals Closed in 2020

Appeals Closed in 2020
Total 1,392

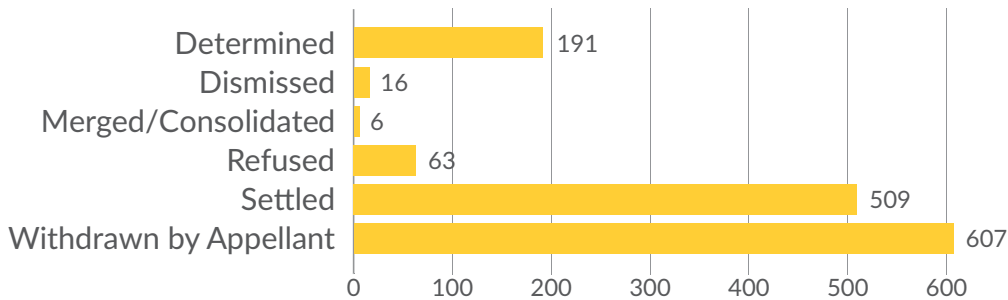


Appeals Closed in 2020 Quantum
Breakdown Total €820,495 (€000)

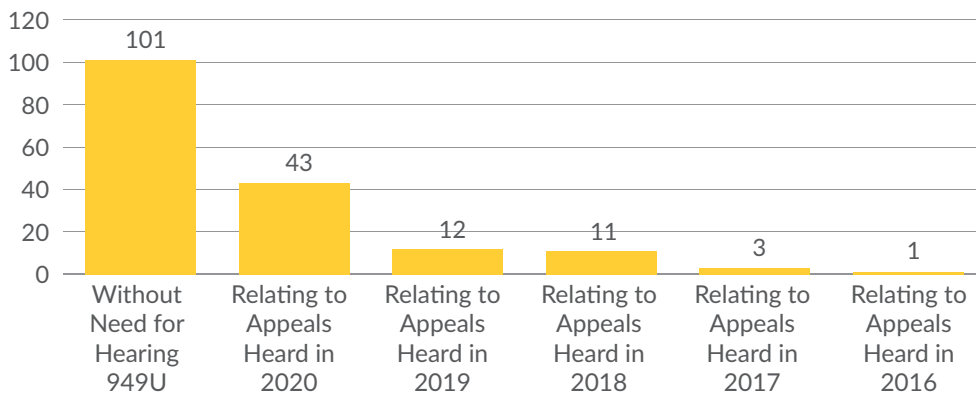


■ Legacy
 ■ Pre-Est't
 ■ 2016
 ■ 2017
 ■ 2018
 ■ 2019
 ■ 2020

Reason for Appeal Closures Total 1,392



No. of Appeals Determined in 2020 Total 171



■ Determinations Issued (Total *171 determinations issued in relation to 191 individual appeals)

Response to Covid-19



Response by the Tax Appeals Commission to the Covid-19 pandemic

As a result of Government recommendations in relation to the Covid-19 global pandemic, the Tax Appeals Commission (“The Commission”) began working remotely from 12 March 2020. At the start of the national restrictive measures, it postponed 50 physical hearings that were scheduled for the coming months in 2020.

The Commission provides an essential public service and so as soon as it was able to resume hearings, it did so. Having regard to the Covid-19 pandemic, in order for people to be able to receive ‘access to justice’, it was considered prudent for the Commission to resume all of its services to the best of its ability. The Commission has sought to balance the important public service it provides with the health and safety of the public and its staff.

“The use of screens in the room itself as well as the easy availability of remote video facilities for additional parties were much appreciated by my clients. It is no small feat to have been able to continue with physical hearings involving oral evidence and to succeed in making participants feel safe in those surroundings. Well done and thank you for all your efforts in that regard.”

(Chair, Irish Firm of Accountants)

A new Chairperson was appointed on 1 July 2020 and a Back-to-Work Group was asked to put all controls in place for essential staff that were not in the HSE’s high-risk category, to be able to return to the office, to ensure the safe reopening of the Commission and resumption of our hearings. Following the implementation of the recommendations of the Back-to-Work Group,

the Commission reopened for hearings on 4 August 2020. In addition, to facilitate the change in working practices IT equipment was purchased which included further polycom units. A dedicated team to facilitate remote hearings were trained.

All Commissioners were given training in conducting remote hearings and IT software was purchased to facilitate digitised documentation. In addition, the Government’s preferred supplier for robotics automation processing was contracted to assist with the production of a new notice of appeal form and the automatic processing of received appeals, in order to upgrade our IT infrastructure and innovate for the future.

Measures taken by the Commission in advance of essential staff returning to the office from 4 August 2020

- Sanitising stations and temperature screening were made available at the main reception area and on the office floor.
- All deliveries and postal mail are being sanitised before being distributed within the premises.
- All landlord areas are being disinfected 4 times per day.
- Pathways to enter and leave the building were clearly identified for adherence by all persons in the building.
- All water tanks and air-conditioning units were serviced and reviewed regularly.
- Hand dryers in the restrooms were disabled.
- Protocols for visitors attending physical hearings were put in place and published on the Commission’s website.
- Individuals who arrive at the office are personally emailed the Covid-19 Protocols in advance, with staff monitoring their implementation on the day.



“I wanted to thank you, all the Commissioners and your staff for the huge effort that you’ve made to adapt your hearing rooms so as to facilitate the resumption of physical hearings. All of us at the bar appreciate it.”

(Senior Counsel)

- Only individuals that have notified the Commission in advance are allowed to enter its offices.
- Risk assessments were made in respect of the building, foyer, photocopier/filing area, hearing & consultation rooms, restroom and individual offices. All items were reduced to a low potential risk for Covid-19.
- Hearing and consultation rooms were set up for 2 metre social distancing.

- Staff seating in the canteen was reduced.
- Sufficient hand sanitiser, disposable wipes, disposable gloves, disposable masks, wall-mounted sanitisers, specific door grabs and appropriate signage have been purchased and distributed.
- Staff that were considered to be in the high-risk category were identified and accommodated to continue working from home.
- Only essential staff returned on a staggered rota and from December 2020, essential staff have attended the office for one week in every six as Ireland moved into Level 5 restrictive measures.
- Each staff member received a detailed email outlining what is expected from each individual in response to Covid-19.
- All staff returning to the office had to complete the HSE’s Return-To-Work form 3 days before returning.





- A Daily Attendance Record is being maintained to note all staff & visitors that attend the office on any day in line with HSE guidelines.
- A protocol for dealing with a staff member who may develop Covid-19 symptoms in work was created.

Additional Measures taken since essential staff returned to the office

- Perspex Screens were purchased for the staff in the open office area for additional safety.
- A Commission Resilience and Recovery 2020-2021 Plan was drawn up to provide an enhanced service to the public.
- Perspex Screens were also installed in the three hearing rooms to give additional assurances for Appeal Commissioners and members of the public when they physically attend a hearing.

Staffing

The Commission is now comprised of 34 staff: one Chairperson, 2 full-time Appeal Commissioners, 4 Temporary Appeal Commissioners and 27 administrative staff to support the Appeal Commissioners in their work. In December 2020, approximately 20% to 25% of essential staff attended the office on a rostered basis with all remaining staff working from home.

“As a practicing barrister I have to say that the TAC stands out... Your innovative approach will have lasting benefits to tax payers, tax practitioners and the revenue authorities in allowing the conduct of tax cases and the determination of tax liabilities.”

(Senior Counsel)

“I just wanted to commend you and the Commission for a very well run modern building including appropriate Covid precautions and protocol. The plastic screens and the video linkup you have set up work really well and efficiently and permits hearings to continue so that further delays are not incurred which serves everyone. I felt safe in the building.”

(Head of Legal, Irish Company)

Key Outputs

Key Outputs

The objective of the Commission is to fulfil its obligations under the Finance (Tax Appeals) Act 2015 and the Taxes Consolidation Act 1997 (“TCA 1997”), thereby ensuring that all taxpayers may exercise, where appropriate, their right of appeal to an independent body against decisions and assessments of the Revenue Commissioners and the Criminal Assets Bureau (“CAB”).

The following key outputs and public service activities provide performance information to support the Commission in assessing the outputs and outcomes from public expenditure.

Indicator	2017	2018	2019	2020	Output Target 2021
Processing Tax Appeals					
No. of Appeals Closed	689	1,439	1,579	1,392	1,500
No. of Determinations Issued*	34	42	111	171	150
No. of Appeals on Hand at year-end**	3,209	3,459	3,374	3,021	3,000
No. of Hearings scheduled***	65	167	224	229	250
Quantum of Appeals on Hand****	€2bn	€4bn	€3.7bn	€4.5bn	€3.45bn
Organisational Capacity					
No. of staff members at the Commission	12.5	19	31.5	33.5	34.5

* One determination issued in 2019 was related to 32 individual appeals. There is a substantial increase in the number of determinations after 2019 because a Chairperson and three additional Appeal Commissioners have since been appointed to the Commission.

** The number of appeals on hand at the end of 2021 is currently estimated at 3,000 but this may increase substantially if potential appeals relating to the Covid-19 pandemic and associated payments materialise.

***Due to the Covid-19 pandemic, the Commission was unable to conduct hearings for nearly five months but, with the purchase of new technology, hearings were resumed in August 2020 allowing for 229 hearings to be scheduled in 2020. 33 hearings were scheduled remotely.

**** It is difficult to provide an actual quantum figure, as the original quantum of tax under appeal may be modified post filing of the notice of appeal (i.e. where an aspect of the appeal is settled or withdrawn), in cases where the parties disagree in relation to the precise quantum of tax in dispute or where the monetary value of an appeal is not always calculable (e.g. in appeals where the rate of tax is in dispute or where the quantum in dispute represents a refusal of loss relief or of deductions or in appeals in relation to the refusal of Tax Clearance Certificates).

Six appeals received in the last two weeks of December 2020 and one appeal received in July 2020 amounted to approximately €1.1 billion. Had these appeals been omitted from the annual total, the quantum figure for appeals on hand at 31 December 2020 would have totalled €3.4 billion.

Note 1: Some of the tables included in the following pages display the “quantum in dispute” for appeals received by the Commission. This quantum figure should be viewed as an estimate on the following basis:

- the original quantum of tax under appeal may be modified post filing of the notice of appeal (i.e. where an aspect of the appeal is settled or withdrawn),
- the parties may disagree in relation to the precise quantum of tax in dispute, or
- the monetary value of an appeal is not always calculable (e.g. in appeals where the rate of tax is in dispute or where the quantum in dispute represents a refusal of loss relief or of deductions or in appeals in relation to the refusal of Tax Clearance Certificates).

Note 2: It is important to note that statistics in relation to appeals are continually evolving and are updated on a daily basis in line with correspondence and notifications received. As at Q1 of 2021, this report presents as accurate a picture as possible in relation to statistics in respect of the calendar year, 2020.

Context and Impact Indicators:

Indicator	2017	2018	2019	2020
Establishing finality and certainty for Appellants and Respondents in respect of tax disputes – (Metric: Number of appeals closed)	689	1,439	1,579	1,392
Establishing certainty for the exchequer and PAC in respect of the quantum of tax due – (Metric: Quantum of taxes regarding Appeals Closed) *	€239m	€569m	€664m	€820m
Providing clarity on the interpretation of Irish Tax Law and assisting in its refinement and effectiveness – (Metric: Number of Determinations Issued) **	34	42	111	171
No. of Hearings scheduled***	65	167	224	229

* It is difficult to provide an actual quantum figure, as the original quantum of tax under appeal may be modified post filing of the notice of appeal (i.e. where an aspect of the appeal is settled or withdrawn), in cases where the parties disagree in relation to the precise quantum of tax in dispute or where the monetary value of an appeal is not always calculable (e.g. in appeals where the rate of tax is in dispute or where the quantum in dispute represents a refusal of loss relief or of deductions or in appeals in relation to the refusal of Tax Clearance Certificates).

** One determination issued in 2019 was related to 32 individual appeals. There is a substantial increase in the number of determinations after 2019 because a Chairperson and three additional Appeal Commissioners have since been appointed to the Commission.

***Due to the Covid-19 pandemic, the Commission was unable to conduct hearings for nearly five months but, with the purchase of new technology, hearings were resumed in August 2020 allowing for 229 hearings to be scheduled in 2020 of which 33 hearings were scheduled remotely.

Overview of Appeals

The Commission was established on 21 March 2016. The system of characterisation of appeals reflected the appeals on hand prior to the establishment of the Commission ('pre-establishment appeals'), appeals received post establishment of the Commission ('current appeals') and aged appeals transferred from the Revenue Commissioners ('legacy appeals'). The appeal groups are described accordingly.

Overview of Appeals

Current Appeals

For the purpose of this report, “current appeals” are those which were received on or after 1 January 2016.

Current appeals are received, processed and determined in accordance with the provisions of Part 40A of TCA 1997. During 2020, the Commission continued to monitor progress of the current appeal files and made decisions (and where appropriate, gave directions) in relation to holding Case Management Conferences (“CMCs”), seeking further information and/or Statements of Case and/or Outlines of Argument. Where possible, appeals were listed for hearing.

The following table provides an overview of the progress made in 2020 in respect of current appeals:

Overview of Current Appeals in 2020*		
	No. of Appeals	Quantum €
Original Total No. of Appeals Received in 2016	901	331m
Original Total No. of Appeals Received in 2017	1,747	848m
Original Total No. of Appeals Received in 2018	1,689	2,532m
Original Total No. of Appeals Received in 2019	1,494	379m
Original Total No. of Appeals Received from 2016 to 2019	5,831	4,090m
Opening Balance - 1 January 2020	2,751	3,375m
No. of Appeals Received in 2020	1,039	1,554m
No. of Appeals Closed in 2020	(1,214)	(761m)
Closing Balance - 31 December 2020	2,576	4,168m
Hearings		
No. of hearings scheduled	155	1,263m
Withdrawn/Settled before hearing	(18)	(3m)
Deferred in advance of hearing	(79)	(76m)
Case Management Conferences (CMCs)		
No. of CMCs scheduled (affecting 146 individual appeals)	67	438m
Withdrawn/Settled before hearing	(4)	(0.03m)
Deferred in advance by either party	(25)	(412m)
Determinations		
No. of determinations issued in 2020	148	593m

*A review of all appeals opened and closed on the Case Management System from 21 March 2016 took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

Included in the closing figure at the end of 2020, there are 662 appeals 'On Hold' amounting to €1,996m and 229 appeals with a status of 'Consolidated' or 'Merged' amounting to €532m. If the overall year-end figures were amended to reflect this, then the year-end number of current appeals on hand that the Commission is able to actively progress would be reduced to 1,685 with a quantum of approximately €1.6 billion.

Legacy Appeals

Legacy appeals are aged appeals that were made directly to the Revenue Commissioners prior to the establishment of the Commission. In the second half of 2016, 2,758 legacy appeals were transferred to the Commission in accordance with Part 40A TCA 1997. Following a detailed initial review of the files, 1,600 of the appeals were grouped with related appeals or with lead-follower appeals. In light of this review, the number of individual appeals reduced from 2,758 to 1,158.

The following table provides an overview of the progress made in 2020 in respect of legacy appeals:

Overview of Legacy Appeals in 2020*		
	No. of Appeals	Quantum €
Original Total No. of Appeals Received	1,158	798m
Opening Balance - 1 January 2020	525	237m
No. of Appeals Closed in 2020	(153)	(52m)
Closing Balance - 31 December 2020	372	185m
Hearings		
No. of hearings scheduled	52	234m
Withdrawn/Settled before hearing	(4)	(190m)
Deferred in advance of hearing	(37)	(31m)
Case Management Conferences (CMCs)		
No. of CMCs scheduled (affecting 113 individual appeals)	77	125m
Withdrawn/Settled before hearing	(5)	(1.84m)
Deferred in advance by either party	(26)	(17m)
Determinations		
No. of determinations issued in 2020	11	11m

*A review of all appeals opened and closed on the Case Management System from 21 March 2016 took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

Approximately 264 of the above appeals have been progressed to an advanced stage.

Pre-Establishment Appeals

Pre-Establishment appeals are appeals which were on hand in the Office of the Appeal Commissioners prior to the establishment of the Commission in 2016.

The following table provides an overview of the progress made in 2020 in respect of Pre-establishment appeals:

Overview of Pre-Establishment Appeals in 2020*		
	No. of Appeals	Quantum €
Original Total No. of Appeals Received	298	361m
Opening Balance - 1 January 2020	98	154m
No. of Appeals Closed in 2020	(25)	(7m)
Closing Balance - 31 December 2020	73	147m
Hearings		
No. of hearings scheduled	22	34m
Deferred in advance of hearing	(14)	(33m)
Case Management Conferences (CMCs)		
No. of CMCs scheduled (affecting 54 individual appeals)	43	31m
Withdrawn/Settled before hearing	(1)	(0.05m)
Deferred in advance by either party	(19)	(27m)
Determinations		
No. of determinations issued in 2020	12	6m

*A review of all appeals opened and closed on the Case Management System from 21 March 2016 took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

Approximately 12 of the above appeals have been progressed to an advanced stage.

Number of Appeals per Year Received

The following table provides an outline of the number of appeals received and closed since the Commission was established in 2016:

	Total	Legacy	Pre-Est't	Current				
				2016	2017	2018	2019	2020
2016								
Appeals received in 2016*	2,357	1,158	298	901				
Closed in 2016	(206)	(1)	(9)	(196)				
Balance (31/12/16)**	2,151	1,157	289	705				
2017								
Appeals received in 2017	1,747				1,747			
Closed in 2017	(689)	(175)	(32)	(223)	(259)			
Balance (31/12/17)**	3,209	982	257	482	1,488			
2018								
Appeals received in 2018	1,689					1,689		
Closed in 2018	(1,439)	(252)	(85)	(204)	(407)	(491)		
Balance (31/12/18)**	3,459	730	172	278	1,081	1,198		
2019								
Appeals received in 2019	1,494						1,494	
Closed in 2019	(1,579)	(205)	(74)	(86)	(203)	(356)	(655)	
Balance (31/12/19)	3,374	525	98	192	878	842	839	
2020								
Appeals received in 2020	1,039							1,039
Closed in 2020	(1,392)	(153)	(25)	(66)	(182)	(201)	(369)	(396)
Balance (31/12/20)	3,021	372	73	126	696	641	470	643
Summary								
Appeals received	8,326	1,158	298	901	1,747	1,689	1,494	1,039
Appeals Closed	(5,305)	(786)	(225)	(775)	(1,051)	(1,048)	(1,024)	(396)
Balance (31/12/20)	3,021	372	73	126	696	641	470	643

*As a result of the review of the legacy files by the Commission in 2017, the Commission reduced the original number of legacy appeals received from 2,758 to 1,158 by grouping tax years of assessments relating to the same appellants and by grouping related issues.

In many instances, an appellant will appeal the same issue over multiple tax years of assessment and in such instances, these appeals are grouped as one appeal. In appeals where a taxpayer has appealed to the Revenue Commissioners prior to the establishment of the Commission (a 'legacy appeal') and subsequently appeals a post-establishment tax year of assessment, these appeals may be grouped as one appeal. For administrative purposes, appeals are grouped if appropriate however, not all related appeals are suitable for grouping.

**A further review of all appeals opened and closed on the Case Management System from 21 March 2016 took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

- Over 40% of appeals (open and closed) in 2020 are, or were, managed by an agent for the appellant.
- Approximately 39% of the appeals have multiple tax years of assessment or periods of assessment in dispute.
- Over 650 appeals currently on hand are identified as part of groups of appeals, where a similar issue(s) are under appeal.

Appeals 'On Hold' and 'Consolidated'

Some appeals have a current status of 'On Hold' for various reasons e.g. pending High Court decisions, the outcome of another 'lead' appeal or parties requiring time for settlement discussions. Other appeals may have a status of 'Consolidated' or 'Merged' which are appeals in relation to one appellant but are of a similar issue so the Commission can progress all of the appeals at the same time as if they were just one appeal.

In light of the above, there are 928 appeals 'On Hold' amounting to €2,061m and 239 appeals with a status of 'Consolidated' or 'Merged' amounting to €541m. If the overall year-end figures were amended to reflect this, then the year-end number of appeals on hand that the Commission is able to actively progress would be reduced to 1,854 with a quantum of approximately €1.9bn.

The following table provides an outline of the current number of appeals on hand that require progression as at 31 December 2020:

	Total	Legacy	Pre-Est't	Current				
				2016	2017	2018	2019	2020
Balance (31/12/20)	3,021	372	73	126	696	641	470	643
Appeals 'On Hold'	(928)	(255)	(11)	(13)	(378)	(224)	(43)	(4)
Appeals 'Consolidated / Merged'	(239)	(9)	(1)	(6)	(18)	(107)	(62)	(36)
Amended Balance	1,854	108	61	107	300	310	365	603

Appeals Received in 2020

The Commission received 1,039 appeals in 2020, which was 455 less than the number received in 2019. All appeals received have been reviewed and are being processed through the stages. An outline of appeals received and the quantum of tax under appeal in 2020 is broken down as follows:

2020 Month	No. of Appeals Received	Quantum* €000
Jan	210	79,965
Feb	138	7,492
Mar	112	23,316
Apr	84	95,336
May	70	14,223
Jun	56	19,679
Jul	58	605,047
Aug	44	1,111
Sep	40	27,308
Oct	58	23,021
Nov	65	4,513
Dec**	104	652,939
TOTAL	1,039	1,553,950

Tax type of Appeals Received***	No. of Appeals Received	% of Total	Quantum* €000
IT	521	50	103,263
VAT	129	13	46,259
VRT	140	14	341
CT	62	6	789,638
Other****	72	7	603,096
CGT	99	9	8,364
CAT	16	1	2,989
TOTAL	1,039	100	1,553,950

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

** Six appeals received in the last two weeks of December 2020 and one appeal received in July 2020 amounted to approximately €1.1 billion. Had these appeals been omitted from the annual total, the quantum figure for appeals received in 2020 would have totalled €468 million.

*** For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head. An analysis of multiple tax types can be found later in this chapter.

**** Other includes C&E, DIRT, DWT, LPT, RCT and Stamp Duty.

Appeals Closed in 2020

The Commission closed 1,392 appeals in 2020, by determination, settlement, withdrawal, refusal, merging or dismissal of the appeal. This is also the second year that the Commission closed more appeals than it received, resulting in a fall of 353 in the number of appeals on hand at year end. An outline of appeals closed in 2020 is as follows:

2020 Month	No. of Appeals Closed	Quantum* €000
Jan	113	13,496
Feb	141	22,066
Mar	91	5,950
Apr	49	2,990
May	82	3,518
Jun	89	2,762
Jul	139	9,627
Aug	87	13,779
Sep	116	7,332
Oct	259	21,487
Nov	118	109,461
Dec	108	608,027
TOTAL	1,392	820,495

Tax type of Appeals Closed**	No. of Appeals Closed	% of Total	Quantum* €000
IT	725	52	46,549
VAT	195	14	17,303
VRT	153	11	532
CT	82	6	127,679
Other***	80	6	594,505
CGT	136	10	30,770
CAT	21	1	3,157
TOTAL	1,392	100	820,495

Category / Year Received	No. of Appeals Closed	Quantum* €000
Legacy	153	52,235
Pre Est't	25	6,808
2016	66	13,240
2017	182	27,374
2018	201	17,449
2019	369	106,847
2020	396	596,542
TOTAL	1,392	820,495

Reason for Appeal Closures	No. of Appeals Closed	Quantum* €000
Determinations Issued (171 actual)	191	609,748
Dismissed	16	1,135
Merged / consolidated	6	289
Refused	63	6,130
Settled	509	66,422
Withdrawn by Appellant	607	136,771
TOTAL	1,392	820,495

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

** For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head. An analysis of multiple tax types can be found later in this chapter.

*** Other includes C&E, DIRT, DWT, LPT, RCT and Stamp Duty.

Appeals Listed for Hearing in 2020

During 2020, 229 hearings affecting 452 appeals with a total quantum of €1,531m were scheduled over 333 days. In 2019, 224 hearings were scheduled in relation to 624 individual appeals with a quantum of €851m. The duration of the hearings ranged from a half day to three weeks.

The following provides information on the outcome of the hearings scheduled:

Outcome*	2020	Quantum €000**	2019	Quantum €000**
Scheduled but deferred or withdrawn prior to hearing				
Settled / Withdrawn prior to hearing	22	192,597	25	348,831
Adjourned / Deferred prior to hearing	130	139,981	127	350,456
<i>Subtotal</i>	152	332,578	152	699,287
Proceeded				
S949AA – Withdrawn for non-attendance	3	29	4	65
Settled after hearing	6	852	9	14,820
Hearing commenced and adjourned	17	10,619	30	38,427
Hearing concluded for determination	51	1,186,523	29	98,753
<i>Subtotal</i>	77	1,198,023	72	152,065
Total	229	1,530,601	224	851,352

* It is possible that the status of an appeal cited above may have changed e.g. appeals recorded above as 'concluded for determination' may be determined by the publication date of this report. Similarly, some hearings adjourned may have settled or may have become 'concluded for determination'.

** See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

Hearings can be adjourned for a number of reasons, e.g. to allow for submission of further evidence or to continue the hearing on a subsequent hearing date if it does not conclude on the initial hearing date. Also, depending on the circumstances, hearings may be adjourned to await the outcome of court proceedings which have to be taken into account by a Commissioner. Although 229 hearings were scheduled in 2020, 130 hearings were adjourned before a hearing could take place. 52 hearings were adjourned as a direct result of Covid-19 restrictions and the Commission's inability to conduct hearings remotely at the time but this was rectified in August 2020. 33 hearings were scheduled remotely in 2020.

Despite being unable to conduct hearings for five months, the number of hearings adjourned in 2020 is broadly similar to 2019.

The following provides information in relation to the quantum of tax at issue, in respect of appeals scheduled for hearing in 2020:

Outcome**	Category / Year opened							Total 2020	Quantum* 2020 €000
	Legacy	Pre Est't	2016	2017	2018	2019	2020		
Scheduled but deferred or withdrawn prior to hearing									
Settled / Withdrawn prior to hearing	4		8	2	5	3		22	192,597
Adjourned prior to hearing									
- By Appellant	15	7	7	10	12	4		55	52,223
- By Revenue	8	3	7	2	2			22	16,246
- By the Commission	14	4	4	15	11	5		53	71,512
<i>Subtotal</i>	41	14	26	29	30	12		152	332,578
Proceeded **									
Settled after hearing	1		2	2		1		6	852
S949AA - Withdrawn for non-attendance			1	2				3	29
Hearing commenced and adjourned	4	3	2	3	2	3		17	10,619
Hearing concluded and awaiting determination	6	5	5	16	12	6	1	51	1,186,523
<i>Subtotal</i>	11	8	10	23	14	10	1	77	1,198,023
Total	52	22	36	52	44	22	1	229	1,530,601

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

**It is possible that the status of an appeal cited above may have changed e.g. appeals recorded above as '*concluded for determination*' may be determined by the publication date of this report. An analysis of multiple tax types can be found later in this chapter.

Determinations Issued

Part 40A, Chapter 5 of TCA 1997 contains provisions for the notification and publication of determinations by the Commission. Section 949AO requires the Appeal Commissioners to publish a report of each of their determinations on the Commission's website not later than 90 days after the parties have been notified of same. Details of all determinations issued in 2020 and the relevant publication period are set out below.

Number of determinations issued in 2020						
	No. of Appeals Determined			Total No. of Appeals affected		
	2020	2019	2018	2020	2019	2018
Determinations issued without the need for a hearing (s. 949U)	101	48	17	105	49	17
Determinations issued relating to appeals heard in 2020	43			53		
Determinations issued relating to appeals heard in 2019*	12	16		16	21	
Determinations issued relating to appeals heard in 2018	11	3	18	13	4	18
Determinations issued relating to appeals heard in 2017	3	41	3	3	42	5
Determinations issued relating to appeals heard in 2016	1	3	4	1	3	4
TOTAL	171	111	42	191	119	44

* One determination issued in 2019 was related to 32 individual appeals. In accordance with the legislation, 32 separate determinations were issued.

The above table does not reflect the complexity of each appeal or the time required to hear and determine same. To increase efficiencies and maximise the use of the Commission's resources, CMCs are scheduled where it appears that they may assist in progressing an appeal. Where appropriate, parties are encouraged to avail of the section 949U facility for a determination without a hearing.

The following table provides information on the quantum of tax in dispute in relation to determinations issued in 2020 and the category/year in which the Commission received the appeal:

	Category / Year received							Total 2020	Quantum* 2020 €000
	Legacy	Pre Est't	2016	2017	2018	2019	2020		
Determinations issued without the need for a hearing (s. 949U)	1		4	21	33	36	6	101	648
Determinations issued relating to appeals heard in 2020	6	5	5	11	8	7	1	43	598,666
Determinations issued relating to appeals heard in 2019	4	2	1	2	3			12	3,175
Determinations issued relating to appeals heard in 2018		2	4	3	2			11	2,094
Determinations issued relating to appeals heard in 2017		2		1				3	5,139
Determinations issued relating to appeals heard in 2016		1						1	26
Total	11	12	14	38	46	43	7	171	609,748

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figures is calculated.

Summary of Determinations issued in 2020 by tax type*				
	2020		2019	
	No. of Appeals Determined	Quantum** €000	No. of Appeals Determined	Quantum** €000
IT	82	4,701	67	14,670
VAT	14	554	10	21,493
VRT	53	273	30	138
CT	6	1,833	4	6,562
Other***	16	590,543	6	16,521
CGT	15	10,313	1	21
CAT	5	1,531	1	37
TOTAL	191	609,748	119	59,442

* For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head. An analysis of multiple tax types can be found later in this chapter.

** See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

*** Other includes RCT, LPT, C&E, DIRT, PSWT, Stamp Duty and DWT.

Reason for Appeal Closures	No. of Appeals Closed	Quantum* €000
Determinations Issued (171 actual)	191	609,748
Dismissed	16	1,135
Merged / consolidated	6	289
Refused	63	6,130
Settled	509	66,422
Withdrawn by Appellant	607	136,771
TOTAL	1,392	820,495

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.



Case Management Conferences in 2020

During 2020, 187 CMCs affecting 313 appeals, amounting to €594m were scheduled by the Commission. The duration of the CMCs ranged from less than an hour to two days; most concluded within a day. CMCs were found to be particularly beneficial in progressing older appeals or appeals in which an impasse had arisen.

Matters dealt with at CMC may include the following:

- clarifying the issues between the parties and identifying areas where agreement might be reached;
- identifying any additional written materials that are to be provided by either party in advance of the hearing;
- identifying the time required by both parties to prepare additional written materials which will be required for the hearing;
- identifying whether it would be useful in advance of the hearing to have a jointly agreed description of the facts in writing or other jointly agreed approaches to the collation of written evidence or legal arguments to be heard at the hearing;
- confirming that all directions issued by the Appeal Commissioners in the appeal have been complied with;
- identifying whether, in addition to the provision of written materials, any other steps are required to be taken in advance of the hearing;
- clarifying the estimated time required for the hearing;
- agreeing a suitable time and date for the hearing which is convenient for all parties;
- dealing with preliminary issues.

The following provides information on the outcome of the CMCs scheduled in 2020:

Outcome	No. of CMCs held		Total No. of Appeals affected	
	2020	2019	2020	2019
Scheduled but deferred before CMC				
Settled / Withdrawn prior to CMC	10	2	16	2
Adjourned prior to CMC	70	14	97	16
<i>Subtotal</i>	80	16	113	18
Proceeded				
Settled / Withdrawn after CMC	5	1	8	1
Dismissed	14		15	
Awaiting determination without a need to proceed to hearing	2	1	3	4
CMC to be re-scheduled	24	2	80	2
Hearing to be scheduled	40	5	71	22
Proceeding	22	14	23	18
<i>Subtotal</i>	107	23	200	47
TOTAL	187	39	313	65

Although 187 CMCs were scheduled in 2020, 11 CMCs were adjourned as a direct result of Covid-19 restrictions and the Commission's inability to conduct CMCs remotely at the time but this was rectified in August 2020. 144 CMCs were scheduled remotely in 2020. Due to the number of adjournments, the Commission reviewed its procedures for scheduling CMCs and took the following steps:

- The Commission now issues CMC notices three to six months in advance so that, should an adjournment take place, there will be sufficient time to schedule another CMC or appeal hearing in place of the adjourned CMC.
- The Commission increased the number of CMCs scheduled for hearing in anticipation of the fact that adjournments will arise in relation to some of those CMCs.

The following table provides information on category/year in which the Commission scheduled a CMC in 2020:

Outcome*	Category / Year received						Total 2020	Quantum** 2020 €000
	Legacy	Pre Est't	2016	2017	2018	2019		
Settled / Withdrawn prior to CMC	5	1	1	2	1		10	1,926
Adjourned prior to hearing	26	19	7	3	6	9	70	456,123
<i>Subtotal</i>	31	20	8	5	7	9	80	458,049
Settled / Withdrawn after CMC	2	3					5	2,305
Dismissed	6	2	3	2		1	14	3,939
Awaiting determination without a need to proceed to hearing				1	1		2	142
CMC to be re-scheduled	15	3	2		1	3	24	65,127
Hearing to be scheduled	18	6	5	3	5	3	40	61,270
Proceeding	5	9	5	1	1	1	22	3,294
<i>Subtotal</i>	46	23	15	7	8	8	107	136,077
TOTAL	77	43	23	12	15	17	187	594,126

*It is possible that the status of an appeal cited above may have changed e.g. appeals recorded above as 'concluded for determination' may be determined by the publication date of this report.

** See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

Progress Made on Appeals in 2020

In addition to closing 1,392 appeals in 2020, the Commission also:

- Issued 765 requests for a statement of case from Appellants in relation to 591 individual appeals and 611 requests from the Revenue Commissioners/CAB, relating to 558 individual appeals.
- Issued 128 requests seeking an outline of arguments from the Appellant in relation to 107 individual appeals and 103 requests from Revenue, relating to 94 individual appeals.
- Sought additional information on 832 occasions, in relation to 676 appeals.
- Granted 931 requests (made by the Revenue Commissioners or by Appellants) for an extension of time to comply with a direction issued by the Commission, in relation to 631 appeals.
- Granted a request for a stay in proceedings on 361 occasions, regarding 351 appeals.
- Held 187 CMCs in relation to 313 appeals.
- Listed 229 hearings in relation to 452 appeals.
- Issued 171 determinations in relation to 191 appeals.

Correspondence issued by the Commission in progressing appeals in 2020			
	Appellant	Revenue	Total
No. of Extensions Granted*	567	364	931
No. of Requests for Additional Information*	579	253	832
No. of Hold/Stay Requests Granted*	335	26	361
No. of Statements of Case Requested	765	611	1,376
No. of Outlines of Arguments Requested	128	103	231

*A number of requests issued in 2020 were related to appeals identified as part of groups of appeals where a similar issue(s) is in dispute. This has resulted in the number of requests being substantially greater than those issued in 2019.

The following outlines the position of the number of appeals on hand at year-end:

Category	No. of Appeals on Hand		Difference
	End 2020*	End 2019	
Legacy	372	525	(153)
Pre-Establishment	73	98	(25)
2016	126	192	(66)
2017	696	878	(182)
2018	641	842	(201)
2019	470	839	(369)
2020	643		643
TOTAL	3,021	3,374	(353)

*A review of all appeals opened and closed on the Case Management System from 21 March 2016 took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

Appeals – Main Tax Types

Many appeals involve more than one tax head or more than one type of credit, deduction, relief or exemption. The table below contains information relating to the main tax types disputed across appeals opened and closed in 2020:

Main Tax Type or Issue of Appeals Opened / Closed in 2020				
Tax Type *	No. of Appeals Received	Quantum** €000	No. of Appeals Closed	Quantum** €000
IT	521	103,263	725	46,549
VAT	129	46,259	195	17,303
VRT	140	341	153	532
CT	62	789,638	82	127,679
Other***	72	603,096	80	594,505
CGT	99	8,364	136	30,770
CAT	16	2,989	21	3,157
TOTAL****	1,039	1,553,950	1,392	820,495

* For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head. An analysis of multiple tax types can be found later in this chapter.

** See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated.

*** Other includes RCT, LPT, C&E, DIRT, PSWT, Stamp Duty and DWT.

**** Six appeals received in the last two weeks of December 2020 and one appeal received in July 2020 amounted to approximately €1.1 billion. Had these appeals been omitted from the annual total, the quantum figure for appeals received in 2020 would have totalled €468 million.

During 2020, income tax remained the tax most frequently appealed, arising in 50% of appeals received. VAT, VRT, and CGT made up a further 36% of the appeals on hand.

There was a 50% decrease in the number of income tax appeals received by the Commission in 2020. The volume of remaining tax heads of appeals received in 2020 is approximately 10% less than 2019.

In 2020, the Commission received 95 appeals which referenced either PAYE, PRSI or USC. The combined total of these accounted for 9% of all appeals received in 2020. Although some of these appeals relate to appealable matters, others were queries in relation to tax liabilities as opposed to appeals of tax assessments or determinations. Such queries are more appropriately addressed through the Revenue Commissioners' customer service channels.

The following table outlines the top four tax types which were referenced in appeals from 21 March 2016. The increase in the number of appeals received post 2016 resulted in a consequent increase in the number of appeals under each of the four main tax heads and under all other tax heads.

Top Four Tax Types referenced in appeals from 2016*					
No. of Appeals Received (By Year)	Total No. of Appeals Received	IT	VAT	VRT	CT
2016	901	472	87	104	52
2017	1,747	1,114	141	129	125
2018	1,689	906	196	205	131
2019	1,494	630	311	182	90
2020	1,039	521	129	140	62

* For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head. An analysis of multiple tax types can be found later in this chapter.

The following table provides an outline of the main tax types disputed across appeals opened and closed since the Commission was established in 2016:

Main Tax Type of Appeals Opened / Closed since 2016*								
	Total	IT	CT	CGT	VAT	CAT	VRT	Other**
2016								
Appeals Received	2,357	1,496	139	225	174	57	111	155
Appeals Closed	(206)	(102)	(14)	(7)	(9)	(6)	(31)	(37)
Closing Balance	2,151	1,394	125	218	165	51	80	118
2017								
Appeals Received	1,747	1,114	125	97	141	35	129	106
Appeals Closed	(689)	(408)	(44)	(72)	(55)	(11)	(48)	(51)
Closing Balance	3,209	2,100	206	243	251	75	161	173
2018								
Appeals Received	1,689	906	131	99	196	40	205	112
Appeals Closed	(1,439)	(822)	(95)	(93)	(109)	(34)	(169)	(117)
Closing Balance	3,459	2,184	242	249	338	81	197	168
2019								
Appeals Received	1,494	630	90	81	311	51	182	149
Appeals Closed	(1,579)	(773)	(78)	(146)	(255)	(36)	(174)	(117)
Closing Balance	3,374	2,041	254	184	394	96	205	200
2020								
Appeals Received	1,039	521	62	99	129	16	140	72
Appeals Closed	(1,392)	(725)	(82)	(136)	(195)	(21)	(153)	(80)
Closing Balance	3,021	1,837	234	147	328	91	192	192

* For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head. An analysis of multiple tax types can be found later in this chapter.

A review of all appeals opened and closed on the Case Management System from 21 March 2016 also took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

** Other includes RCT, LPT, C&E, DIRT, PSWT, Stamp Duty and DWT.

The following table outlines the quantum figures per tax head in relation to appeals received and closed since the Commission was established in 2016:

Main Tax Type of Appeals Opened / Closed since 2016 by Quantum*								
	Total	IT	CT	CGT	VAT	CAT	VRT	Other**
	€m	€m	€m	€m	€m	€m	€m	€m
2016								
Appeals Received	1,490.56	496.45	511.23	224.53	97.98	67.35	0.17	92.86
Appeals Closed	(11.00)	(7.85)	(0.13)	(0.15)	(0.27)	(0.28)	(0.06)	(2.25)
Closing Balance	1,479.56	488.59	511.10	224.38	97.71	67.07	0.11	90.60
2017								
Appeals Received	847.55	81.12	605.60	22.44	118.37	6.92	0.50	12.60
Appeals Closed	(238.62)	(33.49)	(147.60)	(44.63)	(9.89)	(1.34)	(0.13)	(1.53)
Closing Balance	2,088.49	536.22	969.09	202.19	206.19	72.65	0.48	101.67
2018								
Appeals Received	2,532.29	91.77	2,333.75	17.11	71.11	9.62	1.82	7.11
Appeals Closed	(569.35)	(264.13)	(188.55)	(18.65)	(23.11)	(64.09)	(0.37)	(10.44)
Closing Balance	4,051.44	363.86	3,114.30	200.66	254.19	18.17	1.92	98.34
2019								
Appeals Received	379.36	44.73	263.45	10.56	30.17	13.71	0.45	16.29
Appeals Closed	(664.26)	(117.09)	(362.69)	(81.74)	(80.48)	(3.17)	(0.41)	(18.68)
Closing Balance	3,766.54	291.51	3,015.05	129.47	203.87	28.71	1.96	95.95
2020								
Appeals Received***	1,553.95	103.26	789.64	8.36	46.26	2.99	0.34	603.10
Appeals Closed	(820.50)	(46.55)	(127.68)	(30.77)	(17.30)	(3.16)	(0.53)	(594.51)
Closing Balance	4,499.99	348.22	3,677.01	107.07	232.83	28.54	1.77	104.55

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is estimated.

For the purposes of tax head analysis an appeal containing more than one tax head has been counted as one appeal categorised under its primary tax head.

A review of all appeals opened and closed on the Case Management System from 21 March 2016 also took place in 2020 by the C&AG. Each individual appeal was reviewed separately. Any inconsistencies or duplications were analysed and amended accordingly, resulting in the above figures differing slightly to the Annual Report 2019.

** Other includes RCT, LPT, C&E, DIRT, PSWT, Stamp Duty and DWT.

*** Six appeals received in the last two weeks of December 2020 and one appeal received in July 2020 amounted to approximately €1.1 billion. Had these appeals been omitted from the annual total, the quantum figure for appeals received in 2020 would have totalled €468 million.

Multiple Tax Types

The table below indicates the total number of appeals processed by the Commission across four categories of appeal (2016, 2017, 2018, 2019 and 2020 appeals) in which more than one tax type was being appealed.

Number of Appeals with Multiple Tax Types since 21 March 2016					
No. of Tax Types	2020	2019	2018	2017	2016
2	81	80	89	150	58
3	27	11	23	41	13
4	10		10	13	2
5	2			5	1
TOTAL	120	91	122	209	74

In 2019, 6.1% of all appeals were in relation to multiple tax heads. The percentage for multiple tax head appeals increased to 11.55% in 2020. The following table outlines the main multiple tax types which were referenced in appeals in 2020.

Summary of main Multiple Tax Types referenced in appeals received in 2020					
Tax Types	Appeals received with 2 Tax Types	Appeals received with 3 Tax Types	Appeals received with 4 Tax Types	Appeals received with 5 Tax Types	Quantum €000*
IT (incl. PAYE/PRSI/USC)	45	23	9	2	54,864
IT / VAT	7	1			432
IT / LPT	11				31
IT / CAT	1				635
CGT / IT / LPT	6				514
CT / IT / Stamp Duty	3	1	1		3,992
VAT / Application	2				4,848
VAT / VRT / PSWT	3				574
Other	3	2			151
TOTAL	81	27	10	2	66,041

* See Note 1 on page 15 which sets out how the 'quantum in dispute' figure is calculated

Cases Stated

Section 949AP of the TCA 1997 provides that a party who is dissatisfied with the Commission's determination on the grounds that the determination is erroneous on a point of law may require the Appeal Commissioner to state and sign a case stated for the opinion of the High Court.

During 2020, the Commissioners signed 28 cases stated pursuant to section 949AQ TCA 1997 to enable determinations to be appealed to the High Court.

No. of Cases Stated received by Year Opened and Category								
Year	Total	Legacy	Pre Est't	2016	2017	2018	2019	2020
2016	0							
2017	3		1	2				
2018	11	4	5		1	1		
2019	10	3	3	1	2	1		
2020	28	8	6	4	2	6	1	1

In addition to the above 28 cases stated received in 2020, the Commission also had 31 pre-establishment cases stated on hand at the beginning of 2020, which were made prior to the establishment of the Commission. During 2020 the Commission signed and stated a case stated in 2 of these cases. At the end of 2020 only 9 of these pre-establishment cases remain open and ongoing efforts are continuing to progress this to ascertain if the parties want to proceed.

Pre-establishment cases stated are processed by the Commission in accordance with the transitional provisions contained in sections 29 and 30 of the Finance (Tax Appeals) Act 2015.

Bookfinders Ltd v. The Revenue Commissioners

On 29 September 2020 the Supreme Court in Ireland delivered a decision in the case of *Bookfinders Ltd v. The Revenue Commissioners* [2020] IESC 60, a decision which had originated in a case stated from the Office of the Appeal Commissioners in relation to the VAT treatment of certain takeaway food supplied by the Subway franchise in Ireland. The Appellant had lost its case before the Appeal Commissioner, the High Court and the Court of Appeal prior to the case coming on for hearing in the Supreme Court.

In the Supreme Court the five judge court denied the Appellants a refund of VAT on teas and coffees and hot meatball sandwiches on the ground that the products were not liable to VAT at the rate of 0%. The Supreme Court upheld the determination of the Appeal Commissioner.

The Court found the hot tea and coffee attracted the 13.5% rate of VAT. Furthermore, the Court held the words food and drink should be read disjunctively so that either sold without

the other could attract the 13.5% rate of VAT. The Court ruled that bread supplied by Subway as part of its meatball sandwiches was not liable to the 0% rate of VAT, as its sugar content exceeded the 10% of the prescribed weight of flour to be included in the dough.

The case is significant in clarifying the approach to be taken in relation to the interpretation of taxation statutes. O'Donnell J. made it clear that the purposive/teleological approach to statutory interpretation as set out in Section 5 of the Interpretation Act 2005 is not applicable to the interpretation of tax statutes. At the same time, the judgment is unequivocal that in seeking to ascertain the intention of the Oireachtas, the Court can as a matter of common sense consider the purpose of the relevant legislative provisions.



Statutory Basis and Functions of the Tax Appeals Commission

Statutory Basis and Functions of the Tax Appeals Commission

The Commission is an independent statutory body tasked with providing a modern and efficient appeals process in relation to the hearing and adjudication of tax disputes, in accordance with the provisions of relevant legislation. The legislation concerned is the Finance (Tax Appeals) Act 2015 (“the 2015 Act”), the Finance (Tax Appeals and Prospectus Regulation) Act 2019, TCA 1997, as amended, and related legislation.

In carrying out its functions, the Commission is obliged to ensure that proceedings before it are accessible, fair and conducted as expeditiously as possible.

The Finance (Tax Appeals and Prospectus Regulation) Act 2019 provided for the appointment of a Chairperson. The Chairperson took up her appointment on 1 July 2020.

Legislative Update

The Commission’s statutory mandate is reviewed annually to ensure its processes are efficient and effective in the conduct of appeals.

The legislative changes in the Finance Act 2020 (“FA 2020”) included the amendment to section 949AV TCA 1997 to extend the grounds on which the Commission can dismiss an appeal, to include instances where there has been a failure to comply with a direction to file a statement of case in accordance with section 949Q(1) TCA 1997 and where there has been a failure to comply with a direction to file an outline of arguments in accordance with section 949S(1) TCA 1997.

In addition, a new amendment introduced in section 949AW TCA 1997 provides that where either a hearing has commenced but has not been completed or where a hearing has been completed and a determination has not issued where an Appeal Commissioner has vacated his/her office,

there is a right to have the hearing reheard before another Appeal Commissioner or a right to have the appeal adjudicated by another Appeal Commissioner.

In addition, in the new section 949AX TCA 1997 it provides that where a determination has issued and the Commissioners have been directed to state and sign a case stated to the High Court and an Appeal Commissioner vacates his/her office before a request has been made to state and sign a case stated to the High Court, another Commissioner shall serve a notice in writing on each of the parties giving the parties the option to have the hearing reheard or adjudicated by another Commissioner, or for the finalisation of the case stated process to the High Court by another Commissioner. If both parties to the appeal do not agree on one of the options set out in the notice served on the parties the case stated procedure will be adhered to. Provision has been made that the High Court may in certain circumstances redirect the appeal for rehearing to the Commission or may make such other order as it deems fit.

Section 959AF TCA 1997 has been amended so that appeals against a surcharge for late submission of a surcharge are only allowable where there is a dispute about the date of filing of the return or about the information contained in the return.

A new section 960GA TCA 1997 has been introduced which disallows the payment of interest on the refund of repayment of tax where an appeal has been lodged and the appellant makes a payment on account of the tax liability the subject of the disputed assessment, where the party becomes entitled to a repayment of tax pursuant to a settlement in relation to a disputed settlement/ determination of the Appeal Commissioners.

General Governance and Administration

General Governance and Finance

General Governance and Administration

In 2020, the structure of the organisation changed. In accordance with the recommendation of the O'Donoghue Report the inaugural Chairperson to the Commission was appointed. The Chairperson in addition to their role as an Appeal Commissioner is responsible for the overall effective management of the administration and business output of the Commission. The Chairperson is responsible to the Minister for Finance for ensuring that the appeals process is timely, efficient and cost effective. In this regard, she must submit an annual report to the Minister on or before 31 March each year in respect of the preceding year and this report is submitted in discharge of that duty.

Upon the appointment of the Chairperson all policies and procedures were reviewed, drafted and issued, as appropriate. Among the policies reviewed was the Commission's Governance Framework, an updated version of which has been finalised along with the 2021 Annual Business Plan and the 2021 Corporate Priorities.

A new Statement of Strategy will be published in the second quarter of 2021.

The Commission is a Civil Service body under the aegis of the Department of Finance and as such is guided by the Civil Service Code of Standards and Behaviour in its management and operations.

Risk Management

In 2020, the Commission issued its Risk Management Policy. This policy outlines our approach to risk management and the roles and responsibilities of the Chairperson, Chief Operations Officer, Chief Risk Officer and Team Managers. The Commission implements the procedures outlined in its risk management policy and maintains a risk register in line

with Department of Public Expenditure and Reform guidelines. This includes carrying out an appropriate assessment of the Commission's principal risks, which involves describing the risk and associated measures or strategies to control and mitigate these risks. The most significant risk in 2020 was the response to the global pandemic Covid-19 and the response is set out in this report.

The risk register is monitored and reviewed by the Commission's Governance and Risk Unit and is continually updated to ensure effective risk management and monitoring of controls. The register identifies the following:

- Risk
- Controls in place
- Risk rating
- Action to improve control to mitigate the risk

Audit and Risk Committee

In line with the Corporate Governance Standard for the Civil Service (2015), the Commission established an Audit and Risk Committee to support them in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Commission's and Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances. The Commission is grateful for their valuable time and input into the success of the Commission in 2020.

The independent external members of the Audit and Risk Committee are:

- Stephen McGovern (Chair)
- Mary Griffin
- Wendy Kennedy

Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Commission's operations. Internal Audit's primary objective is to provide independent advice and assurance to the Accounting Officer in respect of the effectiveness of the internal control, governance and risk management processes in place across the Commission.

During 2020, the internal auditors issued reports in respect of the following:

- Review of the Effectiveness of the Commission's System of Internal Controls.

This review occurred prior to the submission of the Statement of Internal Financial Control ("SIFC") to the external auditors (Comptroller & Auditor General) and is an essential control test of the effectiveness of the Financial Assurance Framework in place at the Commission. In 2021 the Internal Auditors will conduct a review of the Internal Controls especially in light of the pandemic, and an audit of the Governance Framework.

Comptroller & Auditor General (C&AG)

Having conducted an interim and final audit in respect of the year ended 31 December 2019, the Office of the Comptroller & Auditor General ("C&AG") issued their opinion on the Appropriation Account, the SIFC, and other matters on 31 August 2020.

The C&AG agreed that the Appropriation Accounts prepared by the Commission properly presents the Receipts and Expenditure of Vote 10 - Tax Appeals Commission for year ended 31 December 2019. The C&AG expressed the opinion that they had obtained sufficient and appropriate evidence in carrying out their audit.

In respect of the SIFC the C&AG has responsibility

to report in relation to the information contained in the SIFC by exception only. The requirement to report arises where the information contained in the SIFC is materially inconsistent with the Appropriation Accounts, the C&AG's audit findings or if the SIFC appears to be materially misstated. In their audit opinion, for the year ended 31 December 2019, the C&AG made no report of any material misstatement in the SIFC.

The C&AG audit in respect of the year ended 31 December 2020 will take place after 31 March 2021, the due date for submission of the Appropriation Accounts to the C&AG for audit.

C&AG Report on the Tax Appeals Process

During 2020 the Office of the C&AG produced a report on the Tax Appeals Process in Ireland. This report focused on the period from establishment of the Commission in 2016 to 2019. It analysed the roles of the Commission and the Revenue Commissioners in processing tax appeals. The report made a number of conclusions and recommendations on the management of the process.

The report recommended that the Commission set timeframes for the disposal of appeal cases and for the issuing of determinations following hearings. The Chairperson has agreed with these recommendations and has implemented targets for the progression of cases to hearing stage and set timeframes for the issuing of determinations after hearings to ensure the efficient movement of cases through the appeals system. This was implemented in October 2020 and has improved efficiency.

In addition, the report recommended that the Commission should review its requirements for a new Case Management System ("CMS") in advance of procuring a new package and in the interim should review quality control procedures to ensure information and records are accurate and complete. The Chairperson has agreed with

these recommendation and the process to replace the CMS is underway with the aim of having a new system in place by the end of 2021 or early 2022, depending on build specification. Interim quality control measures have been developed and are being put in place. Additional software has also been procured which should help reduce the risk of transcription errors in loading of new cases on to the current CMS.

Section 21 Reports

The Commission submitted its Annual Report for 2019 to the Minister for Finance in March 2020, in compliance with section 21(1) of the 2015 Act.

During 2020, the Commission did not make any report to the Minister for Finance pursuant to section 21(5) of the 2015 Act, nor did the Minister request the submission of any report pursuant to section 21(6) of the 2015 Act.

Freedom of Information

The Commission provides comprehensive information on its website in relation to its compliance with the Freedom of Information (“FOI”) legislation. This includes a publication scheme which makes available a range of information about the Commission, its functions, and the material it makes publically available.

The contact information of the FOI Officer and details on how to submit a FOI request are available on the Commission’s website.

In 2020, the Commission received nine FOI requests under the FOI legislation details of which can be found on the disclosure log on the Commission’s website. It also updated its FOI policy which can be found on its website.

Data Protection

The Commission, as a data controller, has developed a Data Protection Policy and, as required under Article 37 of the GDPR

appointed a Data Protection Officer (“DPO”). The DPO continues to manage the Commission’s arrangements to ensure compliance with the GDPR. The contact details of the DPO are available on the Commission’s website, along with the Privacy Policy and details of how to submit a Subject Access Request. In 2020 the Commission received three Subject Access Requests under the Data Protection legislation and issued a new Data Protection Policy.

Protected Disclosure

Under section 22 of the Protected Disclosure Act 2014, each public body is required to publish an annual report setting out the number of Protected Disclosures received in the preceding year and any actions taken in response to Protected Disclosures made.

This report must not result in persons making disclosures being identifiable.

The Commission duly confirms that it was notified in 2020 of a Protected Disclosure made to the Minister for Finance in respect of the Commission and aged processes and legacy circumstances.

The Commission has co-operated with this investigation and provided all documents and access to information required.

Equality and Human Rights Act

As demonstrated by their inclusion in the core values of the organisation the Commission places a strong emphasis on the right to fair procedures and accessibility in all aspects of its functions. It strives to ensure all activities are conducted through the prism of human rights and equality across the organisation for both employees and those who engage with the Commission.

The Commission is committed to continual review of its policies and procedures to ensure compliance with the obligations under section

42 of the Irish Human Rights and Equality Commission Act 2014.

Procurement

The Commission acknowledges its obligations to comply with National and EU policies together with the delivery of value for money. Therefore, the financial and procurement procedures operate in accordance with the policy and rules set out in the Department of Finance Public Procurement Guidelines which govern all procurement activity and ensures the objectives and key principles of competition, equality of treatment and transparency which underpin national and EU rules, are met. The services provided by the Office of Government Procurement (“OGP”) and the procurement frameworks in place are utilised where required and appropriate.

The Commission conducted several procurement exercises during 2020. These included the procurement of:

- Legal services;
- ICT Software/Hardware;
- Robotic Process Automation project.

It is the policy of the Commission to avail of all centrally available frameworks and engage with the OGP where there are more specific requirements.

Information Technology

A number of changes and new methods of working through technology took place for the Commission; outlined below are some key examples;

BTS Desktop service

The Commission has engaged with Office of the Government Chief Information Officer (“OGCIO”) and moved to its “BTS Desktop Service” in August 2020. This move to the BTS service facilitates the Commission with collaboration and general office productivity.

Under the BTS Desktop service OGCIO will support the underpinning ICT infrastructure that supports the Commission’s business services, including servers, storage, government networks, perimeter defences, conferencing services, web content filters and anti-virus faculties.

Digital Dictation

The Commission installed voice recognition software which has assisted with the dictation of determinations by Commissioners.

Remote Hearings

The Commission has taken a leading role in the roll out of remote hearings/CMCs and digital interaction since Covid-19. To facilitate this the Commission introduced new conferencing services



Skype/ Pexip VMR (virtual meeting room) and procured additional teleconferencing hardware, file sharing and sync solutions.

Notice of Appeal Form and RPA

The Commission invested in robotics processing automation which produced a new PDF writeable notice of appeal form and which automatically downloads the relevant information, opens a file and responds to the notice.

Case Management System

Preparation continues on the introduction of a new CMS. The development of the new case management system aims to:

- improve delivery of services to stakeholders;
- automate more steps in the appeals process;
- provide more up to date information,
- produce reliable and timely statistics;
- facilitate management of the appeals process;
- facilitate reporting to external stakeholders.

It is planned that the tender, award, development and installation of the CMS will be completed by the second quarter of 2022.

Funding and Expenditure

The Commission is funded through Vote 10 of the Estimates as approved by Dáil Éireann. The allocations to the Commission have increased significantly over recent years to cater for the increased expenditure required for additional resources, including staff and IT systems, which arose from the reform of the tax appeals system. The allocations (Estimates) to the Commission in 2017, 2018, 2019 and 2020 were €1.605 million, €1.626 million, €3.208 million and €3.233 million respectively.

The below table sets out an analysis of the Commission's administration expenditure in 2020.

In accordance with the provisions of the Comptroller & Auditor General (Amendment) Act 1993, the Commission's Accounting Officer is responsible for the production and submission to the Comptroller and Auditor General of the Appropriation Account for Vote 10 by 31st March each year. This has been done in respect of 2020 and it is anticipated that the audited accounts of the Commission will be published by the C&AG later in the year as part of his 2020 annual report on the accounts of the public services.

	2020 Estimate Provision	2020 Outturn	2019 Outturn
	€000	€000	€000
Salaries, wages and allowances (less AIA)	2,466	2,181	1,407
Travel and subsistence	20	1	2
Training and development and incidental expenses	104	205	73
Postal and telecommunications services	14	26	13
Office equipment and external IT services	384	320	162
Office premises expenses	35	22	23
Consultancy and other services	210	196	93
Total Expenditure	3,233	2,951	1,773

Appendix

Organisation Chart

