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PART I

TAXATION AND PRSI MEASURES

Personal Tax Package

The main elements, including associated costs, of the personal tax package, which take effect from 6th April 2000, are as follows:

Changes to Income Tax	**Full Year Cost £m**
Standard rate bands: £17,000 single £28,000 married one income (no change) £34,000 married two incomes*	309.8
Reduction in standard rate of tax by 2%, from 24% to 22%	205
Personal Allowances increased by £500 single/£1,000 married, at the standard rate	201.5
Reduction in higher rate of tax by 2%, from 46% to 44%	156.5
Mortgage Interest Relief	33.3
Increase in age exemption limit (aged 65 and over) to £7,500 single/£15,000 married	8.5
Increase in Rent Relief for under and over 55	7.9
Age Allowance doubled and standard rated	6.8
Increase Health Levy threshold by £500	6.4
Widowed Persons Allowance doubled and standard rated	3.2
Widowed Parents Bereavement Allowance doubled and standard rated	1.5
Incapacitated Child Allowance doubled and standard rated	1.2
Blind Allowance doubled and standard rated	0.4
Dependent Relative Allowance doubled and standard rated	0.3

Total	**942.3**

* See Annex B for examples of how this change will operate for relevant taxpayers

Further details of the income tax elements of the package are set out inAnnex A .

Mortgage Interest Relief

First-time mortgage holders will continue to be able to claim 100% relief on interest up to the current ceiling of £2,500 single/£5,000 married per annum in the first 5 years of their mortgage. All other mortgage holders can only claim 80% of allowable interest within the current ceiling, subject to a de minimis deduction of £100/£200. This de minimis deduction is being abolished and 100% relief can be claimed on allowable interest up to a ceiling of £2,000/£4,000 per annum from 6 April 2000. This will benefit all non-first-time mortgage holders. The allowable interest ceiling of £3,600 per annum for widowed persons is being increased to the relevant married rate i.e. £5,000 per annum in the case of first-time mortgage holders and £4,000 per annum in all other cases.

The cost of these measures is shown in the table above.

Age Allowance

The Age Allowance which is available to taxpayers aged 65 or over is being increased from £400 per annum single and widowed/£800 per annum married (where one or both spouses is 65 or over) to £800 and £1,600 respectively but will now be available at the standard rate of income tax only.

The cost of this measure is included in the table above.

Rent Relief

For under 55s, the ceiling on the amount of rent in respect of which relief can be claimed at the standard rate of income tax will be increased by 50% to £750 per annum single, £1,125 per annum widowed and £1,500 per annum married from 6 April 2000.

For 55s and over the relief which is currently available at the taxpayer's marginal rate of income tax will be standard rated from 6 April 2000. The ceiling on the amount of rent in respect of which relief can be claimed will be doubled to £2,000 per annum single, £3,000 per annum widowed and £4,000, per annum married at the standard rate of income tax.

The cost of these measures is shown in the table above (£7 million for under 55 and £0.9 million for 55's and over).

Blind Persons Allowance

The current tax allowances of £1,500 per annum where a taxpayer or his or her spouse is blind and £3,000 per annum for married couples where both spouses are blind are being increased to £3,000 and £6,000 respectively but will now be available at the standard rate of income tax only.

The cost of this measure is included in the table above.

Incapacitated Child Allowance

The allowance for an incapacitated child is being increased from £800 per annum to £1,600 per annum but will be available at the standard rate of income tax only.

The cost of this measure is included in the table above.

Dependent Relatives Allowance

The Dependent Relatives Allowance is being increased from £110 per annum to £220 per annum but will be available at the standard rate of income tax only.

The cost of this measure is included in the table above.

Widowed Persons

The existing allowance of £500 for widowed persons without dependent children is being doubled to £1,000 but will now be available at the standard rate of income tax only.

The cost of this measure is included in the table above.

Widowed Parents Bereavement Allowance

The widowed parent's bereavement allowance which applies in the first five years after bereavement is being doubled to £10,000 in year 1, £8,000 in year 2, £6,000 in year 3, £4,000 in year 4 and £2,000 in year 5 but will be available at the standard rate of income tax only.

The cost of this measure is included in the table above.

Lone Parents

At present lone parents including widows with children have the single person's personal allowance of £4,200 at the standard rate of income tax plus an additional allowance of £4,200, of which £3,150 is available at the marginal rate of income tax. From 6 April 2000, the additional lone parent's allowance will be increased by £500 to £4,700 at the standard rate, giving them the same personal allowances as married couples i.e. £9,400 in total all of which will be given at the standard rate. To ensure no loss to lone parents on the higher rate of income tax, as a result of standard rating, their standard band will be increased to £20,150, that is £3,150 higher than the band for single taxpayers.

This measure has no additional cost.

Withholding Taxes

The rate of withholding tax on professional services is being reduced from 24% to 22% with effect from 6 April 2000, in line with the reduction in the standard rate of income tax. The rate of withholding tax on dividend income is being similarly reduced.

The cost is included in the cost of reducing the standard rate of income tax shown in the table above.

Deposit Interest Retention Tax

The rate at which standard rate DIRT is levied on deposit interest is being reduced from 24% to 22% with effect from 6 April 2000, in line with the reduction in the standard rate of income tax.

The cost is included in the cost of reducing the standard rate of income tax shown in the table above.

Other Income Tax

Unemployment Benefit

The special exemption from Unemployment Benefit taxation for systematic short-time workers, which was introduced in the 1994 Finance Act and broadened in the 1995 Finance Act, is being continued for the 2000/2001 tax year.

This will cost £0.9 million in 2000 and £1.5 million in a full year.

Reduction in specified rate for preferential home loans

An employee in receipt of a preferential loan is charged income tax on the difference between the interest actually paid and the amount which would be payable at the "specified" rate of interest. The specified rates reflect the general rates payable by the customers of credit institutions. To reflect recent falls in interest rates on home loans, the specified rate will be reduced from 6% to 4% with effect from 6 April 2000. The specified rate in respect of other loans remains at 10%.

The cost of this measure will be £0.7 million in 2000 and £1.1 million in a full year.

Tax Relief for Investment in Films

This relief, which was due to terminate on 5 April 2000, is being extended for another 5 years up to 5 April 2005. The detailed arrangements for the relief will generally remain unchanged. However, to meet the terms of the EU Commission approval of the relief as a State Aid, the extra incentive for post-production work will no longer apply.

There is no additional cost from the continuation of this measure in 2000 and in a full year.

Life Assurance - Linked Investment

The special tax rate for life assurance-linked investment under the existing life assurance tax regime is being reduced from 24% to 22% in line with the reduction in the standard rate of income tax. The same reduction will apply in respect of unit trusts and UCITS (Undertakings for Collective Investment in Transferable Securities). The change will take effect from 6 April 2000.

The cost of this measure is included in the cost of reducing the standard rate of income tax as shown in the table above.

> There will be a technical change in the present taxation arrangements for life assurance investments to ensure that capital gains are effectively charged at the standard income tax rate (as intended) instead of the 20% capital gains tax rate. The

provision will be included in the Finance Bill and will take effect for accounting periods ending in 1999 and following years.

New taxation arrangements for the taxation of the proceeds of investment in Life Assurance Companies and Collective Funds

The following arrangements will apply with effect from 1 January 2001:

- The current system for taxing these investment proceeds on an annual basis within the life assurance company or collective fund will be replaced by an exit tax at the standard income tax rate plus 3% on encashment, maturity etc.
- The tax will be collected by the company/fund and paid to Revenue in the case of resident policyholders/unitholders. Policyholders/unitholders who were never Irish residents will not be subject to this tax and will receive the investment proceeds gross.
- As part of the changeover to the new system, the value of the investments as of 31 December 2000 will be calculated. The unrealised gains (other than from Irish Government bonds) accruing as of that date will be taxed over 7 years as at present. The unrealised gains on Irish Government bonds accruing on that date will be spread over a 5 year period and will also be taxed at the standard income tax rate.
- While the new system will come into effect for existing companies or funds from 1 January 2001, new life assurance companies or collective funds will be able to avail of it after 1 April 2000, if they so wish.
- There will be consultations with the life assurance and collective funds sectors prior to the publication of the 2000 Finance Bill in regard to the detailed arrangements for the changeover to the new system.

This will result in an estimated cash flow loss of £35 million in 2002, £25 million in 2003, £9 million in 2004 and £5 million in 2005. This loss will be eliminated from 2006.

Farmer Taxation

The special capital allowances scheme for farm pollution control, which is due to terminate on 5 April 2000, will be continued for another 3 years to 5 April 2003. In addition, the expenditure limit for the scheme will be increased from £30,000 to £40,000 with up to £20,000 claimable in Year 1.

This will cost £0.2 million in 2000 and £0.3 million in a full year.

CORPORATION TAX

Corporation tax reductions in 2000

As already provided for in the 1999 Budget and Finance Act, the standard rate of corporation tax for trading income is being reduced from 28% to 24% from 1 January 2000. This is part of the phased reduction in the standard rate of corporation tax for trading income to a single standard rate of 12½% in 2003. The 1999 Finance Act also provided for a 25% rate of corporation tax on non-trading income from 1 January 2000. Non-trading income is defined as income chargeable under Case III (e.g. discounts, foreign income, interest on Government securities), Case IV (e.g. royalties, miscellaneous income) and Case V (rental income from land and buildings in the State) of Schedule D. In addition, the 25% rate will also apply to income from working minerals, petroleum activities and certain dealings in development land, other than construction operations. Income from manufacturing and in

respect of certified activities in the IFSC and the Shannon Zone will continue to be taxed at 10%.

Reduction in the corporation tax rate for small and medium-sized enterprises

In order to assist small and medium-sized firms, the 12½% corporation tax rate will apply from 1 January 2000 in certain cases. Companies whose total trading income (other than income taxable at the 10% or 25% rates) for an accounting period does not exceed £50,000 will be taxed on that income at the 12½% rate. Marginal relief will apply where the total of such income is between £50,000 and £75,000. These limits will be proportionately reduced where:

- a company has one or more associated companies, and
- in the case of an accounting period of less that twelve months duration.

The Finance Bill will set out the necessary arrangements.

This latter measure will cost £2.5 million in 2000, £26 million in 2001 and £27 million in a full year.

CAPITAL ALLOWANCES

Capital Allowances for certain Multi-Storey Car Parks

This relief for multi-storey car parks outside the Dublin and Cork Corporation areas which was to terminate at end-2000 is to be continued for another 2 years to end-2002. For a project to qualify for this relief, 15% of the total cost of the project has to be incurred by 30 September 2000.

This measure will cost an estimated £0.7 million in 2000 and £2 million in 2001.

Capital Allowances for Business Cars

The car value threshold is being increased from £16,000 to £16,500. The new threshold will apply to capital allowances for new cars and allowable expenses for all cars used in the course of a business. The change will take effect from 1 December 1999.

The cost will be £0.25 million in 2000, £1.5 million in 2001 and £2.5 million in a full year.

Accelerated Capital Allowances for Expenditure on Childcare Facilities

The Finance Bill will provide for accelerated capital allowances at the rate of 100% in the first year on childcare facilities which meet the required standards for such facilities, as provided under the Childcare Act 1991. This relief will be available to all childcare facilities whether provided by employers or commercial childcare operators. The relief will be available to both owners of the facilities and investors who wish to invest by way of leasing arrangements. There will be a clawback of the allowances, in the form of a balancing charge, if the premises cease to be used as a childcare facility within 10 years. Full details of this measure will be contained in the Finance Bill. This change will take effect in relation to expenditure incurred on and from 1 December, 1999. These new accelerated allowances are subject to clearance by the EU Commission.

The cost will be £0.3 million in 2000, £0.9 million in 2001 and £1.5 million in a full year.

CAPITAL ACQUISITIONS TAX (CAT)

Thresholds and rates

The exemption thresholds will be increased to £300,000 for Class I, to £30,000 for Class II and to £15,000 for Class III. A single 20% rate will replace the existing rate structure. The one quarter reduction in the rate for gifts as compared to inheritances is being abolished.

These measures will apply to gifts or inheritances taken on or after 1 December 1999.

Family Home relief

CAT will no longer apply on the transfer of the family home on or after 1 December 1999 provided it is the principal private residence of the disponer and/or the recipient and the recipient has been living in the home for the 3 years prior to the transfer and provided the recipient does not have an interest in any other residential property. It will also be a condition of the relief that the recipient does not dispose of the home for 6 years after the transfer.

The net cost of all the above changes to the CAT regime will be £15 million in 2000 and £46 million in a full year.

Replacement of Domicile Rule by Resident/Ordinary Residence rules

At present, a liability to gift or inheritance tax can arise where either (i) the disponer is domiciled in the State or (ii) the property comprised in a gift or inheritance is situated in the State - regardless of the domicile or residence of the disponer.

It is proposed to change the general domicile rule at (i) above to a residence basis so that a liability to gift or inheritance tax can arise where either the disponer or beneficiary is resident or ordinarily resident in the State. However, where either the disponer or the beneficiary is non-Irish-domiciled, that person will not be treated as resident or ordinarily resident in the State for this purpose unless he or she has been resident in the State for the 5 consecutive tax years before the gift or inheritance. The rule at (ii) will continue to apply.

The change will apply to gifts or inheritances taken on or after 1 December, except in the case of a gift or inheritance taken under a trust or settlement existing on that date where the present rules will continue to apply for the time being. Gifts or inheritances taken prior to 1 December will be unaffected by these changes. Full details will be contained in the 2000 Finance Bill.

Exemption threshold for Probate Tax

The exemption threshold for estates will be increased from £11,250 to £40,000 in respect of deaths occurring on or after 1 December 1999.

The cost will be £0.5 million in 2000 and in a full year.

CAPITAL GAINS TAX (CGT)

Rates

The 20% rate will apply on and from today to disposals of those assets still liable to the 40% rate i.e. the disposal of non-residential development land and the disposal of residential development land to connected persons.

The cost impact will be neutral as the effect of the reduction in the rate should be offset by extra disposals.

CGT Retirement Relief

An exemption from CGT applies in the case of an individual aged 55 or more on the disposal of business assets owned for 10 or more years. A disposal of assets to a child of the individual is relieved in full ("child" includes nephews and nieces in certain circumstances). The relief is available on proceeds up to £250,000 in all other cases. This ceiling is now being increased to £375,000 from 1 December 1999.

The cost will be £0.3 million in 2000 and £1 million in a full year.

SPECIAL 20% RATE ON PROFITS FROM THE SALE OF RESIDENTIAL LAND

- In the case of companies whose profits from the sale of residential land would otherwise be taxable at 25%, the corporation tax rate will be reduced in the case of such profits to 20% with effect on and from 1 January 2000.
- In the case of individuals whose profits from the sale of land are liable to income tax, the taxable profits from the sale of any residential land will be ring-fenced and taxed at a special rate of 20%. There will be no offset for personal allowances or credits in the case of this 20% rate but the individual may retain the option of having the profits charged to tax on the basis that has applied up to now. The change will apply on and from 1 December 1999.
- The definition of residential land will be the same as that used for the purposes of the 20% capital gains tax rate.

STAMP DUTY

Threshold for Residential Leases

A 1% duty applies to the annual rental value over £6,000 in respect of leases of residential property under 35 years. This threshold is being raised to £15,000 from 1 December 1999.

This measure will cost £0.75 million in 2000 and the same in a full year.

Relief for Young Trained Farmers

The special stamp duty relief on the transfer of agricultural land and buildings to young trained farmers, which is due to terminate on 31 December 1999, will be continued for another 3 years to 31 December 2002.

There is no additional cost from the continuation of this measure in 2000 or in a full year.

VALUE ADDED TAX

Farmers' VAT Flat Rate Addition

The Farmers flat rate is being increased from 4.0% to 4.2% from 1 March 2000. This rate change will ensure that farmers continue to be compensated in full for the VAT they bear on their business inputs. There will be a corresponding change in the livestock rate.

This will cost £3.6 million in 2000 and £5.3 million in a full year.

INDIRECT TAXES

Tobacco Excise

The excise duty on a packet of 20 cigarettes is being increased by 50p (including VAT) with pro-rata increases on the other tobacco products, with effect from midnight on 1 December 1999. This will bring the price of 20 cigarettes in the most popular price category to £3.69.

This increase will raise £2.7 million in 1999 and £132 million in 2000.

Excise Duty on Kerosene

The excise duty on kerosene is being reduced from £37.30 to £25.00 per thousand litres with effect from midnight on 1 December 1999.

This measure will cost £1 million in 1999 and £10.8 million in 2000.

Travel Tax

The £5.00 travel tax, which is imposed on tickets issued in the State for travel by air or sea to destinations overseas, will be abolished with effect from midnight on 31 December 1999.

This measure will cost £20 million in 2000 and the same in a full year.

PRSI AND LEVIES

Training Fund Levy

As from 6 April 2000, a National Training Fund Levy will be established, payable by all Class A and H Employers. The Levy will be charged at a rate of 0.7% on the same income base as Employer PRSI. At the same time, there will be a corresponding reduction in the Employer PRSI contribution rates from 12% and 8.5% to 11.3% and 7.8%, respectively, in order to ensure no overall increase in costs to employers. The existing Apprenticeship Levy and the Sectoral Training levies, which were paid directly to FAS, will be abolished.

It is estimated that the new Levy will yield £120 million in a full year which will be credited to the Department of Enterprise, Trade and Employment as an Appropriation-in-Aid. The yield from the National Training Fund Levy will amount to £70 million in 2000; the legislation to be brought forward to establish the National Training Fund will provide for the transfer of £50 million from the Social Insurance Fund to the Department of Enterprise, Trade and Employment to bring the Training Fund to £120 million next year.

As a result of these changes, the net Exchequer position in 2000 is improved by £105 million over the White Paper on Estimates of Receipts and Expenditure which already assumes income of £15 million from the National Training Fund Levy.

PRSI Ceilings

As from 6 April 2000, the contribution ceiling for Employer PRSI will increase from £35,000 to £36,600 per annum. As from 6 April 2000, the PRSI contribution ceiling will increase from £25,400 to £26,500 for employees and the self-employed.

These ceilings underlay the 2000 Estimates.

Health Levy Threshold

As from 6 April 2000, the threshold for the Health Levy is being increased from £217 per week (£11,250 per annum) to £226 per week (£11,750 per annum).

This will cost £3.8 million in 2000 and £6.4 million in a full year.

PART II

SOCIAL INCLUSION MEASURES

NOTE FOR INFORMATION

The sums set out below should be read in conjunction with the amounts provided in the recently published Abridged Estimates Volume.

SOCIAL WELFARE

Earlier Date of Payment

Weekly payment increases will take effect 4 weeks earlier from the first week of May 2000. Payment from the start of the tax year (April) will commence from 2001.

Social Welfare Rates

Maximum weekly personal rates for all old age and related pensions will be increased by £7, with proportionate increases for pensioners on reduced rates, from the first week of May 2000;

Other personal rates will be increased by £4 per week, from the first week of May 2000.

The Qualified Adult Allowance will be increased to 70% of the personal rate over three years. In 2000, the increases will be;

- £8.50 p.w. for Invalidity Pension for those aged over 66
- £7.50 p.w. for Blind (over 66) and Old Age (Non-Con) Pensions
- £4.70 p.w. for Old Age (Con) and Retirement Pensions
- £3.80 p.w. for other payments

The above increases will cost £167.6 million in 2000 and £249 million in a full year.

Child and Family Income Support

Child Benefit will be increased by £8 per month for each of the first and second children, from £34.50 to £42.50 per month; and by £10 per month for each of the third and subsequent children, from £46 to £56 per month, from September 2000.

These changes will cost £35.3 million in 2000 and £105.8 million in a full year.

The Back to School Clothing and Footwear Allowance, payable in September, will be increased by £20. The new rates will be £63 for children between the ages of 2 to 11, and £78 for children between the ages of 12 and 17.

This increase will cost £4 million in both 2000 and in a full year.

Family Income Supplement income thresholds will be increased by £13 per week, from early May 2000.

This measure will cost £4.6 million in 2000 and £6.9 million in a full year.

The minimum rates of Maternity and Adoptive Benefits will be increased by £4 per week, from £86.70 to £90.70 per week, while the maximum rates will be increased by £10 per week, from £162.80 to £172.80 per week, effective from early May 2000.

These increases will cost £0.2 million in 2000 and £0.4 million in a full year.

Carers

A new insurance based scheme will be introduced for carers who wish to leave the work force to care for a person who needs full time care and attention. The benefit will be payable for a period of a year during which the person's employment rights will be protected. Full details of this Carer's Benefit will be included in the 2000 Social Welfare Bill.

The scheme will cost £1.3 million in 2000 and £5 million in a full year.

The Respite Care Grant will be increased from £200 to £300, from June 2000.

The Free Electricity Allowance and Free Television Licence will be extended to carers in receipt of the Carer's Allowance.

The cost of these measures will be £2.2 million in 2000 and £3.7 million in a full year.

Disabilities

Full-rate Disability Allowance will be paid to those in residential settings currently receiving half-rate payments, from early May 2000.

The rehabilitative weekly earnings disregard for Disability Allowance will be increased from £50 to £75, from early April 2000.

The Back to Work Allowance and Back to Education Allowance Schemes will be extended to Invalidity Pensioners and recipients of Unemployability Supplement.

These measures will cost £1.4 million in 2000 and £2 million in a full year.

Older People

The method for assessing capital means will be reformed for assistance schemes, other than UA and SWA, from October 2000. The changes include the first £10,000 of capital being disregarded in calculating entitlement under these schemes.

This revision will cost £1.3 million in 2000 and £5 million in a full year.

All people aged 75 and over will be entitled to Free Electricity Allowance, Free Telephone Rental Allowance and Free Television Licence, regardless of their circumstances, effective from October 2000.

This will cost £1 million in 2000 and £4 million in a full year.

Widows/Widowers

A special additional grant of £1,000 will be paid to widows/widowers with dependant children following the death of their spouse. This will be effective from 1 December 1999.

The above measure will cost £1.5 million in both 2000 and in a full year.

Employment and Educational Supports

The number of places on the Back to Work Allowance Scheme will be increased by 5,000, beginning in January 2000.

A Special Pilot Scheme for early school leavers coming onto the Live Register will be introduced to improve their employability, from September 2000.

Additional funding will be provided for the scheme of grants for Second Chance Education.

These measures will cost £0.1 million in 2000 and £0.2 million in a full year.

Other Incentive Measures

The tapered Qualified Adult Allowance arrangements, which relate to the treatment of spouse's earnings, will be improved and will be extended to include people on Invalidity, Old Age (Con) and Retirement Pensions. This will be implemented in early April 2000.

This measure will cost £2.3 million in 2000 and £3 million in a full year.

The arrangements whereby people who retain Supplementary Welfare Allowance rent/mortgage supplements on returning to work under schemes such as Community Employment, Back to Work Allowance (BTWA) and Revenue Job Assist will be reformed as follows:

- Abolition of the "cheque limit" on the level of rent payable
- Assessment of income net of FIS and BTWA
- Tapering the withdrawal over 4 years, at 75%, 50%, 25% and 25%

This will be of particular benefit to families.

Additional income arising from participation in approved training courses will be disregarded for the purpose of determining entitlement to rent/mortgage supplements.

Finally, for the purposes of assessing entitlement to rent/mortgage supplements, a weekly disregard of £25 will be introduced in April 2000 for part-time workers.

These measures will cost £4.9 million in 2000 and £4.1 million in a full year.

Voluntary, Community, Family and Information Services

The Community Development Programme will be enhanced through:

increased funding to allow for 10 additional groups under the Core Funded Community and Family Support Programmes increased funding to provide an additional 15 centres under the Family and Community Services Resource Centre Programme the provision of resources for 34 additional Community Development Programmes

There will be additional funding for the National Anti-Poverty Networks. Additional support will also be provided to the Money Advice and Budgeting Service. There will also be additional funding for the National Social Service Board (Comhairle) for continued development of the network of Citizens Information Centres and the establishment of Comhairle. Support will be given for an Emigration Advice Fund.

Extra funds will be provided for Marriage, Child and Bereavement Counselling Services, Marriage Preparation, Marriage Counselling and Child Counselling in relation to parental separation as well as support for the Rainbow Project.

This package of measures will cost £3.7 million in 2000 and some £3.9 million in a full year.

HEALTH DEVELOPMENT

Gross spending on health will increase from £3,200 million in 1998 to £4,200 million in 2000 (double the allocation for 1994).

The *Abridged* Estimates already provide significant increases in 2000 across a range of health programmes, including £35 million for Older People; £23 million for Child welfare; £25 million to commence Group C Meningitis Vaccination; over £10 million each for Physical Disability, Mental Handicap and Dental services; and almost £8 million for Mental Health. The pre-Budget estimates also provide over £23 million for Hospital Waiting Lists and £11.5 million to commission new Acute Hospitals units.

In this Budget, additional funds of £28 million will be allocated to mental handicap services, £7 million for physical and sensory disability services, £2 million to develop Dental Services for medical card holders, and £2.25 million to extend the Respite Care Grant to all recipients of Domiciliary Care Allowance. £4.5 million is being provided for Child Welfare, comprising £2 million to address child homelessness and £2.5 million for a Support Programme for Teenage Mothers at Risk and to extend the Teenage Pregnancy Prevention Programme**.** In addition, an extra £0.75 million is being allocated to increase Health allowances in line with the increase in Social Welfare payment rates.

These measures will cost £44.5 million in 2000 and £62.25 in a full year.

Children's Bill

£3m is being allocated to provide alternatives to detention for children as envisaged in the Children's Bill. This will be spread between the Departments of Health (£1 million), Education (£1 million) and Justice (£1 million).

This initiative will cost £3 million in 2000 and the same in a full-year.

Kerry Diocesan Youth Service

Funding is being provided through the Department of Justice, Equality and Law Reform for a refurbishment programme in Killarney of premises to house a service for "at risk" youths.

The amount being provided will be £0.2 million in 2000.

EDUCATION

Initiatives to enhance quality and improve equality of access to education

An additional £3.5 million is being provided to the Department of Education and Science for a number of targeted initiatives which will improve education services, including equality of access for the disadvantaged.

This will cost £3.5 million in 2000 and £10 million in a full year.

Youth Services

£1.5 million is being made available for the development of youth services in education.

This will cost £1.5 million in 2000 and a similar amount in each subsequent year.

HOUSING

Voluntary Housing

Funding is being made available through the Department of Environment and Local Government towards the administrative costs of the Irish Council for Social Housing as part of the Government's commitment to increase voluntary housing output.

This will cost £0.15 million in 2000 and in each subsequent year.

DISABLED

Supported Employment Programme

Funding is being provided through the Department of Enterprise, Trade and Employment for a Supported Employment Programme for People with Disabilities. This programme will place up to 750 disabled people in employment in the open labour market and provide them with job-related support.

This will cost £4 million in 2000.

Supports to Employers

Funding is being provided through the Department of Enterprise, Trade and Employment for grants to employers to fund disability awareness training and the training of employees who become disabled.

This will cost £1 million in 2000.

Provision of Transport to Disabled People

Funding is being provided through the Department of Justice, Equality and Law Reform for the "Vantastic" service, established by the Centre for Independent Living, which offers door-to-door transport service for people with disabilities.

The cost will be £0.35 million in 2000 and a similar amount in a full year.

OTHER SOCIAL INCLUSION MEASURES

At the initiative of the Tanaiste, support for a range of other Social Inclusion projects is being provided via the Department of Enterprise, Trade and Employment.

This will cost £0.5 million in 2000.

Asylum Seekers

Additional staff will be assigned to the Department of Justice, Equality and Law Reform to deal with the asylum issue at a full year cost of £2.5 million. This is in addition to the 160 extra staff assigned over the last two years at an annual cost of £3 million.

This will cost £1.5 million in 2000 and £2.5 million in a full year.

PART III

OTHER CURRENT EXPENDITURE MEASURES

NOTE FOR INFORMATION

The sums set out below should be read in conjunction with the amounts provided in the recently published Abridged Estimates Volume.

I: SPECIAL MEASURES TO MARK THE MILLENNIUM

To celebrate the millennium, the National Millennium Committee has already earmarked projects with a total value of £27.9 million. The following additional measures are included in the Budget.

PRESIDENT

Increase in Centenarians' Bounty

To mark the Millennium, the Centenarians' Bounty in the year 2000 will be £2,000.

This will cost an additional £0.177 million in 2000.

TAOISEACH

Millennium Childrens' Hour

Following a request from the National Millennium Committee, a total of £2 million will now be provided as a special contribution to the Children's Hour Appeal**.** The Committee had previously recommended an allocation of £1 million.

This will cost an additional £1 million in 2000.

II: OTHER MEASURES

Commemoration Initiatives

Additional funds are being provided for commemoration initiatives**,** including the Tulach an tSolais Memorial at Oulart Hill in County Wexford.

This will cost an additional £0.07 million in 2000.

FINANCE

A provision is being made for funding the establishment of Partnership Structures in the Public Service.

This will cost an additional £7 million in 2000 and subsequent years.

PUBLIC ENTERPRISE

Regional Airports

The allocation for marketing support for Regional Airports provided by the Minister for Public Enterprise is being increased from £0.7 million to £1.2 million.

This will cost £0.5 million in 2000.

Road Haulage

Funds are being provided to assist the development of research and advisory services for the road haulage industry.

This will cost £0.1 million in 2000.

CHILDCARE

A major package of initiatives to increase the supply of childcare places is being introduced.

- £20 million is included in the published Estimates to expand the Equal Opportunities Childcare Programme, to finance a scheme of small capital grants for childcare providers caring for less than 20 children; and to support local childcare network initiatives.
- £5 million is being provided to assist schools to set up and run after-school childcare services;
- £5 million is being provided for community based groups to develop community out-of-school childcare services;
- and £1.4 million is being allocated to Health Boards to enhance their inspection and advisory role.

The cost of the childcare package is £46.4 million in a full year.

JUSTICE, EQUALITY AND LAW REFORM

Victim Support

Additional funding is being provided to Victim Support to enable it to extend its coverage throughout the country and improve its services.

The amount being provided will be £0.2 million in a full year.

ENVIRONMENT AND LOCAL GOVERNMENT

Environmental Awareness

Funding is being provided to continue the environmental awareness campaign introduced this year and the development of a specific campaign addressing climate change issues. Measures to tackle the litter problem and promote environmental management systems are also being funded.

This will cost £1 million in 2000.

EDUCATION AND SCIENCE

Administrative support and caretaking services in schools

Additional funding is being provided for extra administrative support and caretaking services in schools.

This will cost £5 million in 2000 and £15 million in a full year.

TOURISM, SPORT AND RECREATION

Ireland's Olympic Team in 2000

Funding is being provided for the newly established Irish Sports Council towards the costs associated with the preparation and participation of the Irish Olympic and Paralympic teams in the 2000 Sydney Games.

This will cost £1 million in 2000.

International Sporting Events/DISC

Funding is being provided for Bord Fáilte to support efforts to attract major sporting events with tourism potential for Ireland. This includes a provision for financial assistance of £0.150 million from Bord Fáilte to the Dublin International Sports Council (DISC), to assist its efforts to attract major sports events to Ireland.

This will cost £2.5 million in 2000, 2001 and 2002.

FOREIGN AFFAIRS/DEFENCE

Partnership for Peace

Funding is being provided to meet the running costs arising from participation in Partnership for Peace.

This will cost £0.92 million in 2000 and in subsequent years. [Foreign Affairs £0.73 million, Defence £0.19 million]

HEALTH

£12 million is being provided to commence implementation of the National Cardiovascular Health Strategy (*Building Healthier Hearts*) launched earlier this year. An additional £2 million is being allocated to Mental Health services and £3 million to Palliative Care.

These initiatives will cost £17 million in 2000 and £40 million in a full-year.

Technical Adjustments

Provision has also been made for various technical adjustments associated with the emerging outturn for the Health and Children Vote in 1999.

These will cost £12.4 million in 2000 and £13 million in a full year.

Appropriations-in-Aid

As indicated in the Budget Speech, £132 million raised from the increase in tobacco Excise Duties will be paid into the Health Vote.

The £500 increase in the Health contribution threshold will reduce Appropriations-in-Aid to the Vote by £3.8 million in 2000 and £6.4 million in a full year.

These will increase the Appropriations-in-Aid on the Health Vote by £128.2 million in 2000 and £125.6 million and in a full year.

ARTS, HERITAGE, GAELTACHT AND THE ISLANDS

Comhaltas Ceoltóirí Éireann

A grant is being provided as a contribution to the establishment of CLASSAC, a centre for traditional music in Clontarf.

This will cost £0.713 million in 2000.

Gerard Manley Hopkins Summer School

Funds are being provided in 2000 as a contribution to the development of the Gerard Manley Hopkins Summer School.

This will cost £0.1 million in 2000.

PART IV

CAPITAL EXPENDITURE MEASURES

NOTE FOR INFORMATION

The sums set out below should be read in conjunction with the amounts provided in the recently published Abridged Estimates Volume.

TAOISEACH

Irish World Heritage Centre - Manchester

£2 million will now be made available towards the cost of the Irish World Heritage Centre Millennium Project in Manchester. The Millennium Committee had previously approved funding of £1 million.

This will cost an additional £1 million in 2000.

OFFICE OF PUBLIC WORKS

A provision is being made for certain capital works.

This will cost an additional £2.5 million in 2000.

ENVIRONMENT AND LOCAL GOVERNMENT

Disabled Persons and Essential Repairs Grants

Additional funding is being provided to increase the maximum grant under the Disabled Persons Grant Scheme and under the Essential Repairs Grant Scheme. These improvements will apply in respect of works commenced on or after today. (**Social Inclusion Measure)**

This will cost £5.7 million in 2000 and the same in a full year.

Homelessness

Funding will be made available for hostel facilities in Dublin for homeless persons with drug and alcohol addiction problems. (**Social Inclusion Measure)**

This will cost £2.5 million in 2000 and a further £2.5 million in 2001.

Medical Bureau of Road Safety

Additional funding is being provided for research and for extra laboratory equipment.

This will cost £0.3 million in 2000.

Task Force for the Elderly

Additional funding is being provided for the Task Force for the Elderly. (**Social Inclusion Measure)**

This will cost £1 million in 2000 and a similar amount in a full year.

Terryland Wood Project

Funding of £0.100 million is being provided for the Terryland Wood Project, Galway.

This will cost £0.1 million in 2000.

EDUCATION AND SCIENCE

Inventory of School Accommodation

Funding is being made available for a comprehensive survey of the nature and condition of school accommodation.

This will cost £4 million in 2000.

Scouting Ireland

Funding is being made available to Scouting Ireland towards the cost of their new National Headquarters.

This will cost £0.4 million in 2000.

An Oige

Funding is being made available to An Oige for the refurbishment of Aughavannagh Youth Hostel.

This will cost £0.975 million in 2000.

MARINE AND NATURAL RESOURCES

Marine Infrastructural Development

Funding is being provided for a range of new projects in 2000 for marine infrastructural development.

This will cost £4 million in 2000.

PUBLIC ENTERPRISE

Integrated Ticketing

Funding is being provided for the introduction of integrated ticketing on public transport services.

This will cost £1 million in 2000.

HEALTH AND CHILDREN

National Rehabilitation Hospital, Dun Laoghaire

Funding is being provided to establish a hostel for visiting families of patients and for use by post-operative patients.

This will cost £1 million in 2000.

ENTERPRISE, TRADE AND EMPLOYMENT

Birr Telescope

Funds are being made available for the historic science centre at Birr.

This will cost an additional £0.267 million in 2000.

TOURISM, SPORT AND RECREATION

Sports facilities

Funding is being provided for the development of certain sports facilities.

This will cost £0.2 million in 2000.

FOREIGN AFFAIRS/DEFENCE

Partnership for Peace

Funding is being provided to meet office accommodation costs arising from participation in Partnership for Peace.

This will cost £0.562 million in 2000. [Foreign Affairs £0.512 million, Defence £0.05 million]

ARTS, HERITAGE, GAELTACHT AND THE ISLANDS

Refurbishment of Pearse Family House

Additional funding is being provided for the completion of the restoration of the Pearse family house in Pearse Street, Dublin 2.

This will cost £0.1 million in 2000.

Royal Canal

In the National Development Plan, funding is being provided to continue the development of the inland waterways system as a major recreational and tourism resource. Among the projects included in the Plan is the continuing restoration of the Royal Canal from Dublin to the River Shannon.