



Our reference: 2017-4(c)

20 September 2017

Mr Pearse Doherty, TD  
Leinster House  
Kildare Street  
Dublin, D02 A272

Dear Deputy,

I refer to item 61 of Sinn Féin's request to the Department of Public Expenditure and Reform for Budget 2018 costings, which has been forwarded to this Department for direct response (submitted to us on 18 September, 2017). The following is our response to the costing sought:

<b>61</b>	The estimated costs of introducing a Disability Tax Credit similar to the Blind Persons Tax
<b>Response</b>	As there are no data available on the number of taxpayers who would be eligible for a disability tax credit, or the ability of such taxpayers to absorb the credit, there is no basis for Revenue to estimate the cost of this measure.

Please note that the costing exercise did not examine the interaction of individual measures with other tax and/or expenditure measures.

No account has been taken of the second round impact of measures proposed, such as their positive or negative impact on economic growth, job creation, inflation or their impact on tax buoyancy.

It should be borne in mind that under the preventive arm of the Stability and Growth Pact, until Ireland has reached its objective of a balanced budget in structural terms, we may not introduce discretionary revenue reductions, over and above the available fiscal space permitted under the expenditure benchmark, unless they are matched by other revenue increases or expenditure reductions. Accordingly, tax reductions may have to be offset elsewhere.

The costings, including those provided by or in conjunction with other Departments, are provided on the basis that at no time will the Department be represented as

endorsing the proposals costed. Equally, the Department will not comment on the merits or otherwise of those proposals. Where caveats or assumptions have been made in this response, the Departments' positions on such issues must be accurately, fully and fairly represented.

The Freedom of Information Act 2014 does not provide for an exemption for the costings of political parties proposals. Costings prepared by the Department in the context of the Budget will be treated in the same manner as all other pre-Budget submissions/requests. As is normal practice, the Department will publish the responses issued to these requests on its website, redacting on the basis of the Freedom of Information exemptions as appropriate. Costings prepared in the context of general elections or Programmes for Government will also be dealt with in accordance with relevant provisions of the Act.

If you have any queries on any of the above matters or costings, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Derek Moran', with a large, stylized initial 'D'.

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Derek Moran

Secretary General