

Appropriation Account 2025

Vote 9

Office of the Revenue Commissioners

Introduction

As Accounting Officer for Vote 9, I am required each year to prepare the appropriation account for the Vote, and to submit the account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2025 for the salaries and expenses of the Office of the Revenue Commissioners, including certain services administered by that Office.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2025, including the amount that could be used as appropriations-in-aid of expenditure for the year.

A surplus of €5.109 million is liable for surrender to the Exchequer.

The statement of accounting policies and principles and notes 1 to 6 form part of the account.

Statement of accounting policies and principles

The standard accounting policies and principles for the production of appropriation accounts, as set out by the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation in circular 25 of 2025 have been applied in the preparation of the account. This includes the application of a number of Central Government Accounting Standards (CGAS) brought into effect for periods of account commencing from 1 January 2025.

Depreciation of capital assets

Depreciation of property, plant and equipment and amortisation of intangible assets are calculated and charged in accordance with CGAS 17 and CGAS 31 respectively.

The useful lives and associated rates of depreciation/amortisation for major classes of capital assets are as follows.

<i>Asset class</i>	<i>Useful life</i>	<i>Rate of depreciation/ amortisation</i>
Revenue cutter	20 years	5%
Developed software	10 years	10%
Furniture and fittings	10 years	10%
Office and IT equipment	5 years	20%
Vehicles and equipment	5 years/10 years	20%/10%
Acquired software	2 years/5 years	50%/20%

Statement on internal financial control

Responsibility for system of internal financial control

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Office.

This responsibility is exercised in the context of the resources available to me and my other obligations as Head of Office.

Also, any system of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner. Maintaining the system of internal financial controls is a continuous process and the system and its effectiveness are kept under ongoing review.

The position in regard to the financial control environment, the framework of administrative procedures, management report and internal audit is as follows:

Shared services

I have fulfilled my responsibilities in relation to the requirements of the service management agreement between this Office and the National Shared Services Office for the provision of human resources and payroll shared services.

I rely on a letter of assurance from the Accounting Officer of the National Shared Services Office that the appropriate controls are exercised in the provision of shared services to this Office.

Financial control environment

A control environment comprising the following elements is in place.

- Financial responsibilities have been assigned at management level with corresponding accountability.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- Formal procedures have been established for reporting significant control failures and ensuring appropriate corrective action.
- There is an Audit Committee to advise me in discharging my responsibilities for the internal financial control system.
- There are systems in place to safeguard the assets.
- Procedures for all key business processes have been documented.

Administrative controls and management reporting

I confirm that a framework of administrative procedures and regular management reporting is in place, including segregation of duties and a system of delegation and accountability.

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are regular reviews by senior management of periodic and annual financial reports which indicate financial performance against forecasts.

- A risk management system operates within the Office to identify potential risks and ensure an appropriate mitigation strategy is in place. Mitigations used to manage risk include
 - Revenue's governance structures
 - environmental scanning to ensure Revenue is aware of influences that affect risk
 - integrated strategic/business planning and risk management framework that includes an assessment of risk at organisational, Divisional and Branch level
 - implementation of a strong and integrated project management framework for all significant projects.
- There are systems aimed at ensuring the security of the ICT applications, particularly in relation to cyber threats and malicious attacks.
- There are appropriate capital investment control guidelines and formal project management disciplines.

Internal audit and Audit Committee

I confirm that the Office has an internal audit function with appropriately trained personnel, which operates in accordance with the Institute of Internal Auditor's International Professional Practices Framework, which includes Global Internal Audit Standards, Topical Requirements and Global Guidance. It also operates in line with a formal written Internal Audit charter which I have approved. Its work is informed by analysis of the financial, operational and corporate risks to which the Office is exposed and its internal audit plans, approved by me, are based on this analysis. These plans aim to cover the key controls on a rolling basis over a reasonable period. The internal audit function is reviewed periodically by me and by the Audit Committee. I have put procedures in place to ensure that the reports of the internal audit function are followed up.

Procurement

The Office ensures that there is an appropriate focus on good procurement practice in the award of all contracts and that procedures are in place to ensure compliance with all relevant guidelines. Expenditure on goods and professional and other contracted services amounted to a total of €203 million in 2025.

The Office has provided details of 55 non-competitive contracts in the annual return in respect of circular 40/2002 to the Comptroller and Auditor General and the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Non-compliance with procurement rules

The Office complied with the guidelines with the exception of four contracts (in excess of €25,000), totalling €875,641 (ex. VAT) in 2025 as set out below:

- One contract for the storage of seized nitrous oxide with a value of €347,414 awarded under a compliant process in 2022 was extended again while Revenue went to market for the safe disposal of seized goods. A contract for the disposal of the seized goods was awarded during March 2025 and storage is required to be retained whilst the disposals occur. The storage arrangement will expire by end of June 2026.
- One contract for the provision of general warehouse operatives, transport and disposal of seized goods at Revenue's State Warehouse with a value of €445,970 previously awarded under a compliant competitive process, was deemed non-compliant. A contract with an incumbent supplier was extended while revised arrangements were being put in place. Tenders for the contract are currently being evaluated and a contract award is imminent. This contract will also cater for the storage of nitrous oxide as referenced above.

- One contract for the provision of record management services with a value of €46,208, was deemed non-compliant due to aggregated spend being above the threshold for more formal procurement processes. A mini competition under an OGP framework is currently being conducted with a view to awarding a contract during Q2 of 2026.
- One contract for the provision of waste collection services with a value of €36,049 previously awarded under a compliant competitive process, was deemed non-compliant. A contract with an incumbent supplier was extended while revised arrangements were being put in place. A contract for the service was awarded in January 2026.

The above contracts have been included in the 40/2002 annual return referenced under procurement above.

Risk and control framework

This Office operates a corporate risk management system which identifies and reports key risks and the actions being taken to address and, to the extent possible, to mitigate those risks.

A corporate risk register is in place which documents the identified key risks facing this Office. These identified risks are described, evaluated, and graded according to their likelihood and impact. The risk register details the actions needed to mitigate identified risks with relevant actions integrated into strategic and business planning processes. Divisional level mitigating actions are verified as being in place by internal audit as part of its audit engagements.

The register is reviewed on a quarterly basis having regard to reports, by each Head of Division, on the effectiveness of risk mitigating controls and residual risk levels following mitigation. Revisions to the register, including the addition of new risks or changes to the priority or ranking of individual risks, are considered as part of a formal review by the Risk Management Committee (RMC), which is a sub-committee of the Management Advisory Committee (MAC). Corporate risk is a standing quarterly agenda item at MAC meetings.

The corporate risk management system in place provides assurance that risks are identified, mitigated to the extent possible, regularly reviewed and actively reported to and considered by the MAC and Revenue Board.

There is a Data Protection Officer (DPO), supported by a Data Protection Unit, to ensure that Revenue processes the personal data of its staff, customers, providers or any other individuals in compliance with the Data Protection Regulation (Regulation (EU) 2018/1725 and Data Protection Act 2018.

Ongoing monitoring and review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the MAC, where relevant, in a timely way. I confirm that key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.

Review of effectiveness

I confirm that this Office has procedures to monitor the effectiveness of its risk management and control procedures. The Office's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors and the senior management within the Office responsible for the development and maintenance of the internal financial control framework.

Internal financial control issues

No weaknesses in internal financial control were identified in relation to 2025 that require disclosure in the appropriation account.

Niall Cody

Accounting Officer

Office of the Revenue Commissioners

30 March 2026

Comptroller and Auditor General Report for presentation to Dáil Éireann

Vote 9 Office of the Revenue Commissioners Opinion on the appropriation account

I have audited the appropriation account for Vote 9 Office of the Revenue Commissioners for the year ended 31 December 2025 under section 3 of the Comptroller and Auditor General (Amendment) Act 1993.

In my opinion, the appropriation account

- properly presents the receipts and expenditure of Vote 9 Office of the Revenue Commissioners for the year ended 31 December 2025, and
- has been prepared in the form prescribed by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation.

Basis of opinion

I conducted my audit of the appropriation account in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Office of the Revenue Commissioners and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the statement on internal financial control, and on other matters

The Accounting Officer has presented a statement on internal financial control together with the appropriation account. My responsibilities to report in relation to the information in the statement, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Non-compliant procurement

The Accounting Officer has disclosed in the statement on internal financial control that a material level of non-compliance with national procurement rules occurred in respect of contracts that operated in 2025, and the steps being taken to reduce this.

Seamus McCarthy
Comptroller and Auditor General

4 September 2026

Appendix to the report of the Comptroller and Auditor General

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for

- the preparation of the appropriation account in accordance with section 22 of the Exchequer and Audit Departments Act 1866
- ensuring the appropriation account complies with the requirements of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures*, and with other directions of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation
- ensuring the regularity of transactions, and
- implementing such internal control as the Accounting Officer determines is necessary to enable the preparation of the appropriation account free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the appropriation account and to report thereon to Dáil Éireann stating whether, in my opinion, the account properly presents the receipts and expenditure related to the vote.

My objective in carrying out the audit is to obtain reasonable assurance about whether the appropriation account is free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the appropriation account.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the appropriation account whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I assess whether the accounting provisions of the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation's *Public Financial Procedures* have been complied with.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the appropriation account to be readily and properly audited, or
- the appropriation account is not in agreement with the accounting records.

Appendix to the report of the Comptroller and Auditor General (continued)**Reporting on the statement on internal financial control**

My opinion on the appropriation account does not cover the Accounting Officer's statement on internal financial control, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the appropriation account, I am required under the ISAs to read the statement on internal financial control and, in doing so, consider whether the information contained therein is materially inconsistent with the appropriation account or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement, I am required to report that fact.

Reporting on other matters

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I am required to report under section 3 of the Comptroller and Auditor General (Amendment) Act 1993 if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I am also required under the 1993 Act to prepare, in each year, a report on such matters arising from my audits of the appropriation accounts as I consider appropriate. In such cases, the audit reports on the relevant appropriation accounts refer to the relevant chapter(s) in my annual *Report on the Accounts of the Public Services*.

Vote 9 Office of the Revenue Commissioners

Appropriation Account 2025

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
Programme expenditure				
A	Administration and collection of taxes and duties, and frontier management			
	<i>Original</i>	624,268		
	<i>Supplementary</i>	<u>3,918</u>		
		628,186	625,110	581,081
	Gross expenditure	628,186	625,110	581,081
	<i>Deduct</i>			
B	Appropriations-in-aid			
	<i>Original</i>	62,000		
	<i>Supplementary</i>	<u>3,917</u>		
		65,917	67,950	64,714
	Net expenditure			
	<i>Original</i>	562,268		
	<i>Supplementary</i>	<u>1</u>		
		562,269	557,160	516,367

Surplus

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer.

	2025	2024
	€	€
Surplus to be surrendered	<u>5,108,656</u>	<u>15,769,429</u>

Niall Cody

Accounting Officer

Office of the Revenue Commissioners

30 March 2026

Notes to the Appropriation Account

Note 1 Operating Cost Statement 2025

	2025	2024
	€000	€000
Pay	417,373	394,131
Non pay	207,737	186,950
Gross expenditure	625,110	581,081
<i>Deduct</i>		
Appropriations-in-aid	67,950	64,714
Net expenditure	557,160	516,367
Changes in capital assets		
<i>Property, plant and equipment (note 2.1)</i>		
Purchases	(17,651)	
Depreciation	4,507	
Disposals cash	48	
Loss on disposals	33	
<i>Intangible assets (note 2.2)</i>		
Purchases	(10,093)	
Amortisation	13,458	
Total changes in capital assets	(9,698)	5,082
Changes in net current assets		
Increase in inventories	(450)	
Decrease in prepayments	7,637	
Decrease in accrued income	39	
Increase in accrued expenses	3,973	
Increase in provisions	477	
Decrease in deferred income	(301)	
	11,375	13,008
Direct voted expenditure	558,837	534,457
Expenditure borne elsewhere		
Net allied services expenditure (note 1.1)	186,334	178,416
Notional rent	16,846	12,043
Net programme cost	762,017	724,916

1.1 Net allied services expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 9 borne elsewhere, net of costs of shared services provided to other Votes.

		2025	2024
		€000	€000
Vote 12	Superannuation and Retired Allowances	173,168	164,489
Vote 13	Office of Public Works	15,755	17,092
Vote 18	National Shared Services Office	1,135	644
		<u>190,058</u>	<u>182,225</u>
	Costs of shared services provided to other voted services rendered by Revenue without charge ^a	(3,724)	(3,809)
		<u>186,334</u>	<u>178,416</u>

Note ^a In addition to services rendered without charge to other Votes shown here (€3.724 million), services to the value of approximately €1.34 million were also provided without charge to other non-voted bodies. While the majority of the allied service costs are actual costs, approximated costs have been applied where actual costs are not available.

Note 2 Statement of Financial Position as at 31 December 2025

	Note	2025 €000	2024 €000
Fixed assets			
Property, plant and equipment	2.1	26,874	13,808
Intangible assets	2.2	62,377	65,742
		89,251	79,550
Current assets			
Bank and cash	2.3	—	7,512
Inventories	2.4	1,823	1,373
Prepayments	2.5	11,152	18,789
Accrued income	2.6	2,551	2,590
Other debit balances	2.7	10,468	18,471
Net Exchequer funding	2.12	8,711	—
		34,705	48,735
<i>Less</i>			
Current liabilities			
Bank and cash	2.3	1,410	—
Provisions	2.8	1,914	1,437
Accrued expenses	2.9	25,856	21,883
Deferred income	2.10	654	955
Other credit balances	2.11	17,769	16,129
Net Exchequer funding	2.12	—	9,854
		47,603	50,258
Net current liabilities		(12,898)	(1,523)
Net assets		76,353	78,027
Represented by:			
State funding account	2.13	76,353	78,027

2.1 Property, plant and equipment

	Vehicles and equipment €000	Office and IT equipment €000	Furniture and fittings €000	Total €000
Cost or valuation ^a				
At 1 January 2025	21,126	53,411	59,083	133,620
Additions	11,506	6,052	93	17,651
Seized vehicles appropriated to Revenue	11	—	—	11
Disposals	(1,448)	(8,733)	(3,079)	(13,260)
Adjustment: IT equipment ^b	—	(3,505)	—	(3,505)
At 31 December 2025	31,195	47,225	56,097	134,517
Accumulated depreciation				
At 1 January 2025	18,662	47,653	53,497	119,812
Depreciation for the year	1,085	2,046	1,376	4,507
Depreciation on disposals	(1,448)	(8,732)	(2,999)	(13,179)
Adjustment: IT equipment ^b	—	(3,497)	—	(3,497)
At 31 December 2025	18,299	37,470	51,874	107,643
Net assets				
At 31 December 2025	12,896	9,755	4,223	26,874
At 31 December 2024	2,464	5,758	5,586	13,808

Note ^a Cost or valuation includes some assets acquired for less than €10,000 prior to 1 January 2021.

^b A review of all IT equipment was carried out in 2025. 1,767 IT equipment assets with a cost of less than €10,000 each have been derecognised from property, plant and equipment. The assets remain on Revenue's capital asset register at nil value for safeguarding purposes.

2.2 Intangible assets

	Acquired and developed software €000	Intangible assets under development €000	Total €000
Cost or valuation			
At 1 January 2025	414,855	567	415,422
Additions	305	9,788	10,093
Brought into use	8,599	(8,599)	—
Disposals	(56,156)	—	(56,156)
At 31 December 2025	367,603	1,756	369,359
Accumulated amortisation			
At 1 January 2025	349,680	—	349,680
Amortisation for the year	13,458	—	13,458
Amortisation of disposals	(56,156)	—	(56,156)
At 31 December 2025	306,982	—	306,982
Net assets			
At 31 December 2025	60,621	1,756	62,377
At 31 December 2024	65,175	567	65,742

2.3 Bank and cash

at 31 December	2025 €000	2024 €000
PMG balances and cash	(1,650)	7,070
Commercial bank account balance	55	55
TWSS bank account balance	20	83
EWSS bank account balance	141	175
TBESS bank account balance	24	129
	(1,410)	7,512

2.4 Inventories

at 31 December	2025 €000	2024 €000
Stationery and small stores	98	53
Equipment/clothing/miscellaneous	1,725	1,320
	1,823	1,373

2.5 Prepayments

at 31 December	2025	2024
	€000	€000
ICT services and support	8,957	10,348
Other administration expenses	756	7,290
Postage	1,439	1,151
	11,152	18,789

2.6 Accrued income

at 31 December	2025	2024
	€000	€000
Administration income	2,551	2,590
	2,551	2,590

2.7 Other debit balances

at 31 December	2025	2024
	€000	€000
Shared building advances	252	329
Recoupable travel expenditure	18	102
Advances to OPW for building works, etc.	907	9,614
Vote 10 Tax Appeals Commission	348	342
Recoupable salaries	204	50
Recoupable travel pass scheme expenditure	104	100
Travel imprests	1	1
Other debit suspense items ^a	8,634	7,933
	10,468	18,471

Note ^a Other debit suspense items include €8.526 million funded to NSSO before year-end to meet salary falling due on 1 and 2 January 2026. It also includes €22,000 funded to NSSO before year-end to meet travel and subsistence claims falling due on 2 January 2026.

2.8 Provisions

at 31 December	2025	2024
	€000	€000
Legal cases	1,914	1,437
Total	1,914	1,437
Current liabilities	1,914	1,437
Total	1,914	1,437

Movement for each class of provision as follows

	Legal cases	Total
	€000	€000
Opening balance	1,437	1,437
Additional provision made	1,016	1,016
Amounts Used	(382)	(382)
Unused Amount Reversed	(157)	(157)
Balance as at 31 December	1,914	1,914

2.9 Accrued expenses

at 31 December	2025	2024
	€000	€000
Payroll related accruals	21,935	17,933
ICT services and support	606	708
Training and development and other day-to-day expenses	31	31
Other administration expenses	3,284	3,211
	25,856	21,883

2.10 Deferred income

at 31 December	2025	2024
	€000	€000
EU funding for the procurement of specialised equipment	508	805
Fee income received in advance	146	150
	654	955

2.11 Other credit balances

at 31 December	2025	2024
	€000	€000
Amounts due to the State		
Income Tax	4,524	4,255
Universal Social Charge	788	841
Pay Related Social Insurance	4,128	3,609
Professional Services Withholding Tax	1,967	1,409
Value Added Tax	1,601	1,713
Pension contributions	1,321	1,188
Local Property Tax	30	32
Extra Exchequer receipts	—	13
	<u>14,359</u>	<u>13,060</u>
Suspense		
Payroll deductions held in suspense	2,605	2,459
Recoupable expenditure in advance	452	104
Due to DSP in respect of		
• TWSS ^a	20	83
• EWSS ^a	141	175
Due to the Account of the Receipt of Revenue of the State in respect of		
• TBESS ^b	24	129
Other credit suspense items	<u>168</u>	<u>119</u>
	<u>17,769</u>	<u>16,129</u>

Note ^a In 2025, payments and recoveries administered under EWSS were as follows.

- EWSS payments €134,000
- EWSS repayment of liabilities €11.4 million

In 2025, payments and recoveries administered under TWSS were as follows.

- TWSS payments €65,000
- TWSS repayment of liabilities €5.5 million

^b In 2025, payments and recoveries administered under TBESS were as follows.

- TBESS payments €7,000
- TBESS repayment of liabilities €70,000

2.12 Net Exchequer funding

at 31 December	2025	2024
	€000	€000
Surplus to be surrendered	5,109	15,769
Exchequer grant undrawn	(13,820)	(5,915)
Net Exchequer funding	(8,711)	9,854
Represented by:		
Debtors		
Bank and cash	—	7,512
Debit balances: suspense	10,468	18,471
	10,468	25,983
Creditors		
Bank and cash	(1,410)	—
Due to the State	(14,359)	(13,060)
Credit balances: suspense	(3,410)	(3,069)
	(19,179)	(16,129)
	(8,711)	9,854

2.13 State funding account

	Note	2025	2024
		€000	€000
Balance at 1 January		78,027	112,515
Disbursements from the Vote			
Estimate provision	Account	562,269	
Surplus to be surrendered	Account	(5,109)	
Net vote		557,160	516,367
Expenditure borne elsewhere	1.1	186,334	178,416
Non-cash item: notional rent	1	16,846	12,043
Non-cash item: seized vehicles	2.1	11	—
Non-cash item: IT equipment adjustment	2.1	(8)	—
Non-cash item: PPE adjustment	2.1	—	(16,398)
Net programme cost	1	(762,017)	(724,916)
Balance at 31 December		76,353	78,027

2.14 Commitments

at 31 December	2025	2024
	€000	€000
Procurement of goods and services	28,656	37,043
Capital projects and programmes	6,852	12,739
Total of legally enforceable commitments	35,508	49,782

b) Major capital projects where the project value exceeds €10 million

Programme/ project	Expenditure			Expected lifetime project cost	
	To 31 Dec 2024	In 2025	Committed	2025	2024
	€000	€000	€000	€000	€000
Terminal 7, Rosslare Europort	68,516	5,887	6,852	81,255	81,255

Note ^a Revenue is co-funding, through Vote 9, the construction of a new border facility (Terminal 7) at Rosslare Harbour. The Office of Public Works is delivering the project on an agency basis. Revenue's agreed share of the total project cost is 34.43%. The commitments figure represents the costs to be borne by Vote 9 until completion of the project. The entire asset will be included in the statement of financial position for Vote 13 Office of Public Works.

2.15 Contingent liabilities

Revenue has contingent liabilities estimated at €4.101 million (2024: €4.549 million) relating to possible legal and compensation costs.

2.16 Impact of accounting policy changes

Commencing from 1 January 2024, central government accounting standards (CGAS) are being implemented on a phased basis. The implementation had the following impact on the State funding balance in the year of account.

at 31 December	2025	2024
	€000	€000
Provisions ^a	—	(1,437)
Payroll accrual ^b	—	(10,157)
Holiday accrual ^b	—	(7,776)
	—	(19,370)

Note ^a CGAS 19 Provisions, Contingent Liabilities and Contingent Assets

^b CGAS 39A Employee Benefits Part A

Note 3 Vote Expenditure

Analysis of administration expenditure

All expenditure is classified as administration expenditure.

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances			
	<i>Original</i>	426,774		
	<i>Supplementary</i>	(7,922)		
			418,852	417,373
ii	Travel and subsistence			394,131
	<i>Original</i>	4,500		
	<i>Supplementary</i>	110		
			4,610	4,875
iii	Training and development		3,400	4,374
iv	Operational services, supplies and sundry equipment		3,324	3,204
	<i>Original</i>	39,078		
	<i>Supplementary</i>	5,654		
			44,732	45,191
v	Digital capital investment and IT expenses			40,577
	<i>Original</i>	96,865		
	<i>Supplementary</i>	(14)		
			96,851	95,533
vi	Premises expenses			88,225
	<i>Original</i>	22,788		
	<i>Supplementary</i>	1,145		
			23,933	21,193
vii	Policy reviews, consultancy services and research			18,090
	<i>Original</i>	2,300		
	<i>Supplementary</i>	(1,200)		
			1,100	1,156
viii	Vehicles and frontier management expenses			979
	<i>Original</i>	12,880		
	<i>Supplementary</i>	7,428		
			20,308	22,803
ix	Law charges, fees and rewards			16,628
	<i>Original</i>	14,683		
	<i>Supplementary</i>	(1,033)		
			13,650	13,291

		2025		2024
		Estimate provision	Outturn	Outturn
		€000	€000	€000
x	Compensation and losses			
	Original	1,000		
	Supplementary	(250)		
		750	371	936
		628,186	625,110	581,081

Significant variations

The following notes outline the reasons for significant variations (at least +/- 25% and €100,000) in administration expenditure.

vii Policy reviews, consultancy services and research

Estimate provision €2.3 million; outturn €1.156 million

A consultancy underspend arose due to delays in the scheduling of tax appeal hearings and compliance interventions, with a number of expected hearings and cases postponed to 2026. This impacted the timing of consultancy and expert opinion expenditure in 2025.

viii Vehicles and frontier management expenses

Estimate provision €12.88 million; outturn €22.803 million

A frontier management overspend arose principally due to seizure expenses incurred in respect of the detainment and maintenance of the MV Matthew, and in respect of the disposal of large quantities of nitrous oxide gas canisters. The overspend was addressed via a supplementary estimate.

x Compensation and losses

Estimate provision €1 million; outturn €371,000

A compensation and losses underspend arose due to lower legal cost award payments than originally expected.

Note 4 Receipts and Revenue

4.1 Appropriations-in-aid

		2025		2024
		Estimate provision	Realised	Realised
		€000	€000	€000
1	Receipts for services relating to the PRSI scheme		37,437	37,437
2	Fines, forfeitures, law costs recovered			
	<i>Original</i>	2,000		
	<i>Supplementary</i>	700		
			2,700	2,322
3	Cherished numbers			
	<i>Original</i>	223		
	<i>Supplementary</i>	77		
			300	367
4	Receipts in respect of Environmental Levy collection		400	426
5	Share of Single Authorisation for Simplified Procedures (SASP) collection costs			
	<i>Original</i>	9,900		
	<i>Supplementary</i>	300		
			10,200	10,004
6	Additional superannuation contributions			
	<i>Original</i>	10,000		
	<i>Supplementary</i>	100		
			10,100	10,064
7	Miscellaneous			
	<i>Original</i>	2,040		
	<i>Supplementary</i>	2,740		
			4,780	4,094
			65,917	67,950
				64,714

Significant variations

The following notes outline the reasons for significant variations in appropriations-in-aid (at least +/- 5% and €100,000).

2 Fines, forfeitures, law costs recovered

Estimate €2 million; realised €2.758 million

The variance in fines, forfeitures, law costs recovered receipts arose due to a large recovery of law costs in respect of a significant tax appeals case.

3 Cherished numbers

Estimate €223,000; realised €431,000

The demand for cherished vehicle registrations relates to the discretionary spend of purchasers of new vehicles. The variance in receipts relates to an increase in reserved registration plates in the first six months of 2025.

6 Additional superannuation contributions

Estimate €10 million; realised €10.74 million

The receipts relate to the additional superannuation contribution (ASC) which is collected from Revenue employees via the payroll. The variance in receipts arises due to the application of the Public Services Pay Agreement 2024-2026 and its impact on salary payments, and consequently on superannuation contributions.

7 Miscellaneous

Estimate €2.04 million; realised €5.977 million

The variance in miscellaneous receipts mainly arises due to the posting of Department of Social Protection receipts. In advance of the transition to financial management shared services, all Department of Social Protection receipts are now treated as appropriations in aid from 1 January 2025. In addition, an unexpected, capital receipt was received from Irish Rail relating to a reimbursement of additional works at Rosslare Europort.

4.2 Revenue of the Vote

Appropriations-in-aid represent cash amounts received in the year. Revenue of the Vote represents income related to the activity of the year, based on the accrual principle.

	2025
	€000
Non-exchange transaction revenue	
Central Fund grant	557,160
Fines, forfeitures, law costs recovered	2,011
Share of SASP collection costs	10,693
Receipts from additional superannuation contributions on public service remuneration	11,114
EU grants	566
Social Welfare receipts	2,458
Exchange transaction revenue	
Receipts for services relating to PRSI scheme	37,437
Cherished numbers	432
Receipts in respect of Environmental Levy collection	429
Geographical identification of Irish Poteen and Whiskey	67
VRT export fee	12
Ancillary State Support scheme	475
Lighthouse admin fee	47
Merchant Shipping Act receipts	15
Insurance levy admin fee	10
Sale of goods	87
Bank interest	251
Freedom of Information Act receipts	1
Other revenue	
Miscellaneous	2,107
Total revenue	625,372
Represented by	
Total appropriations-in-aid (note 4.1)	67,950
Central Fund grant	557,160
Decrease in accrued income	(39)
Decrease in deferred income	301
	625,372

4.3 Extra receipts payable to the Exchequer

	2025	2024
	€000	€000
Balance at 1 January	13	3
Receipts from cash forfeited under Section 39 of the Criminal Justice Act 1994	591	3,589
Receipts from Ireland's share of the annual payments under an international anti-counterfeit/ anti-contraband agreement with global cigarette manufacturers	409	427
Interest on bank accounts	16,978	21,180
Transferred to the Exchequer	(17,991)	(25,186)
Balance at 31 December	—	13

Note 5 Staffing and Remuneration

5.1 Employee numbers (full time equivalents)

At 31 December	2025	2024
Number of staff at year end	<u>7,082</u>	<u>6,654</u>

5.2 Pay

	2025	2024
	€000	€000
Pay	368,211	348,747
Higher, special or additional duties allowances	10,546	9,820
Overtime	3,440	3,359
Employer's PRSI	<u>35,176</u>	<u>32,205</u>
	<u>417,373</u>	<u>394,131</u>

5.3 Allowances and overtime payments

	Number of recipients	Recipients of €10,000 or more	Highest individual payment	
			2025 €	2024 €
Department staff				
Higher, special or additional duties allowances	126	20	24,077	27,723
Overtime and extra attendance	1,364	185	46,269	32,884
Shift and roster allowances	808	399	40,285	29,965
Miscellaneous	68	7	36,109	30,320
Extra remuneration in more than one category	229	131	52,932	36,015

5.4 Office employee pay bands

The number of Revenue employees whose total employee benefits (including basic pay, allowances, overtime; excluding employer PRSI, employer pension costs) for the financial year fell between €20,000 and €59,999 and within each band of €10,000 from €60,000 upwards are as follows.

Pay bands (€)		Number of employees	
From	To	2025	2024
20,000	59,999	4,724	4,961
60,000	69,999	959	871
70,000	79,999	449	361
80,000	89,999	344	309
90,000	99,999	196	187
100,000	109,999	131	80
110,000	119,999	37	40
120,000	129,999	41	50
130,000	139,999	38	10
140,000	149,999	3	2
150,000	159,999	—	1
160,000	169,999	3	1
170,000	179,999	2	8
180,000	189,999	6	5
190,000	199,999	1	—
200,000	209,999	—	—
210,000	219,999	—	—
220,000	229,999	—	—
230,000	239,999	1	2
240,000	249,999	2	—

5.5 Performance awards

A total of €124,000 (2024: €124,000) was spent on staff recognition schemes. There were 2,374 (2024: 2,361) individual awards, ranging from €20 to €250.

5.6 Remuneration and benefits of Accounting Officer

	2025	2024
	€000	€000
Basic pay	245	238

The value of retirement benefits earned in the period is not included above. The Accounting Officer is a member of the pre-1995 pension scheme and his entitlements to retirement benefits do not extend beyond the standard terms of that scheme.

5.7 Other remuneration arrangements

A total of €31,000 was paid to 24 retired civil servants by Revenue in 2025 in respect of committee member payments, interview board payments and witness expenses (2024: €17,000 was paid to 19 retired civil servants). These payments were made in accordance with the appropriate Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation rates.

This account includes expenditure of €1.43 million in respect of 25 officers who were serving outside Revenue for all or part of 2025 and whose salaries were paid by Revenue (2024: €1.07 million in respect of 18 officers).

This account does not include expenditure in respect of 16 officers who were serving outside Revenue for all or part of 2025 in other Government departments/offices and whose salaries were not paid by the Office.

5.8 Payroll overpayments

at 31 December	Number of recipients	2025 €000	2024 ^a €000
Overpayments	702	1,226	1,192
Recovery plans in place	79	248	908

16 overpayment recovery plans in respect of 16 individuals to the value of €18,443 were transferred to 11 other departments/offices during the year.

Note ^a The 2024 figures have been restated following a review of payroll enhanced reporting capabilities made available by the NSSO.

Note 6 Miscellaneous

6.1 Write-offs

	2025	2024
	€000	€000
The following sums were written off in the year		
Obsolete inventory	61	1
Shared buildings	—	6
	<u>61</u>	<u>7</u>

6.2 Law charges, fees and rewards (subhead A (ix))

Legal costs paid during the year are categorised as follows.	2025	2024
	€000	€000
External solicitors	4,513	4,153
Counsel fees	4,730	6,798
Bankruptcy/liquidation costs	2,709	2,109
Miscellaneous costs and rewards	1,339	877
	<u>13,291</u>	<u>13,937</u>

6.3 Compensation and legal costs

Payments/costs paid by the Office in the year

	Claims by					Total	Total
	Employees		Members of the public			2025	2024
	Personal injury ^a	Other ^b	Personal injury ^c	Loss or damage ^d	Other ^e		
Number of cases ^f	9	3	7	5	16	40	41
	€000	€000	€000	€000	€000	€000	€000
Revenue's own legal costs	72	—	43	—	87	202	327
Payments by/on behalf of Revenue							
Compensation	124	—	38	32	—	194	212
Legal costs	—	—	—	—	41	41	611
Other costs	12	1	2	7	3	25	11
2025 Total	208	1	83	39	131	462	1,161
2024 Total	389	6	72	10	684	1,161	

- Note
- ^a Amounts paid in individual cases ranged from €220 to €50,000
 - ^b Amounts paid in individual cases ranged from €30 to €800
 - ^c Amounts paid in individual cases ranged from €50 to €20,000
 - ^d Amounts paid in individual cases ranged from €220 to €27,000
 - ^e Amounts paid in individual cases ranged from €30 to €35,000
 - ^f At 31 December 2025, the following claims are outstanding.
 - Personal injury claims: 19 – employees 15, members of the public 4 (2024: 22)
 - Loss or damage claims: 8 – members of the public 8 (2024: 3)
 - Other claims: 35 – members of the public 35 (2024: 33)

Cumulative costs of cases completed in 2025

	Claims by		Total
	Employees	Members of the public	
Number of cases	5	10	15
	€000	€000	€000
Revenue's own legal costs	36	58	94
Payments by/on behalf of Revenue			
Compensation	124	70	194
Legal costs	24	64	88
Other costs	11	3	14
Total	195	195	390

6.4 Arbitration and conciliation costs

The Office of the Revenue Commissioners had no expenditure in 2025 related to mediation costs (2024: €6,150).

There were no cases in 2025 (2024: 1 case).

6.5 EU funding

Under a grant agreement with OLAF, the Office of the Revenue Commissioners is entitled to a grant to a maximum of €1.84 million, or 40% of the eligible cost for the purchase of a Customs cutter which will be used by Investigation, Prosecution and Frontier Management Division (IPFMD) to detect prohibited goods and illicit excisable products in the maritime domain. The first instalment of €920,000 was received in June 2022 and the cutter was ordered in August 2023. The cutter was delivered in August 2025. The second grant instalment will be claimed by Revenue in Q1 2026.

Under a grant agreement with the Directorate-General Taxation and Customs Union (DG-TAXUD), the Office of the Revenue Commissioners is entitled to a grant to a maximum of €1.19 million, or 80% of the eligible cost for the purchase of various X-ray machines, trace detection systems, bore scopes and spectrometers which will be used by IPFMD to detect prohibited goods and illicit excisable products in ports, airports, and postal depots. The first instalment of €595,200 was received in October 2022 and equipment was ordered in 2022, 2023 and 2024. The second grant instalment of €269,000 was received in Q2 2025 and is included in category 7 'miscellaneous' in appropriations-in-aid.

Under a grant agreement with the Directorate-General Taxation and Customs Union (DG-TAXUD), the Office of the Revenue Commissioners is entitled to a grant to a maximum of €1.33 million, or 80% of the eligible cost for the purchase of various detection equipment used by IPFMD to detect contraband. The first instalment of €664,800 was received in November 2024 and equipment was ordered in 2025. The second grant instalment will be claimed by Revenue in Q1 2027.

Under a grant agreement with the EU Anti-fraud Programme (EUF), the Office of the Revenue Commissioners is entitled to a maximum of €281,000, or 80% of the eligible cost for the purchase of intelligence development software. The first instalment of €140,400 was received in December 2024. The project was delayed and recommenced in January 2026. The second grant instalment will be claimed by Revenue in Q1 2027.