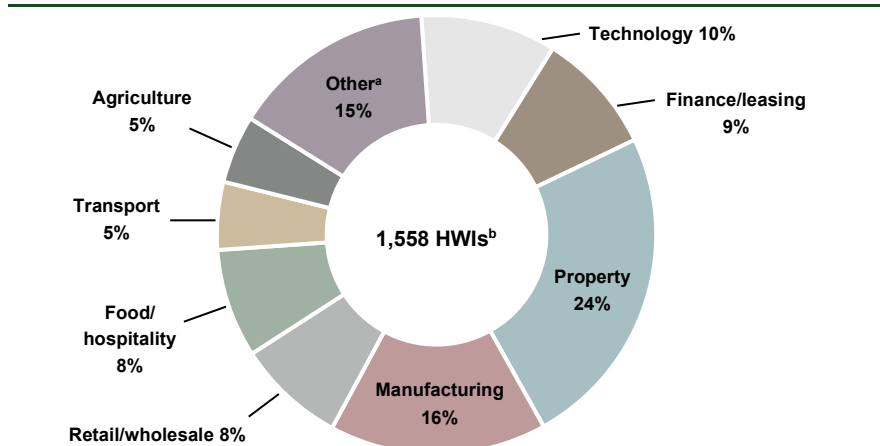


7 Management of high wealth individuals' tax liabilities

- 7.1** In Ireland's tax system, high wealth individuals (HWIs) are individuals with net assets of over €20 million each. In line with its segmented case base structure, the Revenue Commissioners (Revenue) manage the tax affairs of HWIs within a separate dedicated division — the high wealth and financial services division.
- 7.2** Along with managing the tax affairs of HWIs, the division is also responsible for managing and developing service and compliance functions for financial services, tax approval and compliance of pension schemes/products and the identification and challenge of tax avoidance.
- 7.3** As of July 2026, there were 1,901 HWIs being managed by the division, together with just over 3,500 additional taxpayers referred to as 'secondary cases'.¹ In 2024, almost a quarter of HWIs that were obliged to file a tax return were active in the property sector, while 16% were active in manufacturing (see Figure 7.1).

Figure 7.1 Sectoral analysis of high wealth individuals for the tax year 2024



Source: Revenue Commissioners

- Notes:
- a Other includes education, entertainment/media, motor industry, construction, oil sector, professional, investments and trusts.
 - b The sectoral analysis is based on the HWIs that were obliged to file an income tax return in Ireland for 2024 i.e. 1,558 HWIs that filed a Form 11. The remaining HWIs in the case base did not file an Irish tax return as income is not earned in, or remitted to, Ireland.

Focus and methodology

- 7.4** This report examines
- Revenue's systems and procedures for managing the tax risks posed by HWIs
 - the impact on taxable income of the reliefs and credits used by HWIs
 - the level of taxpayer compliance by HWIs
 - the performance targets Revenue has in place to measure its performance in managing HWIs.

¹ Secondary cases are taxpayers connected with a HWI. They include family members that do not have net assets greater than €20 million, non-trading partnerships and companies, foundations, trusts and co-ownerships.

- 7.5** The examination team reviewed key documents and data produced by Revenue, interviewed relevant members of Revenue staff and undertook analysis of relevant datasets. An update was also sought on earlier reporting of Revenue's management of the tax liabilities of high wealth individuals.²

Threshold for high wealth cases

- 7.6** Tax authorities generally use **personal net asset value** as the main criterion for determining whether an individual is regarded as a HWI.
- 7.7** Revenue reduced this threshold from €50 million to €20 million in 2019. This resulted in a significant increase in the number of persons being managed by Revenue in a focused and integrated way as HWIs. There were 480 taxpayers identified as HWIs in June 2018, based on a €50 million threshold. The current number of identified HWIs is almost four times that level.
- 7.8** Revenue reviews the HWI case base annually with individuals (and secondary cases) being added and removed, as required, by applying the threshold of net worth. It currently uses 17 criteria to identify taxpayers with net assets greater than €20 million.

Managing tax compliance risks associated with HWIs

- 7.9** Tax is generally assessed on income rather than wealth and information relating to assets is not required for income tax returns. This makes identifying HWIs and assessing the associated tax compliance risks challenging for revenue bodies.
- 7.10** HWIs also pose significant challenges to tax administrations due to the typical complexity of their affairs, the amounts of tax revenue potentially at risk, the opportunity for aggressive tax planning and the impact of their compliance behaviours on the integrity of the tax system.
- 7.11** Revenue's approach to identifying the tax compliance risks associated with HWIs is set out in Figure 7.2. All HWIs are subject to a comprehensive appraisal when they are assigned to the HWI case base. A reappraisal is carried out when high value transactions, significant events or other risks arise after the initial comprehensive appraisal. However, the examination found that Revenue did not have a mechanism in place for monitoring the extent to which reappraisals are being completed for HWI cases where no high value transactions, significant events or other risks have been identified.
- 7.12** In 2021, Revenue carried out an analysis of the most prevalent tax risks posed by HWIs based on a review of the 15 highest yielding HWI interventions. The cases had a combined yield of €8.5 million arising from 27 risks identified across three tax heads — income tax, capital gains tax and capital acquisitions tax. 67% of the identified yield was attributable to six specific risks across the 15 interventions.

² Report on the Accounts of the Public Services 2017, chapter 18, [Management of high wealth individuals' tax liabilities](#).

Figure 7.2 Revenue's approach to identifying risks posed by HWIs

Method	Description
Appraisals^a	• Comprehensive appraisals — completed on all HWIs when they join the case base to gain a full understanding of an individual's wealth and assess the individual for tax risk. • Reappraisals — carried out when high value transactions, significant events or other risks arise. • Pinpoint appraisals — more focused than comprehensive appraisals and reappraisals as it focuses on a particular transaction/activity.
Data analytics unit	Established in 2021 to provide divisional support, this includes providing reports requested by HWI branches where they have identified tax risks or trends specific to HWIs. The unit created a residency dashboard to show movement on residency for HWIs.
Media monitoring team	Monitors the daily newspapers and provides articles to branches that are relevant to their case base.
Knowledge hub and risk library	Division specific information is available on a dedicated site on Revenue's intranet. It incorporates relevant internal and external reports, worked case examples and presentations related to identifying risks in the HWI case base. Staff can also share cases on the risk library. As of June 2026, there were around 40 cases on the library.
Learning and development sessions	Opportunity for staff to share insights on their case working and build awareness and technical knowledge across the division. This is achieved with monthly 'coffee and case', branch information sharing meetings, cross branch workshops and other learning and development sessions.

Source: Revenue Commissioners

Note: a If a sufficient risk presents during an appraisal, the case worker will recommend that the case is escalated to an intervention commensurate with that risk.

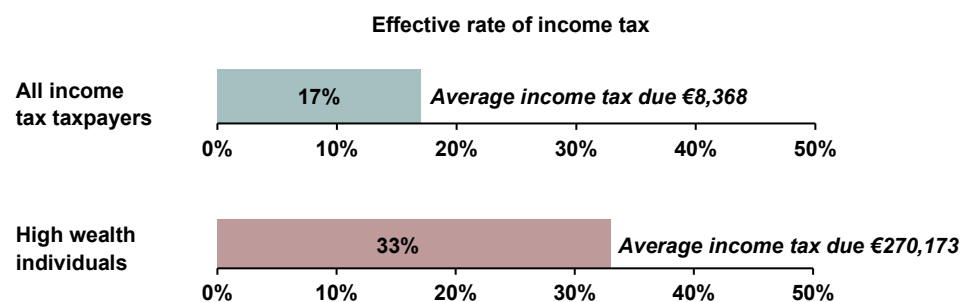
7.13 During 2023, Revenue also reviewed the top tax risks arising in HWI cases identifying 14 key tax risk areas. Revenue explained that this led to a knowledge hub being established to share insights. Revenue uses the 14 tax risk areas to categorise examples of risks included on the hub. Cases in the hub include those which go to appeal, or where counsel or expert opinion has been sought.

7.14 Revenue also monitors the risks giving rise to the highest intervention yields for HWI cases on a monthly basis to assist in identifying the key compliance risks in the HWI case base. However, the monthly data is not collated at an aggregate level, for example on an annual basis.

Income tax for HWIs

- 7.15** In 2024, net tax totalling €27.6 billion was due in relation to all income tax taxpayers. Of this, €421 million (1.5%) was due in relation to 1,558 HWIs that filed an income tax return. This excludes capital gains tax (CGT) and capital acquisitions tax (CAT) receipts.³
- 7.16** In 2024, the effective tax rate for HWIs was 33% — almost double the rate for all income tax taxpayers (17%). The average income tax due from HWIs was almost €270,200 while the average amount of income tax due from all income tax taxpayers was just under €8,400 (see Figure 7.3).

Figure 7.3 Average amounts and effective rates of net income tax, 2024^a



Source: Revenue Commissioners

Note: a Income tax due includes deposit interest retention tax (DIRT).

- 7.17** There are significant variations in the effective tax rates between HWIs (see Figure 7.4). Of the total income tax (€421 million) due from HWIs in 2024, around 24% came from the top 20 HWIs. The relatively low amounts of tax due by many HWIs reflects the amount of taxable income earned in the year and the utilisation of credits and reliefs.
- 7.18** For 2024, 360 HWIs (23%) had declared taxable income less than €125,000.⁴ Of these, 132 HWIs (37%) had declared taxable income of less than the estimated median annual earnings of €44,816 in 2024.⁵

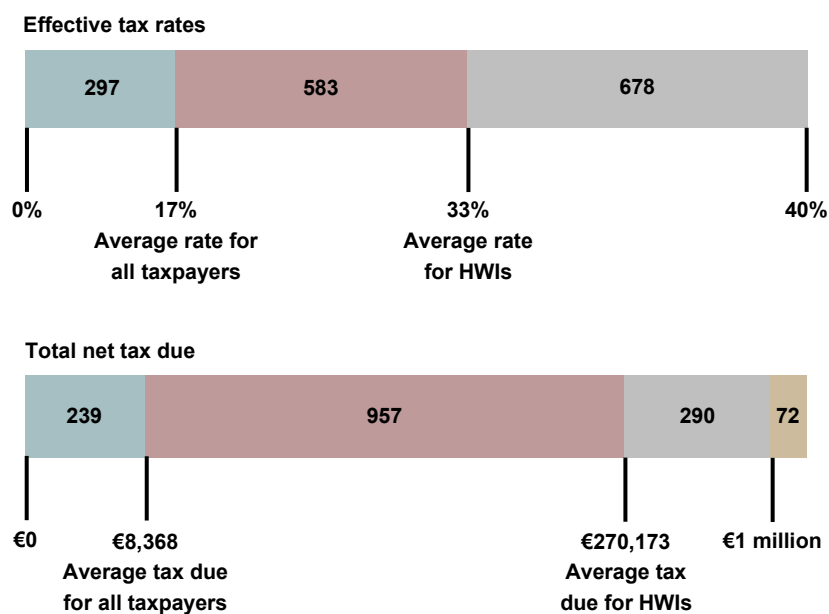
Credits and reliefs

- 7.19** Certain tax reliefs and credits available to taxpayers can reduce their overall tax liability. In 2024, a total of €755 million was claimed in tax credits and reliefs by HWIs in their annual income tax returns. Around 76% (€576 million) of the reliefs claimed related to loss reliefs (see Figure 7.5).

³ In 2024, HWIs paid 12% of all CGT receipts, accounting for approximately €210 million, and 1.4% of all CAT receipts, accounting for approximately €12 million. HWIs' tax liabilities cover a range of tax categories.

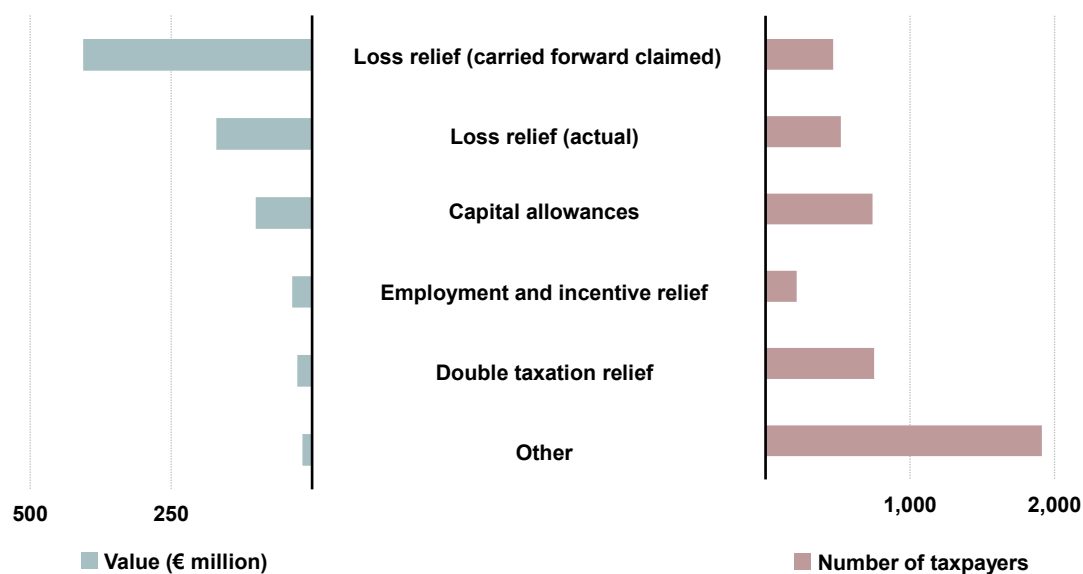
⁴ The income threshold specified in the high-income individuals' relief restriction is €125,000 (see paragraphs 7.20 to 7.23).

⁵ See [Earnings Analysis using Administrative Data Sources 2024](#), Central Statistics Office.

Figure 7.4 Distribution of HWIs by effective income tax rates and total net tax due, 2024^a

Source: Revenue Commissioners. Analysis by the Office of the Comptroller and Auditor General.

Note: a Income tax due includes DIRT.

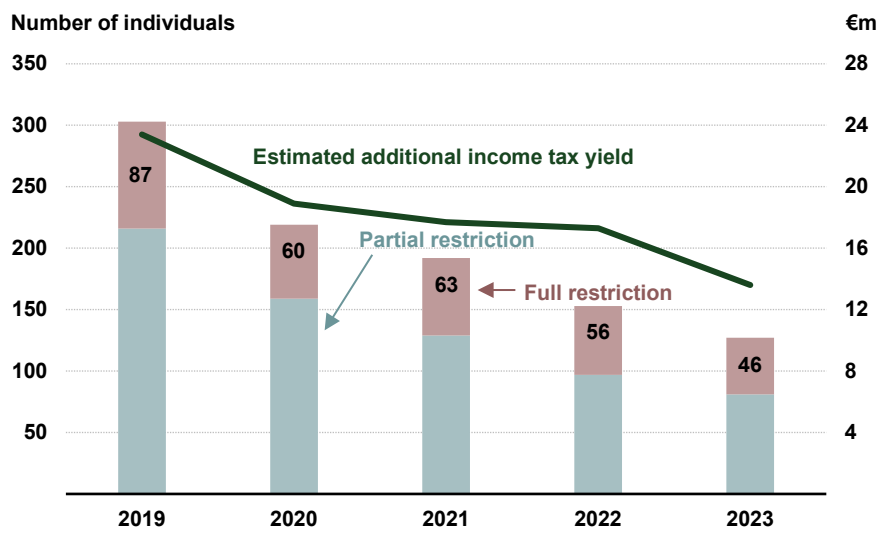
Figure 7.5 Tax credits and reliefs most widely used by HWIs, by cost and number, 2024

Source: Revenue Commissioners

Restriction of reliefs

- 7.20** The high-income individuals restriction limits the use of specified tax reliefs and exemptions by high-income earners, which are capped at a maximum amount each year.⁶ The restriction begins to apply to individuals with adjusted income levels of €125,000, where the aggregate of specified reliefs used is €80,000 or more and greater than 20% of the individual's adjusted income.⁷ The full restriction applies where an individual has an adjusted income of €400,000 or more.
- 7.21** The objective of the restriction is to ensure that individuals earning €400,000 or more (where the full restriction applies) pay an effective income tax rate of approximately 30%. For individuals with adjusted income between €125,000 and €400,000, the graduated application of the restriction ensures that the effective tax rate increases towards 30% as the adjusted income increases.
- 7.22** In 2023, the restriction applied to 127 individuals and the estimated additional income tax yield due to the restrictions was €13.6 million (see Figure 7.6). Of the 127 individuals
- 46 each had an adjusted income of €400,000 or more and paid an average effective income tax rate of almost 30% on the combination of adjusted income and ring-fenced income. When the Universal Social Charge is included, this rose to an average of 39%.
 - 81 individuals with an adjusted income of up to €400,000 each paid an average effective income tax rate of 17.5% on the combination of adjusted income and ring-fenced income. When the Universal Social Charge is included, this rose to an average of around 26%.

Figure 7.6 High-income individuals using reliefs subject to restriction, 2019 – 2023^a



6 A full list of the reliefs and exemptions covered by the restriction is set out in Schedule 25B Taxes Consolidation Act 1997.

7 Adjusted income for a tax year is the sum of an individual's taxable income (before the restriction is applied) plus the aggregate amount of specified reliefs used in the year, less ring-fenced income (income which is normally liable to tax at specific rates regardless of the amounts involved or the individual's marginal rate of tax e.g. interest from which DIRT is deducted).

Source: Revenue Commissioners

Note: a Figures were not available for 2024 at the time of publication.

7.23 Revenue stated that the reduction in the numbers of those subject to the restriction is due to the elimination of a range of specified tax reliefs that are available to individuals. This has reduced the overall amount of income being sheltered from tax under the reliefs and consequently falling under the restriction each year.

Domicile levy

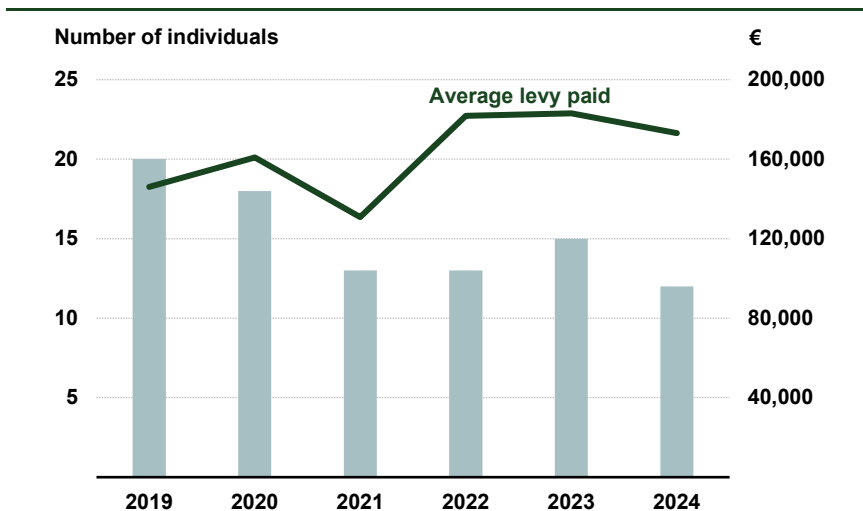
7.24 The purpose of the domicile levy is to ensure individuals with substantial income and assets located in the State make a contribution to the Exchequer. A levy of up to €200,000 per annum applies to Irish domiciled individuals that have

- paid less than €200,000 in Irish income tax in a year
- Irish property, not including certain shares, over €5 million in value, and
- worldwide income in excess of €1 million.

7.25 The number of identified taxpayers that are liable to pay the domicile levy each year, in line with the criteria above, is small. In 2024, 12 individuals paid the levy. This was down from 20 individuals in 2019.

7.26 Irish income tax paid in a year reduces the liability to the levy for that year. Between 2019 and 2024, Revenue collected just over €15 million domicile levy, almost all (97%) related to HWIs. Over that same period, while the number of individuals paying the levy decreased, the average levy paid increased from around €146,000 in 2019 to around €173,000 in 2024 (see Figure 7.7).

Figure 7.7 Number of high wealth individuals paying the domicile levy and the average amount paid, 2019 – 2024



Source: Revenue Commissioners

Revenue's approach to managing HWI compliance

- 7.27** Similar to all other taxpayers, the HWI case base is managed under Revenue's compliance intervention framework.⁸ This framework is designed to provide a consistent, graduated response to taxpayer behaviour, ranging from opportunities to voluntarily correct mistakes up to the pursuit of criminal sanctions for cases of serious tax fraud or tax evasion.
- 7.28** As outlined in Figure 7.8, there are three levels of intervention provided for under the framework. The level of compliance intervention selected by Revenue will depend on the perceived level of risk.

Figure 7.8 Revenue intervention levels

	Description	Example
Level 1	Aimed at supporting and assisting taxpayers in being voluntarily compliant by reminding them of their obligations and providing them with the opportunity to correct potential errors without a more in-depth inquiry. A level 1 intervention may identify issues that warrant the initiation of either a level 2 or level 3 intervention.	Issuing reminder notifications of outstanding tax returns, requests to self-review, engagement with businesses under the Cooperative Compliance Framework and profile interviews.
Level 2	Risk-based reviews or compliance checks on data provided by taxpayers in their tax returns. These risk-based reviews will range from examination of a single issue within a return to comprehensive tax audits.	Risk review or audit.
Level 3	Focuses on tackling high-risk practices and cases involving risks of suspected tax fraud or tax evasion.	Investigation.

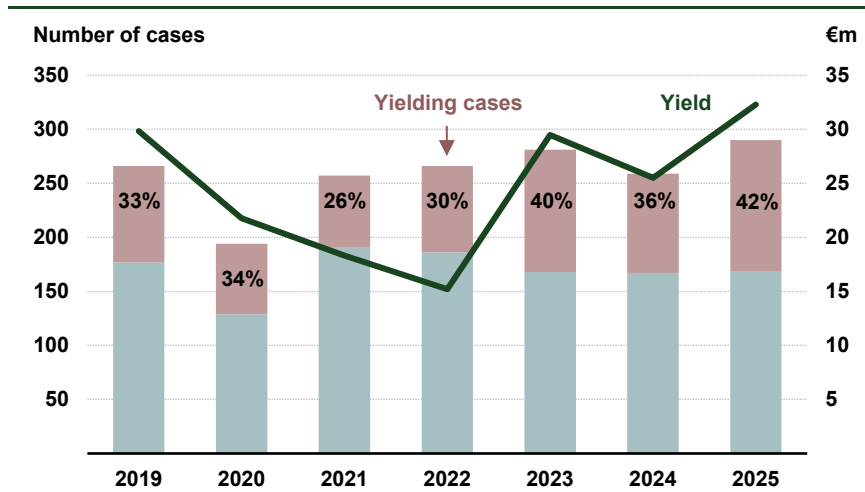
Source: Revenue's *Code of Practice for Revenue Compliance Interventions*

- 7.29** Between 2019 and 2025, Revenue completed just over 1,800 HWI interventions, yielding around €172 million in additional tax, interest and penalties (see Figure 7.9). In 2025, Revenue closed (completed) 290 HWI interventions, of which 42% resulted in additional liabilities with an average yield of approximately €267,000 per case.⁹

⁸ [Code of Practice for Revenue Compliance Interventions](#), May 2022.

⁹ The average yield for HWIs includes both primary and secondary cases.

- 7.30** By comparison, Revenue's compliance work in respect of all taxpayers carried out in 2025 resulted in 16% of cases yielding with an average yield of approximately €60,000 per case (see Figure 7.10).

Figure 7.9 HWI interventions closed, 2019 – 2025^{a,b}

Source: Revenue Commissioners. Analysis by the Office of the Comptroller and Auditor General.

- Notes:
- a Up to the end of April 2022, Revenue's compliance activity involved audit interventions and non-audit interventions such as assurance checks, aspect queries and profile interviews. The Compliance Intervention Framework was introduced from May 2022, with level 1, 2 and 3 interventions being carried out from that date.
 - b Refers to both primary and secondary cases in the HWI case base as of March 2026.

Figure 7.10 HWI compliance yields compared to all Revenue compliance yields, 2025^a

	HWI	All Revenue
Proportion of interventions with a yield	42%	16%
Average yield per yielding case	€266,868	€60,357

Source: Revenue Commissioners

Note: a Refers to both primary and secondary cases in the HWI case base as of March 2026.

Sample of compliance interventions

- 7.31** The examination reviewed a sample of 41 yielding HWI cases closed in 2024 — yield from the sample totalled just over €23 million comprising €16 million in additional tax and €7 million in interest and penalties. One of the 41 cases reviewed met the requirements for publication in the tax defaulters list.¹⁰
- 7.32** The review confirmed that the required case working procedures were followed in each of the cases selected for review, and the interest and penalties applied were consistent with Revenue policies.

Specific HWI compliance projects

- 7.33** Revenue also carries out specific projects on HWIs to address emerging tax compliance risks as needed. Since 2020, Revenue has carried out three such projects — one on the domicile levy and two CGT-focused projects.

¹⁰ Section 1086A of the Taxes Consolidation Act 1997 obliges Revenue to publish a list of tax defaulters in Iris Oifigiúil, within three months of the end of each quarter.

- 7.34** Between 2020 and 2024, Revenue carried out two projects focused on CGT — one on cases where there was a high value disposal of assets, but low CGT paid and the second on connected parties. The projects resulted in yields of €3.7 million in tax, interest and penalties and restricted losses of almost €700,000.
- 7.35** The domicile levy project began in 2021 to monitor compliance with the levy. It is an ongoing, annual HWI specific project for Revenue. To the end of 2025, there have been 55 interventions closed, 15 of which yielded a combined €5.5 million — an average of €367,000.¹¹

Anti-avoidance

- 7.36** Tax avoidance is the application of tax legislation in a way that inappropriately obtains a tax advantage. Tax avoidance can involve the misuse of tax reliefs and allowances or the mischaracterisation of a transaction. Tax avoidance involves transactions which are undertaken primarily to claim a tax advantage and not for genuine business reasons. Over the period 2021 to 2024, Revenue closed 52 anti-avoidance cases related to HWIs with a yield of almost €11 million.¹²

Tax appeals

- 7.37** A taxpayer who wishes to make an appeal against a Revenue decision or assessment can submit an appeal to the Tax Appeals Commission (TAC). If Revenue or the taxpayer is not satisfied with the TAC determination, either party can appeal to the High Court on a point of law.
- 7.38** Between 2019 and 2024, of the 34 determinations issued by the TAC and the Courts in respect of taxpayers in the HWI case base, just over two-thirds were in favour of Revenue, and around one-third were in favour of the taxpayer. This included two cases where the determinations of issues in dispute were split in favour of the taxpayer and Revenue (see Figure 7.11).

Figure 7.11 Final determination on HWI-related tax appeals, 2019 – 2024

	TAC	Courts
2019	1	2
2020^a	3	—
2021	1	—
2022	4	2
2023	2	5
2024	8	6
Total	19	15

Source: Revenue Commissioners

Note: a Includes two cases where TAC split the determinations between both the taxpayer and Revenue.

11 The yield in some cases relates to multiple tax years.

12 Revenue closed an additional 524 anti-avoidance cases (non-HWI), yielding just over €81 million for the period 2021 to 2024.

Measuring performance

- 7.39** Traditionally, compliance yield compared year-on-year is the key measure used by revenue bodies to assess the financial impact of their work in tackling non-compliance. Revenue also measures and monitors compliance yields to assess its impact on tackling non-compliance. However, Revenue does not consider it appropriate to set yield targets given that risk is the primary driver of its compliance activity.
- 7.40** Revenue's high wealth and financial services division prepares a monthly performance report on the core functions performed by the division. It reports on the performance of the division using several measures, for example, the number of closed interventions (with the resulting outcomes), the number of appraisals open and closed and the number of closed anti-avoidance cases — there are no targets set for these measures.

Conclusions and recommendations

- 7.41** As of July 2026, Revenue's high wealth and financial services division was managing a total of 1,901 HWIs (along with around 3,500 secondary cases). Many of these HWIs have complex business and personal asset portfolios with links to other connected persons. HWIs typically have interests in multiple economic sectors, with around a quarter of those that filed an income tax return in 2024 operating principally in the property sector.

High wealth case base

- 7.42** A previous report on the management of HWIs' tax liabilities found that in 2017, Revenue had a specialised approach to managing around 480 taxpayers on the basis they were HWIs. The threshold for inclusion within that target group was ownership of assets with a minimum value of €50 million each. This was significantly out of line with the thresholds used by other administrations for their focused management of HWIs, and the report — published in September 2018 — recommended that Revenue should review its threshold.
- 7.43** Revenue acted promptly on this recommendation. In 2019, Revenue reduced the threshold minimum net asset value for defining a HWI from €50 million to €20 million. This resulted in its HWI case base growing significantly. Significant inflation in asset values over recent years is likely also to have brought additional taxpayers within the scope of Revenue's focused HWI management.

Managing tax compliance risks associated with HWIs

- 7.44** HWIs pose a particular set of challenges for tax administrations due to the complexity of their affairs, the potential value of tax at risk and the opportunity for aggressive tax planning. Revenue uses a range of methods for identifying tax compliance risks associated with the HWI case base including appraisals, data analysis, media monitoring and knowledge sharing. It has identified 17 key criteria to identify taxpayers with net assets greater than €20 million.
- 7.45** Revenue has a process in place for monitoring tax risks for HWIs. Closed interventions in the HWI case base are reviewed on a monthly basis and the main risk giving rise to the yield is recorded. However, the monthly data is not collated at an aggregate level, for example, on an annual basis.

Recommendation 7.1

Revenue should produce an annual summary report based on its monthly review of the risks arising in its HWI case base. This would assist Revenue in identifying trends in key risk areas and highlight recurring and emerging risks. The report could be uploaded to the HWI knowledge hub to ensure that all staff in the division are aware of the most prevalent risks for the HWI case base.

Accounting Officer's response

Agreed.

An annual summary report will be produced after year-end and this will be shared on the HWI knowledge hub.

Timeline for implementation

Quarter 1 2027.

- 7.46** All HWIs are subject to a comprehensive appraisal by Revenue when they are identified as meeting the criteria for inclusion in the HWI case base. A reappraisal is carried out when high-value transactions, significant events or other risks arise after the initial comprehensive appraisal. The examination found that Revenue does not have a mechanism for monitoring the extent to which reappraisals are being completed for those HWI cases where no high value transactions, significant events or other risks have been identified.

Recommendation 7.2

Revenue should ensure that HWIs are reappraised within an appropriate timeframe.

Accounting Officer's response

Agreed.

Reappraisals are currently undertaken based on risks identified. Since January 2026, statistics on reappraisals are circulated to HWI branch managers to assist in monitoring reappraisals. Criteria to inform a reappraisal programme for those HWI cases where no high value transactions, significant events and other risks have been identified will be developed in 2026.

Timeline for implementation

December 2026.

Income tax for HWIs

- 7.47** HWIs are not necessarily also high-income taxpayers, but there is likely to be significant overlap between the two categories.
- 7.48** In 2024, total net income tax of €421 million was due in relation to 1,558 HWIs. A substantial number of HWIs pay no income tax in Ireland, because they do not earn income in Ireland. For those HWIs that do pay income tax in Ireland, the effective tax rate in 2024 was 33% — almost double the effective tax rate for all income tax taxpayers (17%). This reflects the progressive structure of Ireland's income tax regime.

7.49 The effective tax rate for HWIs was after allowing for tax credits and reliefs. In 2024, HWIs claimed a total of €755 million in tax credits with around 76% of that being loss reliefs.

7.50 A restriction caps the use of specified tax reliefs and exemptions by high-income individuals to a maximum amount each year. The restriction was applied to 127 individuals resulting in an estimated additional income tax being collected of around €13.6 million in 2023. The restriction resulted in a higher average effective income tax rate for the taxpayers to whom it applied.

Revenue's approach to managing HWI compliance

7.51 Between 2019 and 2025, Revenue finalised just over 1,800 HWI interventions resulting in a combined additional yield of tax, interest and penalties of €172 million. The percentage of yielding cases in those years ranged between 26% and 42%. This is typically higher than the yield rate for Revenue's compliance activity across all taxpayers.

7.52 The domicile levy is a liability imposed on persons domiciled in Ireland who have limited taxable income in Ireland, assets over €5 million and worldwide income in excess of €1 million. The number of identified taxpayers that are liable to pay the domicile levy each year, in line with the relevant criteria, is small, and that number is diminishing. Since 2021, Revenue has run a national project on the completeness of the levy. At the end of 2025, 55 cases had been closed with 15 of those cases yielding around €5.5 million.

7.53 Over the period 2021 to 2024, Revenue also closed 52 anti-avoidance cases in relation to HWIs which yielded almost €11 million.