

Ireland - Changes to Treatment of Share-Based Compensation

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Ireland recently modified its tax rules applicable to share-based remuneration, in particular, including gains on certain share-based compensation for income tax (PAYE), universal social charge (USC), and social security (PRSI) purposes. The new rules are still being clarified, but are generally effective as of January 1, 2011 (certain grandfathering rules apply). Employers with employees in Ireland should consider how these changes will affect their compensation strategies as well as their reporting and withholding obligations. Employers have until July 2011 to settle outstanding liabilities for 2011 without interest or penalty. Recent Irish Revenue guidance on the changes can be found [here](#).