

# Employment and Investment Incentive (EII)

## Statistics

### 2012 - 2016

The statistics in this release are based on analysis of EII Returns and is collated by Revenue's Statistics & Economic Research Branch.

These statistics should be considered as provisional and may be revised.

The statistics in this release focus on the latest EII figures at 31 December 2016.

Any queries of a statistical nature in relation to EII should be directed to [statistics@revenue.ie](mailto:statistics@revenue.ie).

## **Overview of the Incentive**

The Employment and Investment Incentive (EII) is a tax relief incentive scheme which provides for tax relief of up to 40% in respect of investments made in certain corporate trades. The EII scheme allows an individual investor to obtain income tax relief on investments for shares in certain companies up to a maximum of €150,000 per annum in each tax year. The EII replaces the Business Expansion Scheme (BES) and EII will run until 2020.

Initially relief is allowed on thirty fortieths (30/40) of the EII investment in the year the investment is made. Potentially, this can result in a tax saving for the investor of up to 30% of the investment.

Relief in respect of the further ten fortieths (10/40) of the EII investment will be available in the fourth year after the EII scheme investment was made providing that certain conditions are met. Potentially, this can result in a further tax saving for the investor up to 10% of the investment.

The EII scheme is available to unquoted micro, small and medium sized trading companies. Certain activities are excluded. A qualifying company can raise a lifetime maximum of €15,000,000 risk finance using this incentive, which may not otherwise be able to be raised.

The tax relief is provided to assist companies to raise finance to allow them to expand and create or retain jobs. In order to qualify for tax relief each investment must satisfy conditions relating to a number of component parts.

## **Qualifying Companies**

Companies seeking EII relief must directly seek certification from the Revenue Commissioners.

Some of the qualifying criteria include:

- A qualifying company must be a micro, small or medium sized enterprise;
- Is incorporated and resident in the State or another European Economic Area (EEA) State;
- Is not regarded as a firm in difficulty; and
- A qualifying company must meet the requirements of Article 21 Commission Regulation (EU) No 651/2014.

The EII is open to the majority of small to medium sized businesses however certain trading activities will not be eligible for the scheme.

A comprehensive guide on the qualifying criteria for companies is located - [Here](#)

## **Use of EII Funds**

The company must use the money raised from the share issue for the purpose of carrying on a qualifying trade, or if the company has not yet commenced to trade in incurring expenditure, on research and development. In addition, the use of the funds must contribute directly to the maintenance or creation of employment in the company (e.g., the money raised can be used to pay the wages of the qualifying employees of the company).

**Table 1: Total EII Funds Invested, Qualifying Companies and Average Amounts**

<b>Year</b>	<b>Qualifying Companies</b>	<b>Total Amount Invested €M</b>	<b>Average Amount Invested per Investor</b>	<b>Average Investment per Qualifying Company</b>
2012	78	13.4	€35,700	€172,100
2013	190	42.4	€37,100	€222,800
2014	239	62.7	€37,900	€261,900
2015	279	74.1	€40,600	€265,500
2016	261	108.5	€49,700	€415,900

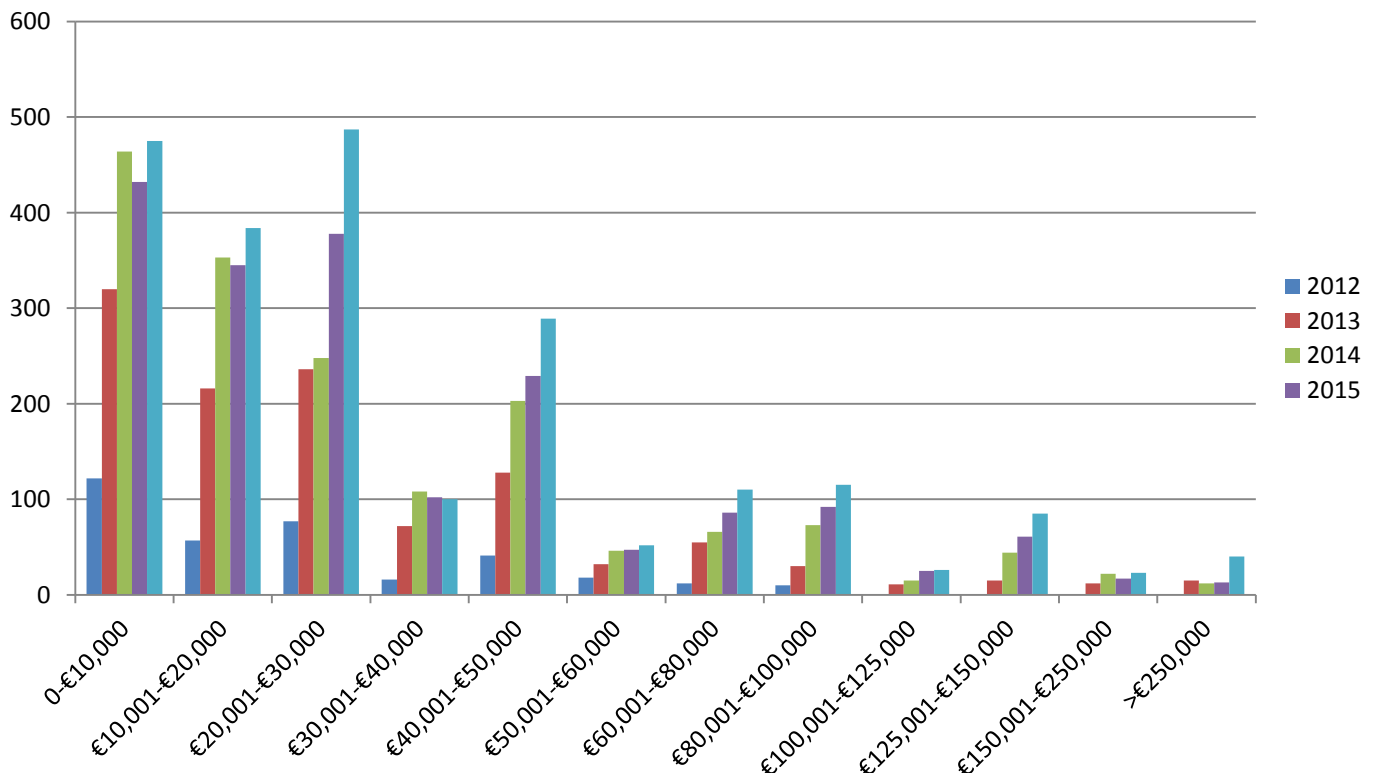
This table provides a detailed breakdown of monies invested in EII schemes, the number of Qualifying Companies, the average amount invested per investor and the average investment per Qualifying Company.

**Table 2: Distribution of Investment Amounts**

	2012*	2013	2014	2015	2016
0-€10,000	122	320	464	432	475
€10,001-€20,000	57	216	353	345	384
€20,001-€30,000	77	236	248	378	487
€30,001-€40,000	16	72	108	102	100
€40,001-€50,000	41	128	203	229	289
€50,001-€60,000	18	32	46	47	52
€60,001-€80,000	12	55	66	86	110
€80,001-€100,000	10	30	73	92	115
€100,001-€125,000	23	11	15	25	26
€125,001-€150,000	-	15	44	61	85
€150,001-€250,000	-	12	22	17	23
>€250,000	-	15	12	13	40
<b>Total</b>	<b>376</b>	<b>1,142</b>	<b>1,654</b>	<b>1,827</b>	<b>2,186</b>

*\*The higher ranges in 2012 have been combined to protect taxpayer confidentiality due to the small numbers of cases involved. Further details regarding Revenue's Statistical Disclosure Control can be found at the bottom of the document.*

This table and graph (below) detail the range of individual investment amounts in EII schemes including investments from funds.

**Graph 1: Distribution of Investment Amounts**

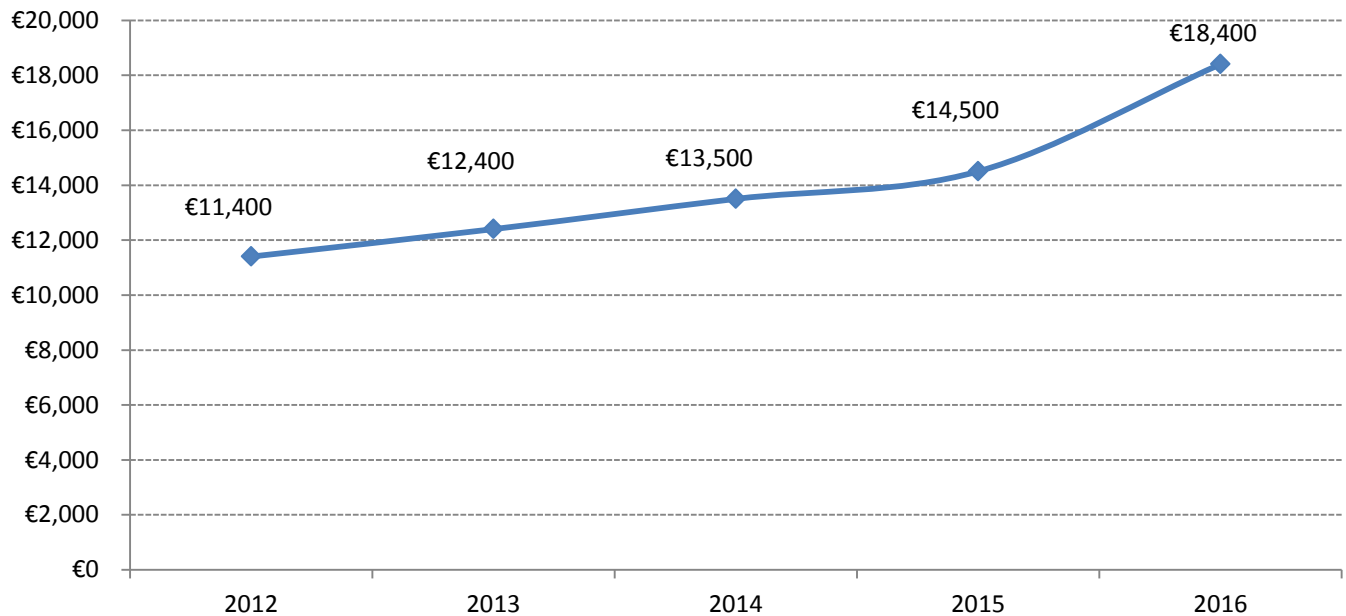
## Exchequer Costs

**Table 3: Estimated Exchequer Cost and Number of Investors**

Year	Investors	Estimated Tax Cost €M
2012	352	4
2013	1,028	12.7
2014	1,395	18.8
2015	1,530	22.2
2016	1,768	32.5

This table provides the distinct number of investors in all EII schemes and the estimated cost to the Exchequer.

**Graph 2: Average Cost to the Exchequer per Investor**



This graph demonstrates the average cost to the Exchequer per investor who invests in EII schemes.

## **Qualifying Companies**

**Table 4: EII Qualifying Companies by Region**

<b>Revenue Region</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Dublin	49%	46%	43%	43%	44%
Border Midlands West	17%	18%	20%	18%	16%
East South East	21%	16%	14%	18%	17%
South West	14%	19%	23%	21%	23%

This table provides a geographical breakdown of EII Qualifying Companies registration addresses according to Revenue records. They are represented on the basis of Revenue's internal operational Regions. Furthermore, these data are not intended to be an indicator of economic performance in any area of the country.

**Table 5: EII Qualifying Companies by Economic Activity**

<b>Sector</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Agriculture, Forestry & Fishing	0	≤10	≤10	≤10	12
Manufacturing, Mining & Quarrying	15	40	41	46	46
Construction & Utilities	≤10	16	18	19	26
Wholesale & Retail Trade	≤10	17	24	38	22
Transportation & Storage	≤10	≤10	≤10	16	14
Information & Communication	26	45	61	71	75
Financial & Insurance Activities	≤10	11	14	12	17
Real Estate Activities	15	33	36	35	30
Admin & Support Service Activities	≤10	≤10	11	14	≤10
Public Admin & Defence	≤10	≤10	16	14	14

This table contains details of EII Qualifying Companies grouped by sector. The sector is based on the 4 digit 'NACE code Rev.2' which is the internationally recognised economic activity code system.

With effect from October 2015, nursing homes are eligible to qualify for the EII scheme. On the basis of sector identifiers (NACE codes) there are no such companies in receipt of EII investment for the years 2015 or 2016.

### **Notes on the above tables**

These statistics should be considered as provisional and may be revised.

Figures may have been rounded in some instances.

While the accuracy of the NACE codes on tax records is sufficient to underpin broad sector-based analysis there may be some inaccuracies at individual level. This should be borne in mind when considering the information provided.

More information on NACE codes can be found at

<http://www.cso.ie/px/u/NACECoder/NACEItems/searchnace.asp>.

Where there are only small numbers of cases in a category, exact figures are not provided to protect confidential taxpayer information. Confidentiality is central to Revenue's relationship with its customers. Revenue's obligations in relation to safeguarding data are reinforced by a range of legislative and administrative provisions that are designed to protect the rights and interests of citizens and businesses. Further information regarding our Statistical Disclosure Control can be found at -

<http://www.revenue.ie/en/about/statistics/index.html#section4>