

### **Credit Unions: Tax Treatment of “Bonus Shares”**

The Revenue view is that “bonus shares” issued by Credit Unions come within the definition of share interest in **Section 698 TCA 1997**. The definition treats as share interest “any bonus, or other sum payable to a shareholder of the society by reference to the amount of his holding in the share capital of the society”.

Accordingly the bonus shares are taxable and should be included in tax returns.

Reviewed: April 2016