

3 FACTS

ABOUT ARTISTS' TAX EXEMPTION

1. Most Irish artists are still poor.

Of the 1,300 artists who benefited in 2001, more than a half earned under €10,000.

The average income for almost 90% of artists was below €11,000 (less than the average industrial wage).

Only 7% earned over €100,000

2. Only an artist's "creative" earnings are exempt.

The tax exemption is confined strictly to earnings from creative work.

So a job an artist takes to make ends meet is fully taxed.

So too are the performance earnings of musical artists – only their earnings from composing their works are exempt.

3. The few rich ones still pay a lot of tax.

The few big earners pay full tax on their "non-creative" earnings.

Typically these earnings come to at least twice the amount they get tax-free.

4 QUESTIONS

ABOUT ARTISTS' TAX EXEMPTION

1. Are artists getting an unfair advantage ?

No!

There are over 25 tax incentive schemes in this country.

Of the tax forgone to the state as a result of all these various tax incentive schemes the artists tax exemption accounts for just 0.38% of that total.

Of all the people who benefit from tax incentive schemes, artists represent just 0.03%

2. Does it benefit the country?

Yes.

In the 36 years of the scheme, the arts in Ireland have flourished. In most art forms, this country now punches far above its weight – a reputation that directly impacts on our economic success. This is despite the fact that artists who get the tax exemption still struggle to make a decent living from their art.

The few highly-paid artists benefit the country in many ways – by the tax they pay on their other earnings (at least twice what they get tax-free) and by the support industries that have sprung up because they are here (all of which pay tax).

3. Would abolishing it bring in more money?

No!

For the many lower-paid artists, the State would inevitably have to increase direct supports (for example through the Arts Council) to compensate them for the tax they'd have to pay. This would be essential to keep the existing artistic fabric of the country from collapsing.

For the few higher-paid artists, some would leave Ireland if the scheme ended. Typically higher paid artists pay tax on twice the income that they get tax-free. The country would lose not only the tax foregone, but also the much larger amount of tax these artists do pay now. On top of that, Ireland would lose the many support industries that depend on these artists being here (and all of which pay tax now).

Ending or diluting the scheme would very likely end up costing the State more money.

4. How would abolishing it affect Ireland's standing?

Badly.

For more than a generation, an important part of Ireland's international reputation has been the value it places on its culture and its artists. This highlights our national capacity for creativity and imagination – a key factor in attracting vital foreign investment.

Abolishing the scheme would be seen around the world as a philistine act. It would be a step backwards that would destroy one of the few things that set Ireland apart in a highly competitive world.

HAVE YOUR SAY

The future of the artists tax exemption scheme is currently under review.

The review being carried out by the Dept of Finance covers all Irish tax incentive schemes including those for stud farmers, property developers and many more, however, there seems to have been a disproportionate amount of publicity surrounding the artists tax exemption scheme.

The voice of artists has not yet been heard in this debate. We believe that it is important that artists take the opportunity to have a say in the future of the scheme.

John O'Donoghue the Minister for Arts Sport and Tourism has publicly expressed his support for the scheme but has specifically called on artists to send him letters or emails in order to help him make a stronger case within government for retaining the scheme.

Artists who have benefited from the scheme in the past, those who hope to benefit from it in the future and anyone who thinks the scheme is important to the life and status of artists and the arts in this country are encouraged to make their views known to the Minister.

The points in this brochure can be used to support any letters to the Minister. However, it is recommended that artists simply use their own experiences to explain for example how the exemption has been of benefit to them and what effect it has had in terms of encouraging or facilitating them to continue to practice as an artist.

You can contact the minister by writing to:

John O'Donoghue TD
Minister for Arts, Sport and Tourism
Department of Arts, Sport and Tourism,
23 Kildare Street, Dublin 2

Or by email on: artsunit@dast.gov.ie

This brochure has been prepared by:

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More information regarding the Artists Tax Exemption scheme, including submissions made to the Dept of Finance by the above organisations, an outline of the review of tax incentive schemes and further information in support of the Artists Tax Exemption can be found by visiting:
www.sculptors-society.ie



Artists Tax Exemption

Know

THE FACTS



Understand

THE QUESTIONS



State

YOUR POSITION

