

Exemption of non-interest-bearing securities. ITA67 s465; FA74 s86 and Sch2 Ptl; FA84 s28and FA90 s138 45.—(1) The excess of the amount received on the redemption of a unit of non-interest-bearing securities issued by the Minister for Finance under section 4 of the Central Fund Act, 1965 , over the amount paid for the unit on its issue shall, except where the excess is to be taken into account in computing for the purposes of taxation the profits of a trade, be exempt from tax.

(2) Subsection (1) shall not apply to issues of securities to which subsection (3) applies made after the 25th day of January, 1984, unless a tender for any such securities was submitted on or before that date.

(3) The securities to which this subsection applies are—

(a) non-interest-bearing securities issued by the Minister for Finance at a discount, including Exchequer Bills and Exchequer Notes, and

(b) Agricultural Commodities Intervention Bills issued by the Minister for Agriculture and Food.

(4) (a) In this subsection, “owner”, in relation to securities, means at any time the person who would be entitled, if the securities were redeemed at that time by the issuer, to the proceeds of the redemption.

(b) Notwithstanding subsection (2), where the owner of a security to which subsection (3) applies—

(i) sells or otherwise disposes of the security, or

(ii) receives on redemption of the security an amount greater than the amount paid by such owner for that security either on its issue or otherwise,

then, any profit, gain or excess arising to the owner from such sale, disposal or receipt shall be exempt from tax where the owner is not ordinarily resident in the State; but this subsection shall not apply in respect of corporation tax chargeable on the income of an Irish branch or agency of a company not resident in the State.