1. Lifetime gifts/donations

1.1 Tax relief on Donations of Cash*

(a) **PAYE Taxpayer**

Did you know that the National Gallery of Ireland is eligible for tax relief on any donation over €250 to it made by an individual resident in Ireland?

• This means that the National Gallery of Ireland can claim an additional €62 from the Revenue Commissioners on a donation of €250 made by an individual on the 20% PAYE tax band or an additional €174 if the individual is on the 41% tax band. All you have to do is download and complete the attached form to enable us to claim the relief.

(b) Self Assessed or Corporate Taxpayers

Did you know that if you are a self assessed individual or a company, you are entitled to tax relief on any donation you make to the National Gallery of Ireland in excess of €250?

So for example, if you are a self assessed individual, who pays income tax at:

- 20% and you make a donation of €250 to National Gallery of Ireland; you would be entitled to claim tax relief on the donation of €50. Therefore the net cost to you would be €200.
- 41% and you make a donation of €250 to National Gallery of Ireland, you would be entitled to claim tax relief of €102.50 in respect of the donation. Therefore the net cost of the donation to you would be €147.50.

Alternatively, if a Company makes a donation to the National Gallery of Ireland, it would be entitled to claim a deduction for the donation as if the donation was a trading expense.

1.2 Tax relief on certain heritage objects made available for public viewing*

(a) Exemption from Gift or Inheritance Tax*

Did you know that if an individual receives a gift or inheritance of a heritage object(s), the gift or inheritance could be exempt from gift or inheritance tax (called Capital Acquisitions Tax ("CAT")) if the individual makes the item available for public viewing at the National Gallery of Ireland and meets certain conditions?

Gifts and Inheritances are generally liable to CAT where the individual who receives them has exceeded their tax free threshold. However, in certain circumstances a gift or inheritance of heritage property will be treated as being **completely exempt** from CAT.

The exemption applies to:

- (i) any pictures, prints, books, manuscripts, works of art, jewellery, scientific collections which appear to the Revenue Commissioners to be of national, scientific historic or artistic interest; and
- (ii) which are kept permanently in the State (except for temporary absences authorised by Revenue), for example at the National Gallery of Ireland; and
- (iii) which are not held for the purposes of trading; and
- (iv) to which reasonable viewing facilities are made available to the public, or recognised bodies or association of persons, for example at the National Gallery of Ireland.

The relief would be clawed back (i.e. individual would have to recalculate his tax on the basis that the objects were not exempt) if either:

- (i) the individual were to sell the object within six years unless the sale was to the National Gallery of Ireland, the National Museum and other institutions;
- (ii) the object, is other than with permission, moved outside the State or the reasonable viewing facilities are withdrawn at any time before:
 - (A) the object is sold;
 - (B) the individual dies; or
 - (C) the object is again passed on by way of an absolute gift or inheritance to a individual who is not a spouse of the first beneficiary.

The relief can also apply to shares in a company which owns heritage property under the provisions of section 78 of CATCA.

(b) Exemption from Capital Gains Tax *

Did you know that if you dispose of an object which has been loaned to the National Gallery of Ireland for public display for 10 years, the disposal will not give rise to any Capital Gains Tax, regardless of the value of the item which is disposed of?

To avail of the relief:

• the object must be a picture, print, book, manuscript, sculpture, piece of jewellery or work of art which in the opinion of the Revenue Commissioners has a market value of not less than €31,740 at the date when the object is loaned to the National Gallery of Ireland; and

• the object must have been included in a display in the National Gallery of Ireland to which the public was afforded reasonable access for a period of not less than 10 years.

1.3 Tax Relief on Donation of Heritage Items*

Did you know that if you donate a heritage item(s) to the National Gallery of Ireland, you could be entitled to receive a tax credit equal to 80% of the market value of the item you donate?

The tax credit is firstly set against any arrears of tax you may have and then can be set against income tax, corporation tax, capital gains tax and capital acquisitions tax. You can also carry forward the credit to set against your future tax liabilities.

In order to avail of the relief:

- the heritage item must be determined to be an outstanding example of a cultural item (including any archaeological item, archive book, estate record, manuscript and painting and any collection of cultural items and any collection of such items in their setting) pre-eminent in its class, which is suitable for acquisition by the National Gallery of Ireland.
- the market value of the heritage item must be at least €150,000 and in the case of a collection at least one item in the collection must have a minimum value of €50,000 (save for a collection of archival material or manuscripts).

Where this relief is claimed, no other relief under any other provision of the tax acts in respect of the gift can be claimed.

2. Gifts on death - your Will

Considering leaving a cash legacy or work of art to the National Gallery of Ireland in your Will?

Legacies to the National Gallery of Ireland whether cash or works of art are gratefully accepted. We would be happy to meet with you to discuss any legacy you might like to leave to the National Gallery of Ireland

How to word a cash legacy or gift of a work of art in your Will?

Cash Legacy

"I GIVE AND BEQUEATH to the National Gallery of Ireland, Merrion Square West, Dublin 2 (Charity no, CHY 2345) the sum of [insert amount] and I DECLARE that the receipt of the appropriate officer shall be a sufficient discharge to my [Executors/Trustees.]"

<u>or</u>

Residuary benefit

"I GIVE AND BEQUEATH to the National Gallery of Ireland, Merrion Square West, Dublin 2 (Charity no, CHY 2345) [insert percentage] of the residue of my estate and I

DECLARE that the receipt of the appropriate officer shall be a sufficient discharge to my [Executors/Trustees.]"

or

• Legacy of work(s) of art

"I GIVE AND BEQUEATH to the National Gallery of Ireland, Merrion Square West, Dublin 2 (Charity no, CHY 2345) my [insert description of work(s) of art] and I DECLARE that the receipt of the appropriate officer shall be a sufficient discharge to my [Executors/Trustees.]"

* Whilst every effort is made to ensure that the information outlined above is accurate, the National Gallery of Ireland can accept no responsibility for loss or distress occasioned to any person acting or refraining from acting as a result of the material published herein. The taxation summary outlined above is generic in nature. If a person is considering availing of any of the taxation reliefs outlined tax advice should be sought from a registered tax consultant.