



# TTS eGuide to establishing an Irish Company

## An Introduction

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Ireland is one of the most popular jurisdictions for international corporations seeking to expand into the European market.

Why should UK residents consider establishing residency in Ireland – (or indeed any other country)? It is not a solution that will work for everybody – if you are selling physical goods from the UK into the EU, tariffs and non-tariff barriers (extra documentation etc.) will still be an issue. However, an Irish subsidiary could be helpful in servicing the EU market in the following circumstances:

1. For companies selling digital services; keeping operations in the UK but still provide EU business continuity;
2. Fintech companies can tap the regulatory “passport” to reach all EU markets;
3. Companies working with data can be a part of the EU Single Market Directive;

## Why consider establishing a company in Ireland?

Essentially there are three main reasons for establishing an Irish company:

1. Ireland is an EU member state. Running a business from Ireland provides access to the EU single market – and EU financial support.
2. A favourable corporate tax regime (but it is not a tax haven).

For further information about Ireland see [Ireland - Country Profile](#).

## Corporate Registration

The [Irish Companies Registration Office](#) (CRO) is the Irish Government Agency responsible for the registration of companies in Ireland.

An Irish limited (Ltd.) company has to have:

1. At least one shareholder.
2. At least one director (they must be over 18 years of age and cannot be an undischarged bankrupt). Non EEA residents can be directors, however unless there is at least one EEA resident director, then under current regulations the company will need to buy a Section 137 bond for Euro 25,000. All directors [must provide](#) their Personal Public Service Number (PPSN) or RBO number if non-resident; from a previous filing with the Register of Beneficial Owners. If they are not resident in Ireland, it will be necessary to complete and file a [VIF form](#).
3. A Company Secretary, who can be a Company Director. (If there is only one director, then the Company Secretary must be another person.)
4. A registered office in Ireland.

The steps to register an Irish Company are:

1. Choose a company name – you can check whether the name is available at the [CRO](#).
2. Determine (a) your shareholder(s) (b) share capital (c) registered address (d) director(s) and (e) Company Secretary.
3. Log in to the CRO to [register your company](#).
4. Once registered obtain a Tax Registration Number (TRN) from [Irish Revenue](#).

5. Apply for a business banking account.
6. Issue the share and detail each shareholder's full name, usual residential address and amount of shares to be held in the shareholder's name. (For a private limited company there are no requirements related to the minimum share capital.)

For further information see: [CRO Information Leaflet No: 17](#)

The processing time for the above should be about 10-15 days.

## Costs

Costs will depend upon the service provider and the services requested (See Appendix One – Companies offering Irish Company Registration services). However, to start they are likely to be in the region of:

- Company incorporation including bank account opening c. Euro 1,500

## Tax

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| ➤ Personal:                              | Declared in country of tax residence.                                       |
| ➤ Company Taxes                          | Declared in Ireland.  |
| ➤ Payroll taxes and social contributions | Declared where employees are located/registered.                            |
| ➤ VAT:                                   | Online sellers can declare in the EU country where they are VAT registered. |

## Corporate Tax

Taxes can be declared and paid online.

### Corporate tax:

- A flat 12.5%. (However, profits of foreign subsidiaries are not taxed in Ireland until repatriated via dividend.)

### VAT:

- 23%

### Withholding Tax:

- 20% in respect of dividends, interest and patent royalties. However, due to the availability of a broad range of exemptions, Irish resident companies can normally pay dividends, interest and patent royalties to non-residents free of any Irish withholding tax.

## Conclusions

If you are selling services, the access to the EU market and the favourable tax combine to make a convincing argument for considering the establishment of an Irish subsidiary.

## **Disclaimer**

TradeTech Solutions (“TTS”) does not offer any advice or recommendations as to whether it is advisable for you to establish an Irish company. This eGuide simply serves as an introduction to the options that exist – with any details current at the time of writing, and therefore subject to change. Before taking any concrete steps, you should take appropriate legal and fiscal advice (neither of which is offered by TTS.)

## Appendix One – Companies offering Irish Company Registration services

These are examples of some companies offering services in relation to Irish Company Registration services. TTS makes no recommendations. This list has been compiled simply for your convenience and you may well find other companies offering similar services.

- Chern & Co Ltd/: <https://registercompany.ie/>
- Company Bureau Formations: <https://www.companyformations.ie/>
- CompanySetup <https://www.companysetup.ie/>
- Register a Company in Ireland.com <https://www.registeracompanyinireland.com/>