

Title of the measure:	<i>IRL 30 Tax Relief for Energy-Saving Equipment : Accelerated Capital Allowance</i>
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General description

The Finance Bill published on the 31 January 2008 contained details of a new scheme called Accelerated Capital Allowance (ACA) aimed at supporting investment in new energy-saving equipment by companies. Section 42 of the Finance Bill introduces a new section into the Taxes Consolidation Act 1997. This tax incentive encourages business to invest in energy-saving equipment. The scheme allows businesses to write off the whole cost (100%) of designated equipment against taxable profits in the year of purchase.

Qualifying products from the defined ACA equipment categories are listed on the ACA Specified List which is updated on a regular basis. The ACA currently covers a range of different equipment categories and only energy efficient equipment that meets the relevant eligibility criteria is listed on the ACA Specified List as detailed under the link below.

Impact evaluation

Sustainable Energy Authority of Ireland (SEAI), the body responsible for creating and maintaining the ACA specified list of eligible products for which the incentive can be claimed, carried out a mid-term review of the scheme in October 2010 to determine the awareness of the Scheme, the influence that the Scheme has on purchasing decisions and the level of energy savings attributable to it.

Survey data used to determine penetration/sale rates of energy efficient technologies on the Triple E Products Register. Number of approved technologies on the list increasing over time as new categories introduced. Awareness of scheme is increasing over time through promotion within the public and private sectors.

MURE Tertiary ACA savings calculated as all of public sector ACA savings in NEEAP 3 (P.1) plus half of private sector ACA savings in NEEAP 3 (0.5 * B.3).

MURE Industry ACA savings calculated as half of private sector ACA savings in NEEAP 3 (0.5 * B.3)

(Semi Quantitative Estimate)

low	X medium	high
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Definition of Impact:

Low: Impact below 0.1 % of overall energy (fuel/electricity) consumption or energy-related CO₂ emissions in the industry sector of Ireland.

Medium: 0.1 to below 0.5 % of overall energy (fuel/electricity) consumption or energy-related CO₂ emissions in the industry sector of Ireland.



High: 0.5 % upwards) of overall energy (fuel/electricity) consumption or energy-related CO₂ emissions in the industry sector of Ireland.

Interaction of measures

By way of the ACA incentive and market benchmarking the scheme has managed to bring considerable confidence to the energy efficient product market as a whole. This indicated a potential multiplier effect through promoting a general improvement in the energy efficiency of end use products.

Historical data

Savings achieved in 2010	27.5 GWh
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References

http://www.seai.ie/Your_Business/Accelerated_Capital_Allowance/

