

subject to litigation, but, should they arise, they would be one-off and windfall in nature and so should be treated like other windfalls.

As discussed in the tax section, there is potentially significant upside to the corporation tax receipts given the implementation of Pillar I of the OECD BEPS reforms and the as yet unclear implementation of Pillar II of the reforms.

### Box C: Potential windfall revenues from Data Protection fines

On 25<sup>th</sup> May 2018, the General Data Protection Regulation (GDPR) came into effect across the EU. It regulates the use of private personal information. In Ireland, the Data Protection Commission (the Commission) is the supervising agency responsible for ensuring that the GDPR is adhered to. If an organisation has been found to be non-compliant with GDPR, the Commission may issue fines. This box looks at the potential revenue that may arise as a result of some of the recent fines issued by the Commission.

Ireland is the European headquarters for several large ICT and social media firms that collect and hold a lot of personal information. As a result, the Commission plays a key role in ensuring that these companies comply with GDPR.

In May 2020, the Commission issued its first fines for non-compliance with GDPR. Since then, it has issued several fines in excess of €5 million, with the fines amounting to almost €3 billion (N<sup>o</sup>45). Several of the fines exceed €100 million, and one fine exceeds €1.2 billion. However, many of the large fines issued to date are subject to appeals process.

N<sup>o</sup>45 Fines totalling close to €3 billion have been issued under GDPR

Fines in excess of €5 million

Company	€ million	Date Issued	Status
TikTok	345	Sept-23	Appeal ongoing
Meta	1,200	May-23	Appeal ongoing
WhatsApp	5.5	Jan-23	Appeal ongoing
Meta	17	Mar-22	Confirmed by court and collected
Instagram	405	Sep-22	Appeal ongoing
Facebook	265	Nov-22	Appeal ongoing
Meta (Facebook)	210	Dec-22	Appeal ongoing
Meta (Instagram)	180	Dec-22	Appeal ongoing
WhatsApp	225	Aug-21	Appeal ongoing
<b>Total</b>	<b>2,852.5</b>		

Sources: Data Protection Commission's annual reports and Fiscal Council workings.

Notes: Figures relate to fines in excess of €5 million, issued by the Data Protection Commission since 25 May 2018. [Get the data.](#)

The proceeds of fines issued by the Commission are required to be transferred to the Exchequer. However, as the cases involving the largest fines are undergoing appeals processes, the amounts transferred to the Exchequer have been relatively low so far. Approximately €17.5 million and €1.8 million was transferred to the Exchequer in 2022 and 2023 respectively (N<sup>o</sup>46).

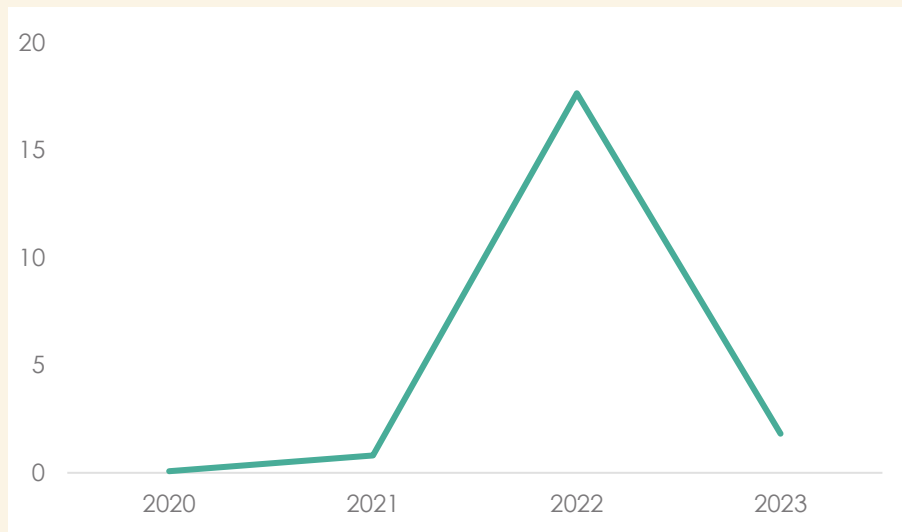
## Conclusion

Given there are appeals processes ongoing, it is prudent not to incorporate the potential revenues from these fines in the budgetary figures until the appeals processes have concluded.

However, given the number and size of fines issued, it is possible that there will be substantial windfalls arising from these fines. As these receipts would be inherently one-off in nature, the receipts from these fines should be treated in a similar fashion to other windfall receipts – not used to fund permanent spending increases or tax cuts.

N<sup>o</sup>46 So far, the benefit to the Exchequer from fines has been low

€ million, fines remitted to the Exchequer



Sources: Data Protection Commission Annual reports, and Fiscal Council workings. [Get the data.](#)