



**Irish Fiscal  
Advisory Council**

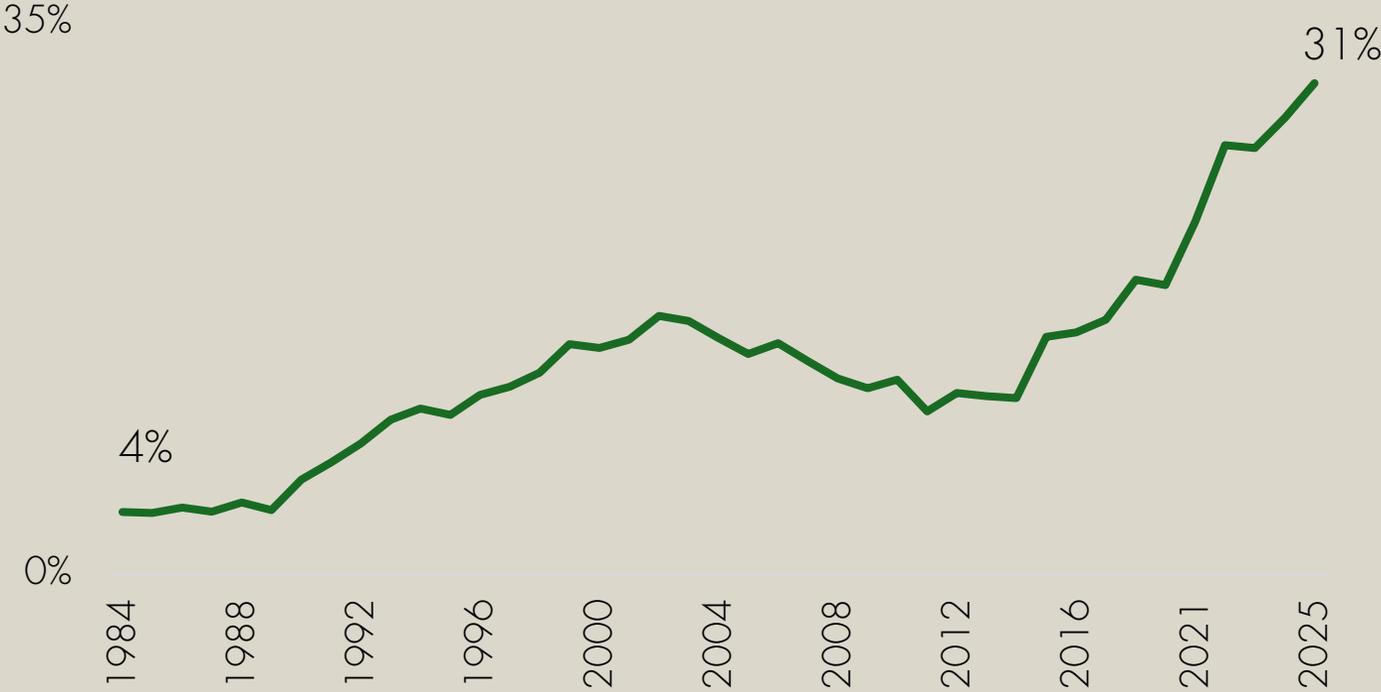
# **Corporation tax: Concentration risks, tariffs and other US policy changes**

BRIAN CRONIN

19 FEBRUARY 2026

# Corporation tax accounts for nearly one third of all tax revenues

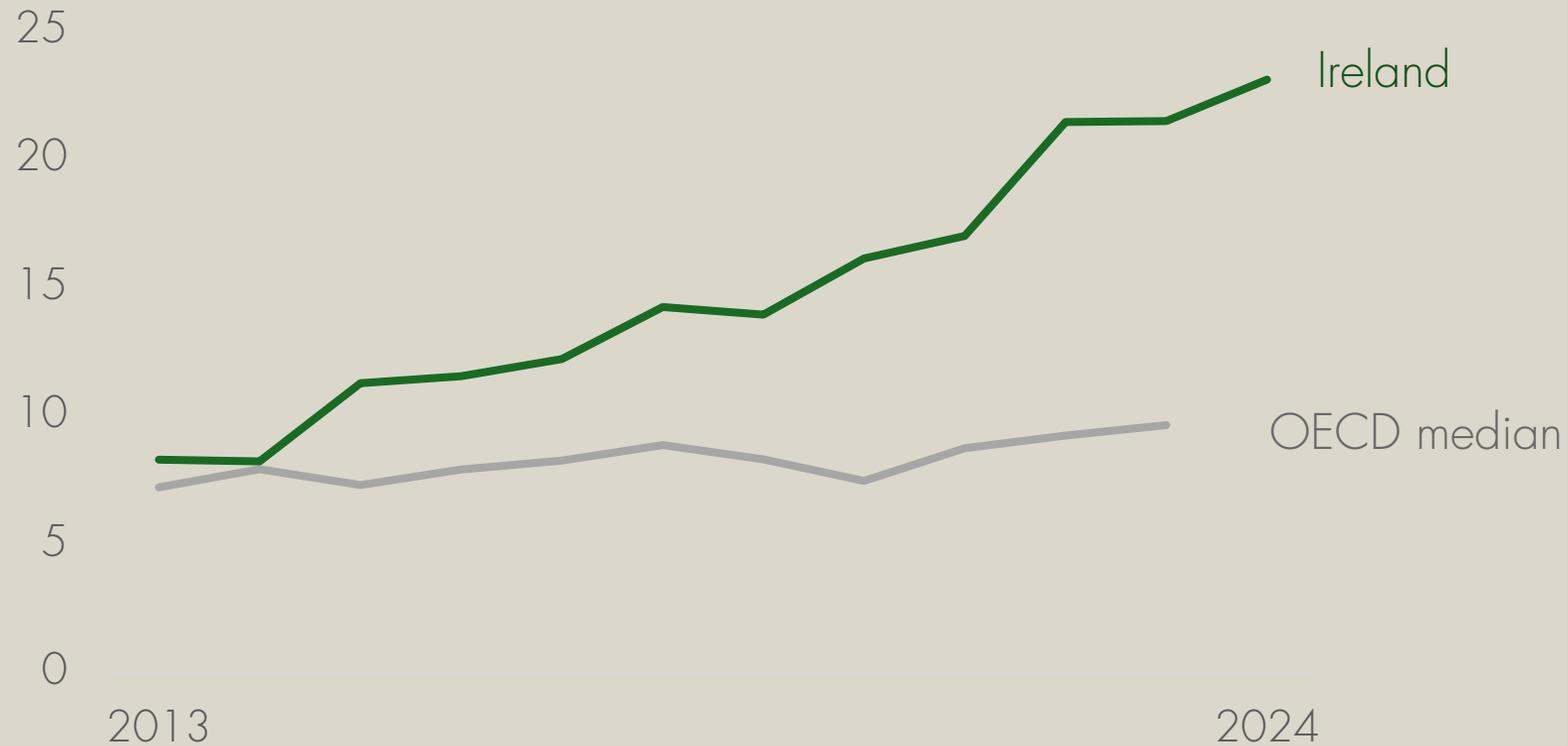
% of total tax receipts



Sources: Department of Finance (2026) and own workings. The 2024 and 2025 figures exclude the corporation tax revenues arising from the Court of Justice of the European Union ruling in the Apple State-Aid case.

# Ireland's reliance on corporation tax revenues is very high by international standards

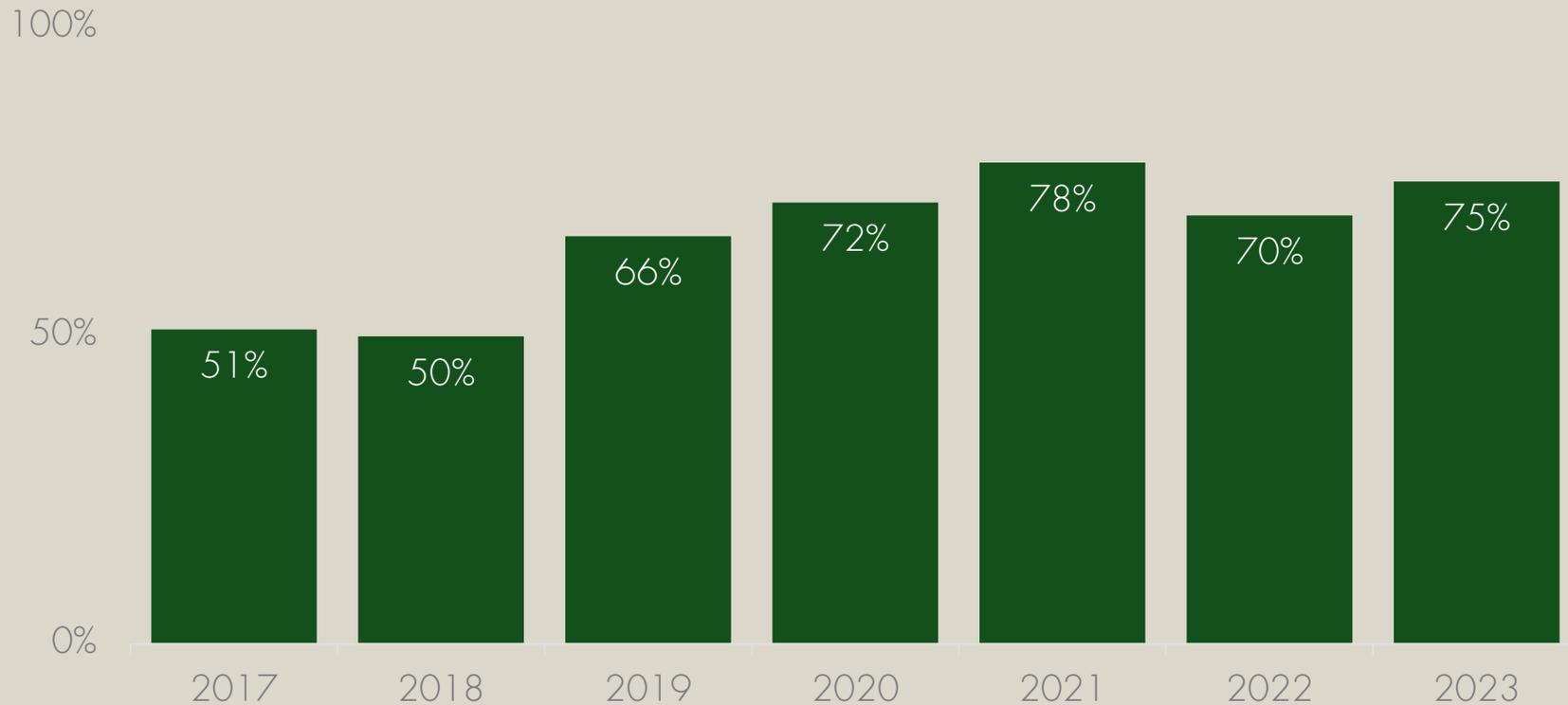
% total tax receipts and social contributions



Source: OECD Global Revenue Statistics Database. Notes: 2023 is the most recent year for which OECD median data is available. The numerator is revenue from taxes on income, profits and capital gains of corporations (tax category 1200).

# US groups account for bulk of Ireland's corporation tax revenue

% of Ireland's corporation tax receipts



Sources: Department of Finance (2025), Inland Revenue Service (2025) and author's workings.

Notes: The Inland Revenue Service publishes the corporation tax paid by large US multinationals in Ireland for each July-June period. For example, the year '2023' refers to the 12-month period from July 2022 to June 2023. Ireland's Department of Finance publish monthly corporation tax receipts, which we adjust to align with the July-June year. To ensure consistency, we apply the average annual USD to EUR exchange rate for the same period. June 2023 is the most recent year for which US data is available.

# Top 10 groups accounted for almost 60% of all corporation tax in 2024

% share of total corporation tax receipts

70%



Sources: Fiscal Council workings, McCarthy and Hayden (2025), and previous Revenue publications.

Notes: The 2024 share excludes any one-off receipts linked to the Court of Justice of the European Union ruling in the Apple State-Aid case. A corporate group consists of "individual companies or affiliates that are members of the same corporate entity grouped together" (McCarthy and Hayden, 2023). The composition of the top ten highest paying groups may change from one year to another.

# The concentration of corporation tax has increased

% of total corporation tax receipts

70%



0%

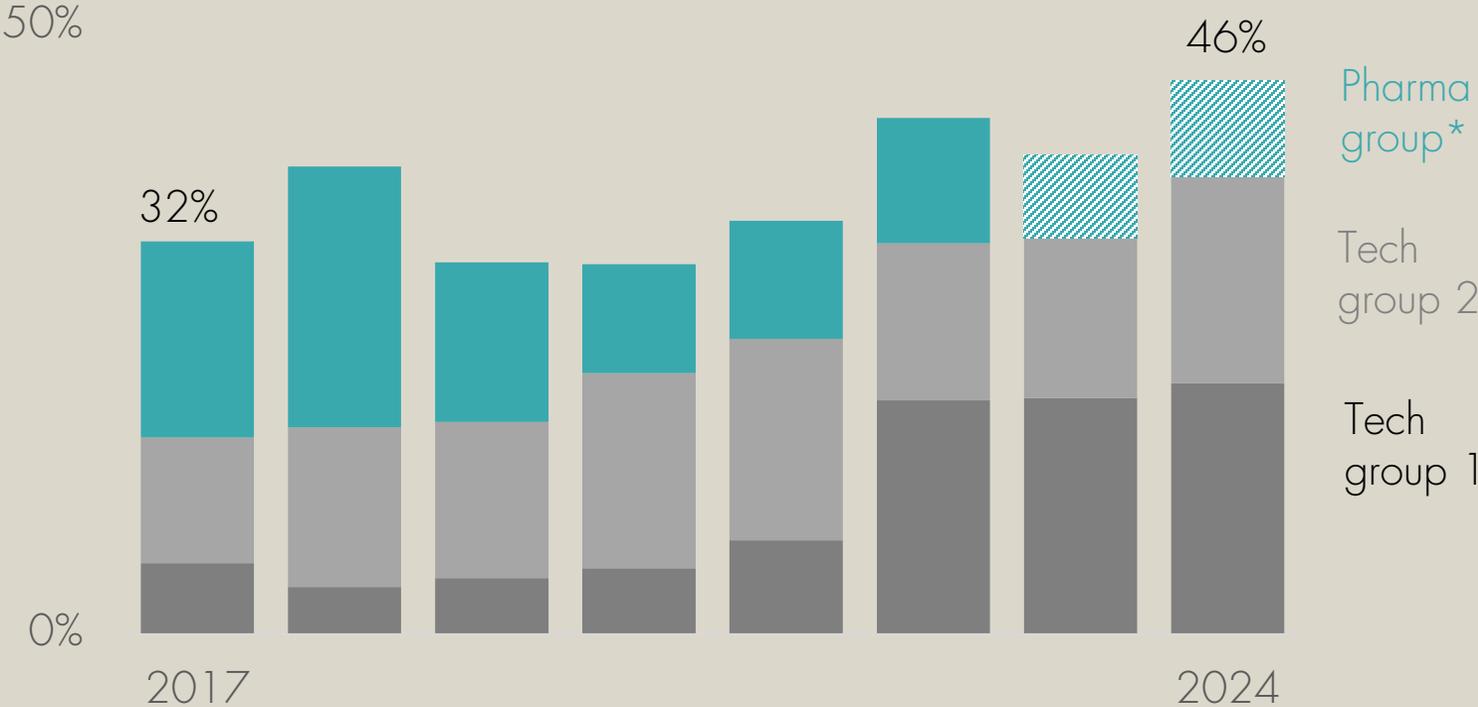
2017

2024

The identities of the top three highest-paying groups remained the same from 2017 to 2022. Since 2023, one US-owned pharma group has likely replaced another in the top three. The 2024 share of total corporation tax receipts excludes any one-off receipts linked to the Court of Justice of the European Union ruling in the Apple State-Aid case. A corporate group consists of “individual companies or affiliates that are members of the same corporate entity grouped together” (McCarthy and Hayden, 2025).

# Top three payers account for almost half of all corporation tax

Estimated % share of total corporation tax revenues

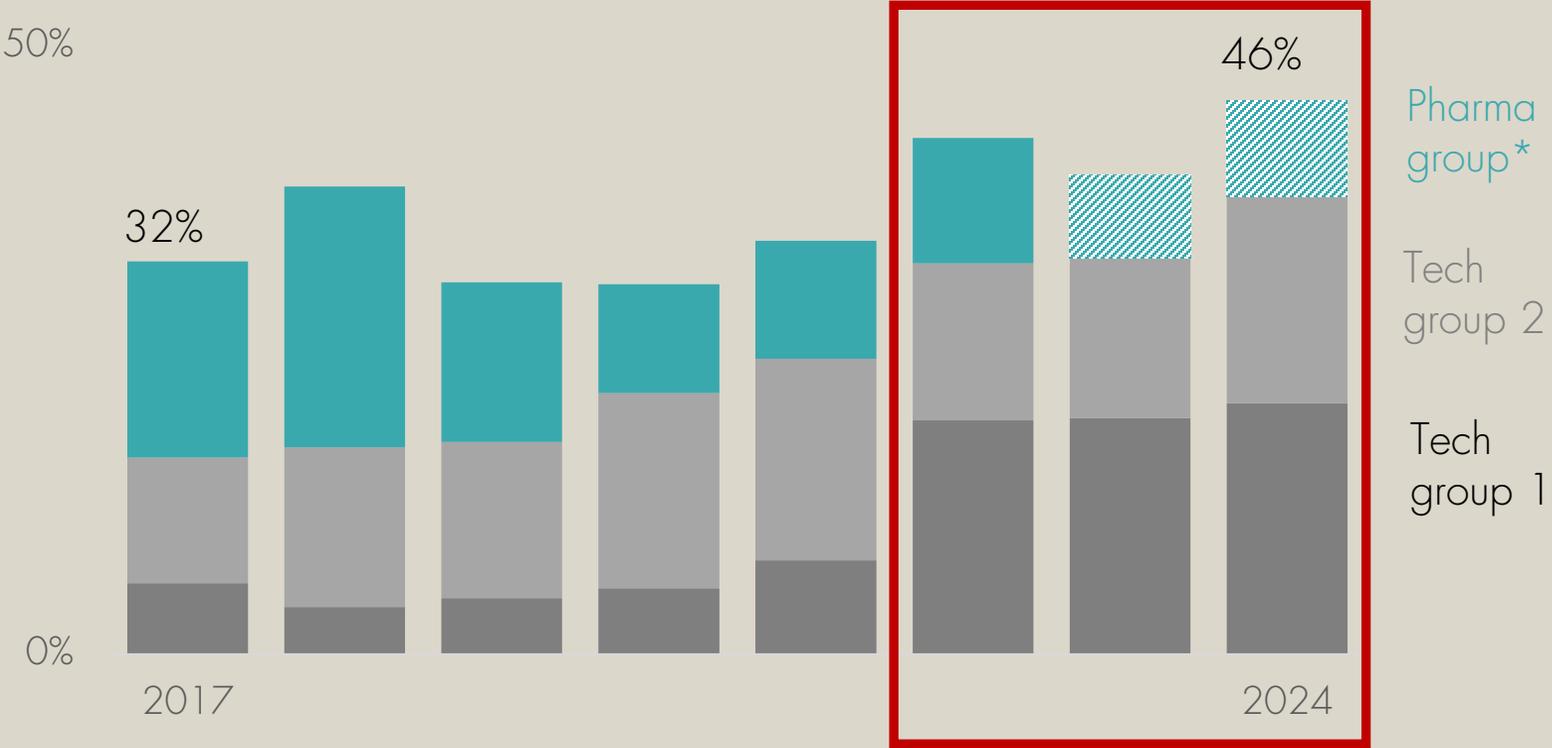


Sources: Cronin (2023), Fiscal Council (2024), and Fiscal Council workings.

Notes: \*The identities of the top three highest-paying groups remained the same from 2017 to 2022. Since 2023, one US-owned pharma group has likely replaced another in the top three. A corporate group consists of "individual companies or affiliates that are members of the same corporate entity grouped together" (McCarthy and Hayden, 2024). The 2024 share excludes any one-off receipts linked to the Court of Justice of the European Union ruling in the Apple State-Aid case.

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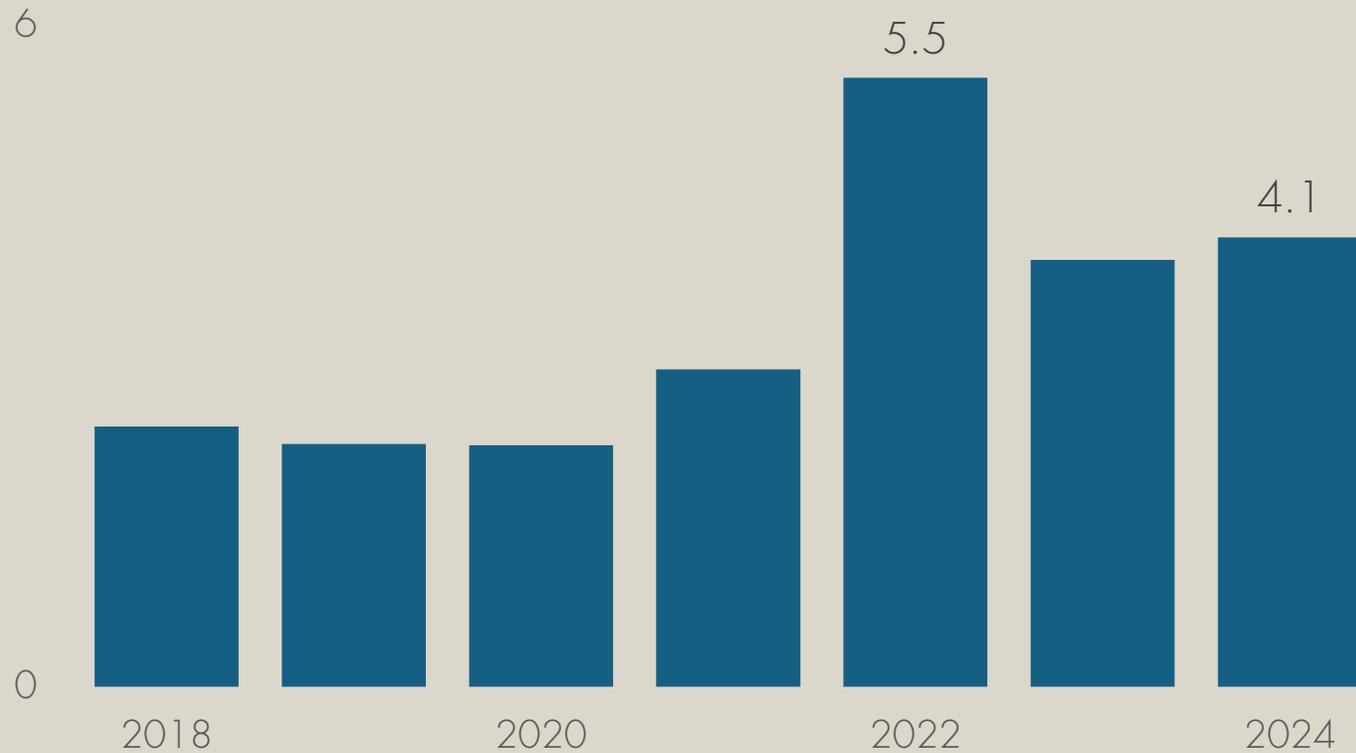
# What are we saving?

The Government's latest plans suggest €1 of every €8 in corporation tax will be saved between 2026 and 2030

**Pharma sector was very  
interesting in 2025...**

# Pharma sector corporation tax payments peaked in 2022

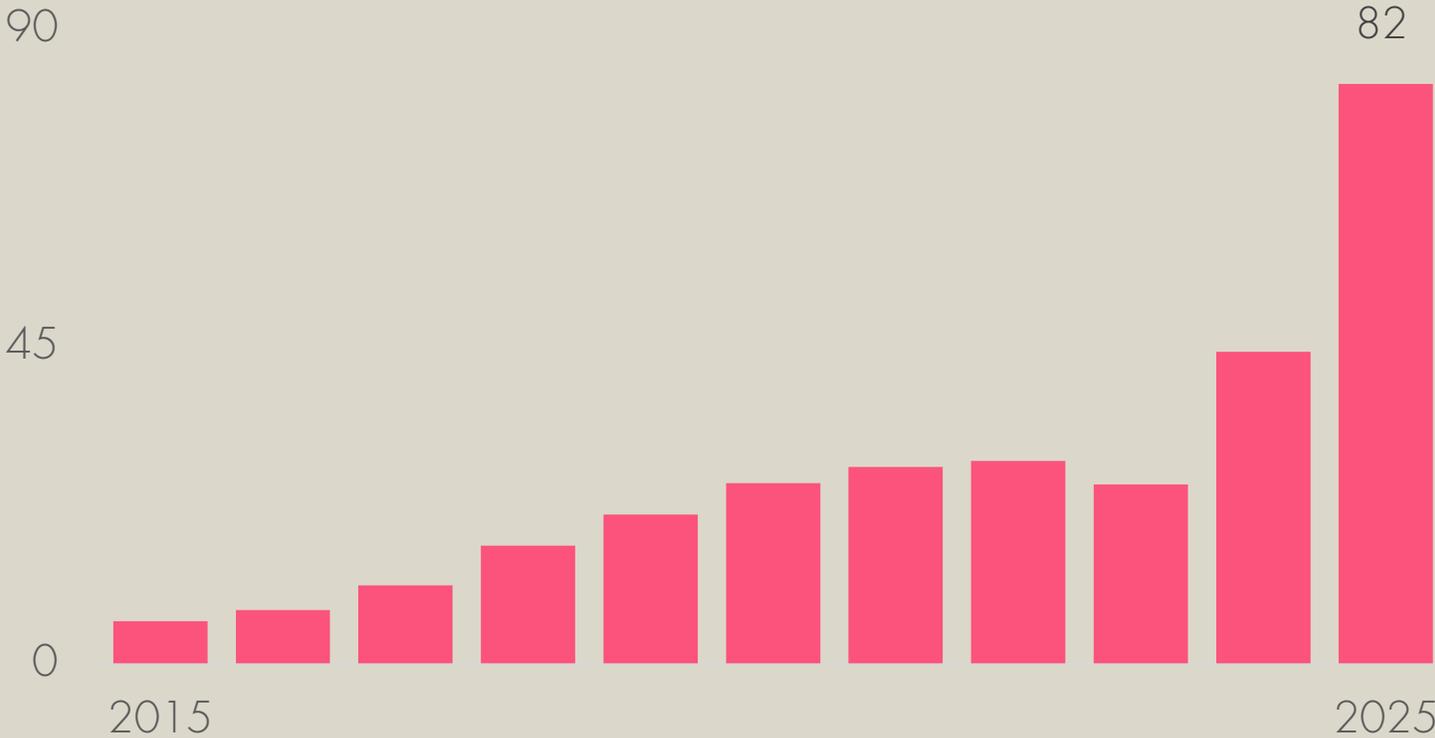
€ billion, corporation tax revenues from the chemical and pharmaceutical manufacturing sector



Source: Revenue Commissioners

# Big ramp-up in Irish pharma exports to US in 2025

€ billion, Irish pharma exports to the US



Source: CSO

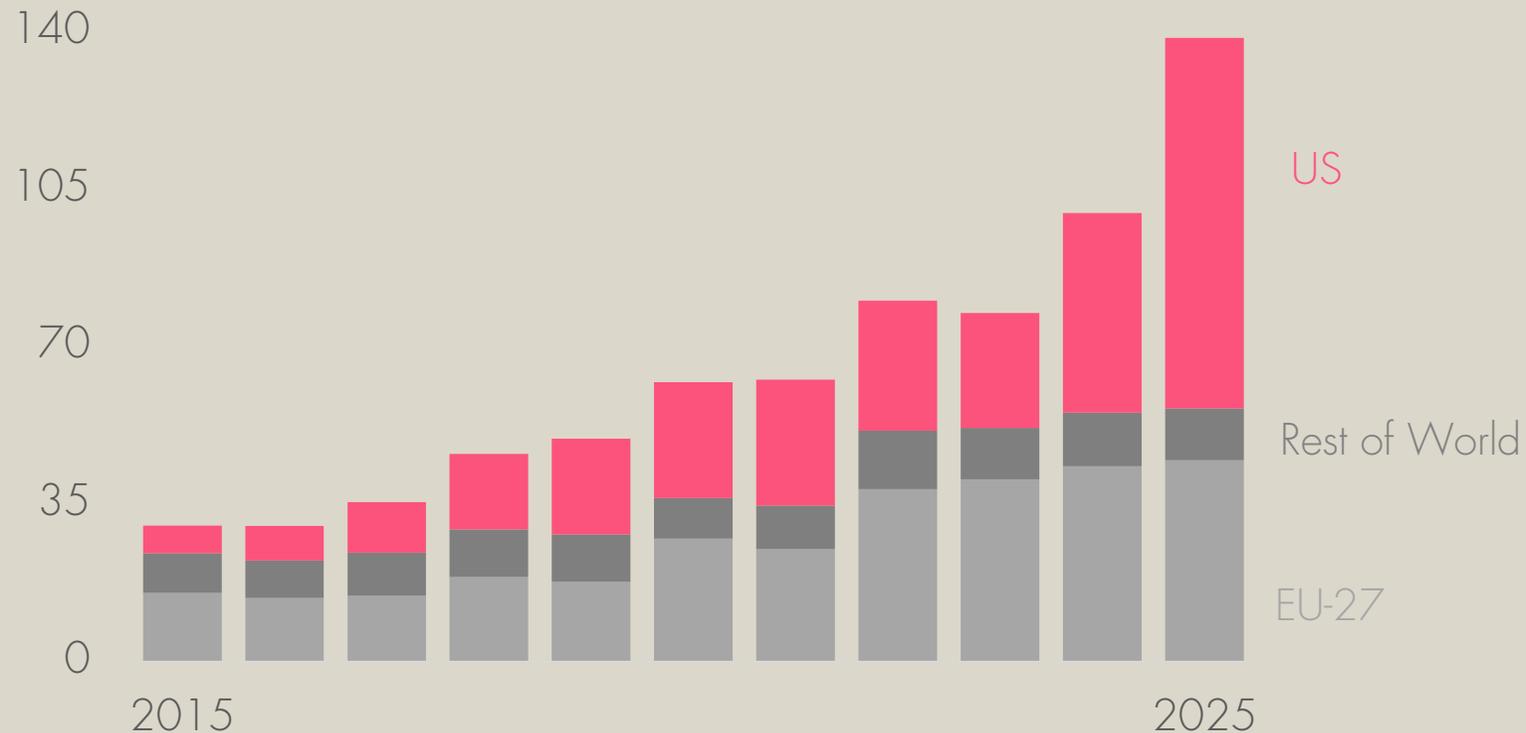
# What could be driving the sharp rise in pharma exports to the US?

Pharma companies might be:

- redirecting products from other markets
- using up existing stockpiles
- expanding production capacity in Ireland
- exporting new, higher-value products

# Pharma exports to the US grow, but not at expense of other markets

€ billion, Irish medicinal and pharmaceutical exports



# Pharma companies reduced existing stockpiles in Ireland in Q1

€ billion, Value of physical changes in stocks, current prices, seasonally adjusted

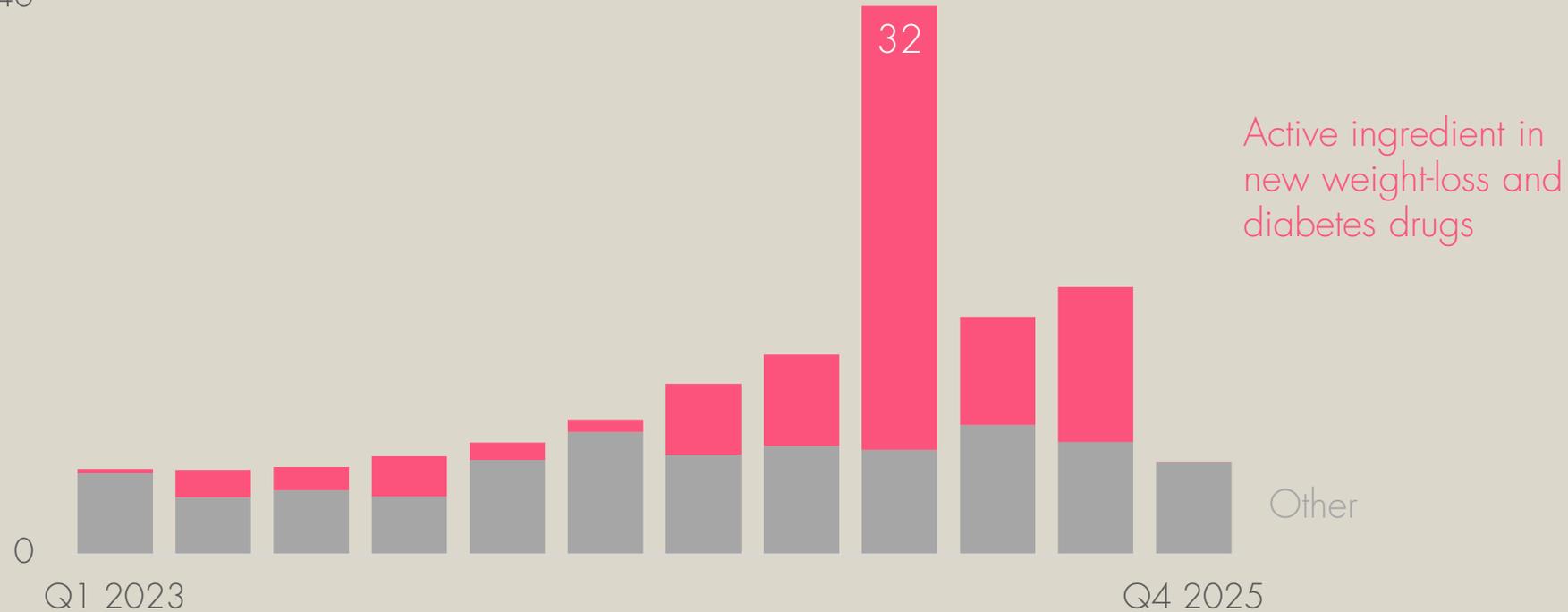


Source: CSO (2025).

# One active ingredient boosts Irish pharma exports to US

€ billion, Irish pharma exports to US

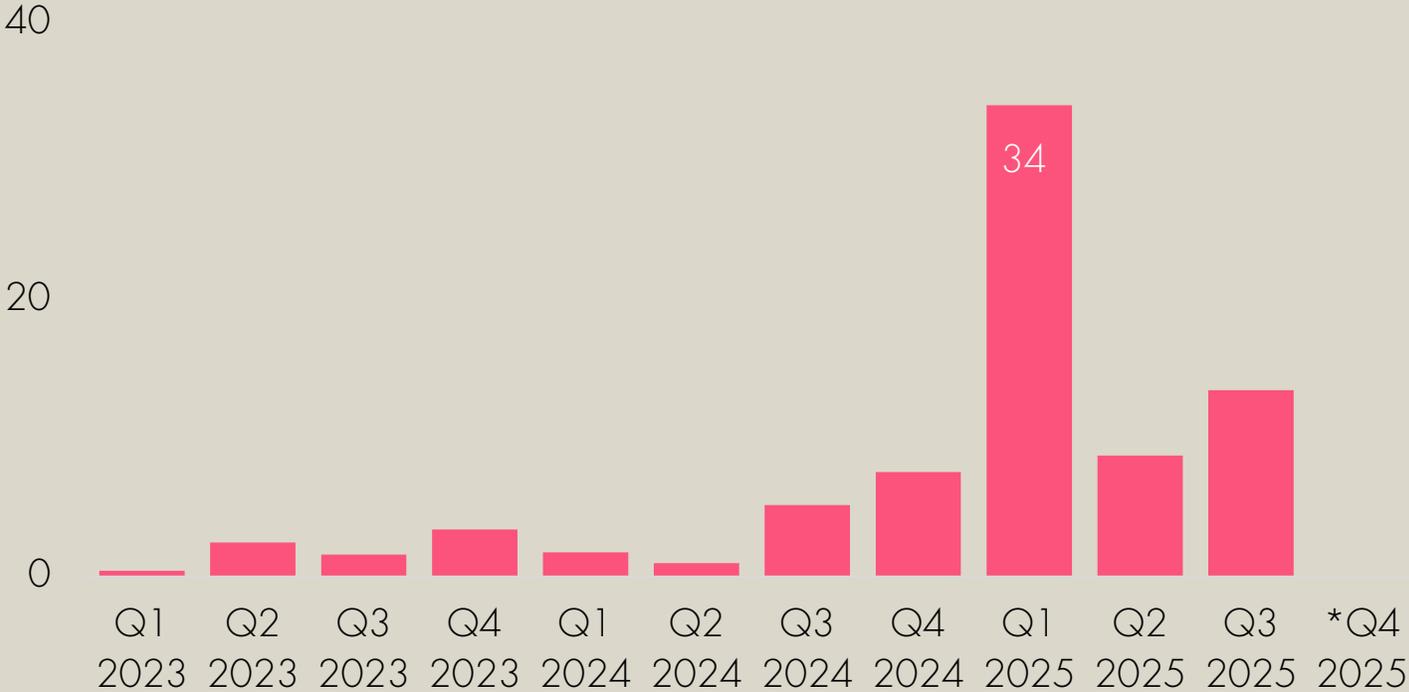
40



Source: Eurostat (2025).

# This active ingredient is being exported to one state: Indiana

\$ billion, Imports of protein- and peptide-based hormones in Indiana from Ireland



Source: US Census Bureau

\*Q4 2025 only includes data for October and November 2025

# Long-term outlook for pharma carries huge uncertainty

## Upsides

Strong underlying demand

New blockbuster drug approvals

Expanded use of existing drugs

Possible price increases in non-US markets

Increased effective tax rate

# Long-term outlook for pharma carries huge uncertainty

## Downsides

Lower branded drug prices in the US

Key products coming off patent

Competition from China

US tax and trade policy seeking to encourage more pharma manufacturing domestically

# 3 key messages

Corporation tax revenues have become **even more concentrated**.

Corporation tax receipts will **continue to be risky**. That is, they could be **much higher or lower** than their current levels over the medium term.

Government currently plans to save only **€1 of every €8 in corporation tax** from 2026-2030.