

Letter: Withholding Tax and Savings under the Indicative Drug Saving Scheme

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From: Department of Health, Ireland

To: Each Health Board Chief Executive Officer

Re: Withholding Tax and savings under the Indicative Drug Saving Scheme

Dear Chief Executive Officer,

I refer to the allocation of general practitioners' proportion of savings under the above Scheme and the application of withholding tax.

The Revenue Commissioners have agreed to allow grants to be made under the Scheme without the deduction of withholding tax. This decision of the Revenue Commissioners is made on the clear understanding that the grants are in respect of approved developments as set out in the Guidelines on Investment of Savings under the Drug Target Scheme and that expenditure is closely monitored to ensure adherence to developments so approved. The Department undertook to write to Chief Executive Officers to advise them of the position and to ensure that appropriate measures are taken so that these conditions are strictly adhered to.

The Department will be advising the Irish Medical Organisation of the contents of this Circular and the necessity for general practitioners who qualify for savings under the Scheme to comply, strictly with the conditions outlined above.

Yours sincerely

Alan Aylward
GMS Division
15 June, 1994