PAYE Modernisation

PSDA Meeting 1st August

Agenda

- PIT Update including Known Error List
- CAB Update
- Parallel Test Update
- USC Draft Regulations
- Employment ID
- Live Endpoints
- PSDA Actions

PIT Updates

PIT Update

- Documents published on Helpdesk (24th July)
  - Revised version of Known Error's List
  - Release Schedule

- Open tickets – 42 from 19 companies
- Closed tickets – 310 from 41 companies

- Last Release – July 24th
  - Compression
  - Bug fixes

- Next Release – Mid August
  - CAB – Error Handling?
  - Bug fixes

Known Error List

Issue Reference	Protocol	Service	Category	Summary	Resolution	Scheduled Fix	Status	Comment
2087	REST & SOAP	RPN		For a Lookup RPN, USC Rate Bands are incorrectly returned instead of USC Rate Cut Off Points.	Cut off points will be returned instead of bands.	RC0.11.1	RESOLVED	
2536	REST	RPN & Payroll		Error Code of '-1' returned for Invalid Signature		TBC	TO BE RESOLVED	New approach discussed at PSDA meeting. CAB required to agree change to HTTP response codes.
2115	REST & SOAP	RPN		Issue relating to LookupRPN responses where the are no RPNs to be returned. What is the expected outcome, An empty list or a no element?		TBC	TO BE RESOLVED	Description updated. Agreeable resolution to be discussed with PSDA.
298 / 2625	Direct Upload	RPN	Response Format	EmployerRegistrationNumber is returned with a leading zero in all 3 file types from the direct upload facility. This only applies to older mock employer data.	No leading zero should be returned using ROS direct upload.	RC0.11.2	TO BE RESOLVED	

Known Error List

Issue Reference	Protocol	Service	Category	Summary	Resolution	Scheduled Fix	Status	Comment
2711	REST & SOAP	Payroll	Status	When PRSI Exempt is true and "employeePRSIPaid" and "employerPRSIPaid" are not present in the payslip, check payroll submission returns the payslip status as Pending.	Check Payroll Submission to return Completed status as PRSI exempt is true.	RC0.11.2	TO BE RESOLVED	
2683	REST & SOAP	RPN	Look Up	When looking up RPN(s) by employeeID the PPSN requires a leading zero.	No leading zero should be required.	RC0.11.2	TO BE RESOLVED	

CAB Update

Request for Change

1.	Request for Change Information
CR #	Revenue0004
Type of Changes	Technical
Submitter Name	Revenue
Brief Description of Request	Issue: Currently error handling responses from the Payroll, RPN and Returns Reconciliation webservices vary across different error types (Schema Errors, Bad Requests & Server faults) and there are inconsistencies across REST and SOAP responses. Additionally, our current error messages provide HTTP response codes which are not aligned industry best practice. Proposed Resolution: Our proposal is to update our error messages to a have a generic fault message structure which will be a consistent approach for all error types. This approach would be adopted for both REST and SOAP responses and it would align our usage of HTTP responses to industry best practice.
Date Submitted	24/07/2018

Request for Change

Priority	Medium
Reason for Change	To provide consistency across error message responses.
Artefacts Impacted	The REST and SOAP versions of the Payroll, RPN and Return Reconciliation services. New error handling documentation will also be provided.
Comments	
Raised By	Conor McDonough
Date Raised	24/07/2018

Request for Change

1.	Revenue Analysis
Impacts	For error responses caused by: • schema validation errors • valid schema but invalid client request (e.g. request failed authentication, duplicate SubmissionId provided) • server fault the PMOD services will respond with a fault messages which contains the following 1. Description: a short description of the error message. 2. Code: Validation code for the error, this is only available for invalid client requests. 3. Path: The path in the request where the error is found, this is only available for invalid requests as well. HTTP response code will be 4XX or 5XX depending on the type of error. See appendix for example response messages
Comments	
Recommendations	If change is accepted, it should be delivered to PIT ASAP

Request for Change

1. Change Advisory Board Decision	
Decision	Approved
Decision Date	01/08/2018
Decision Explanation	Revised error messages in line with industry standards and improves consistency.
Implementation Date	8/8/18 – updated error spreadsheet published 15/8/18 – release to PIT3

Parallel Test

Parallel Test - Update

- List of Customers
  - 250 customers nominated by 21 providers
  - Wide range of sizes, from handful of employees to very large payrolls

- Customer On-Boarding
  - Customers will be able to apply for certificates via MyEnquiries
  - Certificates will be issued to customers via MyEnquiries in September
  - Further details will be circulated to Providers shortly

- Customer Support
  - Telephone-based support will be provided during business hours
  - Customers will also be able to raise support queries via MyEnquiries
  - Further details will be circulated to Providers shortly

Draft USC (PAYE) Regulations

Draft USC (PAYE) Regulations

- Draft USC (PAYE) Regulations   published at with all technical documentation for PAYE Modernisation – link send to PSDA.

- Draft Regulations were issued to Tax Administration Liaison Committee (**TALC**) and sub committees

- The document sets out draft amending USC Regulations (PAYE) to reflect the position from 1 January 2019. It is emphasised that these are draft Regulations and may be subject to change in the light of feedback from stakeholders.

- Any comments on these draft Regulations should be sent to the PAYEModernisation@revenue.ie using the subject line "Draft Regulations"

- Deadline for comments 10th of August

Draft USC (PAYE) Regulations

- Key Points
  - Some regulations amended to refer to Revenue Payroll Notification rather than tax deduction card
  - New regulations have been added for PAYE Modernisation – e.g. 27 specifying new required data items
  - Some regulations have been removed as they are no longer required– e.g. 27 employer failing to pay USC and 19 change of employment

Employment ID

Dual Employments

- Some employers have circumstances where they have chosen to have the same employee on their payroll twice with 2 live employments. The employer in this instance wants to keep the two sets of pay separately on their payroll records.

- There is no requirement or obligation to do this. Other employers would just put the employee on the payroll once – and pay the extra wages or salary altogether

Dual Employments - Current Implementation

- Where an employer has set up an employee with more than one live employment the employee's PPSN can be suffixed by Revenue with an **X**, **Z** or a **T** to differentiate the two employments.

- This is then used on the P2Cs issued to employers and on the P35L received from employers.

- There will be 2 P2Cs one with and one without the suffix

- When filing the P35L the employer should include two records, again one with and one without the suffix.

Dual Employments - Current Implementation

- 1234567A**T**
- This is the format used to advise the employer that the individual with PPS number 1234567A also has a second live employment with the same employer.
- The tax credit certificate with PPS number 1234567A is used for the first employment.
- The tax credit certificate with PPS number 1234567A and a suffix of T (i.e. 1234567AT) is used for the second employment with the same employer.

Dual Employments - Current Implementation

- 1234567A**<u>X</u>**
- This is the format is used to advise the employer that the **spouse** with PPS Number 1234567AW has a second live employment with the same employer.
- The tax credit certificate with PPS number 1234567AW is used for the first employment.
- The tax credit certificate with PPS number 1234567A and a suffix of X (i.e. 1234567AX) is used for the second employment with the same employer.

Dual Employments - Current Implementation

- 1234567A**Z**
- This is the format that is used to advise the employer that the individual with a new format PPS number 1234567AB also has a second live employment with the same employer.
- The tax credit certificate with PPS number 1234567AB is used for the first employment.
- The tax credit certificate with PPS number 1234567A and a suffix of Z (i.e. 1234567AZ) is used for the second employment with the same employer.

Dual Employments – Limits of Current Implementation

- This existing process of using an X, Z or a T as a suffix to the PPSN restricts employers to only allowing 2 live employments.

- However, stakeholder engagement during the design phase of PAYE Modernisation has highlighted that, in some instances, an employer may want to have an employee on the payroll more than twice.

Dual Employments – Limits of Current Implementation

- Employees who recommence with an employer in the same tax year was also raised as an issue during the co-design phase of PAYE Modernisation.

- Without a way of distinguishing each separate period of employment, there is a risk that the incorrect tax credits and rates bands may be operated on and if on a cumulative basis that the incorrect previous pay and tax may be operated on.

- The **Employment ID** ensures that the employer can target the Revenue Payroll Notification at the correct period of employment.

Employment ID

- The Employment ID is a unique identifier for each separate employment for an employee.
- Provided by the Employer.
- Used to distinguish between multiple employments for an employee with the same Employer.
- Also used to distinguish between the different periods of employments where an Employee ceases and re-commences employment with the same Employer in the same year.
- Mandatory if the Employee PPSN is available.
- Used in conjunction with the Employer Registration Number and the Employee PPSN to see if employment record exists or if a new one needs to be created.

List of Employees

- For any existing dual employment that use the X, Z or T suffix, the PPSN on the List of Employees should contain the suffix and the employer should set the Employment ID for these dual employments.

- Revenue will then update the employment record with the Employment ID and will issue the first RPN with this Employment ID.

- This will ensure that the employer knows which employment to each RPN refers to in 2019.

- For all other employees the there is no requirement to set the Employment ID as part of the list of employees.

List of Employees

PPSN	Suffix	Employment ID
0181115L		1
0181115L	T	2
1234567A		

First Revenue Payroll Notification

- The first Revenue Payroll Notifications (RPN) will not include the Employment ID, except for those dual employments where it was set using the list of employees.

- There are no suffixes to PPSNs included in the RPN schemas.

- Payroll software will need to use the PPSN and the Employment ID in conjunction to apply the correct RPN to the correct employee.

- The RPN will not include the Employment ID, except for those employments where it was set using the List of Employees, until the first payroll submission is received for a given employee.

First Revenue Payroll Notification

PPSN	Employment ID	Credits
0181115L	1	3000
0181115L	2	300
1234567A		3300

First Payroll Submission

- The employer will set the Employment ID for employees with the first payroll submission for that employee.

- This will then be updated on the Revenue record and all subsequent RPNs will issue with that Employment ID.

- There are no suffixes to the PPSN included in the payroll submission schema.

First Payroll Submission

PPSN	Employment ID	Pay for Income Tax
0181115L	1	2500
0181115L	2	750
1234567A	1	1500

2018 P35

- The P35 listings for 2018 will be submitted with the suffix to the PPSN and **will not include** the Employment ID.
- This is in line with the P35L schema as published.

Employment ID – Continuous Period of Employment

- If an employee has a continuous period of employment with an employer, one that carries over consecutive tax years, the Employment ID assigned to the employment must remain the same and cannot be changed while this employment is active

Employment ID – Recommencement in Year

- An employee who commences employment with an employer (e.g. Employment ID '1' is assigned by the employer), may cease that period of employment and then re-commence employment with that same employer later in that tax year.

- This must be treated as a new employment and a new Employment ID must be allocated to the employee (e.g. Employment ID '2').

- The employer should request a new Revenue Payroll Notification (RPN) for the new employment using the new employment ID

Employment ID – Post Cessation Payment

- When making a post cessation payment to a former employee, whether in year or out of year, the Employment ID and cessation date contained in the payroll submission must be that of the period of employment to which the payment refers.

- If a payment is made to an employee in the same year that they ceased employment, Revenue can use the Employment ID to determine if it is a new employment or if it is a post cessation payment.

- The employer sends a Lookup RPN request to Revenue.

- Revenue uses the submitted employee data to determine that this is a post cessation payment

Employment ID – Post Cessation Payment

- If an employer pays a post cessation payment to an employee in a different year to when the employment was ceased, the employer should complete a Create RPN request.

Employment ID – Recommencements in Following Years

- An employee who re-commences employment with an employer in the following tax year may use the same Employment ID that was allocated in the previous year.

- This is a new period of employment but since the previous period with Employment ID '1' ceased in the preceding year, the Employment ID '1' can be re-used and assigned to this new period of employment

Employment ID – Jobs & Pensions

- An employee will be able to commence an employment in Jobs & Pensions using MyAccount on the Revenue website.

- Where the employee registers their employment an RPN will be made available to the employer for use on the first payroll run.

- When the employer does a Lookup RPN request they will retrieve this RPN and they will assign the Employment ID when they send the first payroll submission to Revenue

Live End Points

REST Endpoints

RPN Services

POST – Create New RPN

https://www.ros.ie/paye-employers/v1/rest/rpn/{employerRegistrationNumber}/{taxYear}

GET – Look Up RPN

https://www.ros.ie/paye-employers/v1/rest/rpn/{employerRegistrationNumber}/{taxYear}?softwareUsed={SoftwareName}&softwareVersion={softwareVersion}

GET – Look Up RPN by employee
https://www.ros.ie/paye-employers/v1/rest/rpn/{employerRegistrationNumber}/{taxYear}/{employeeId}?softwareUsed={SoftwareName}&softwareVersion={softwareVersion}

GET – Look Up RPN by employer using optional filters date last updated and/or employee Ids
https://www.ros.ie/paye-employers/v1/rest/rpn/{employerRegistrationNumber}/{taxYear}?softwareUsed={SoftwareName}&softwareVersion={softwareVersion}&employeeIDs={employeeId1},{employeeId2}&dateLastUpdated={date}

REST Endpoints

Payroll Services

POST - Payroll Submission
https://www.ros.ie/paye-employers/v1/rest/payroll/{employerRegistrationNumber}/{taxYear}/{payrollRunReference}/{SubmissionID}?softwareUsed={softwareName}&softwareVersion={softwareVersion}

GET – Check Payroll Submission
https://www.ros.ie/paye-employers/v1/rest/payroll/{employerRegistrationNumber}/{taxYear}/{PayrollRunReference}/{SubmissionID}?softwareUsed={softwareName}&softwareVersion={softwareVersion}

GET – Check Payroll Run
https://www.ros.ie/paye-employers/v1/rest/payroll/{employerRegistration}/{taxYear}/{PayrollRunReference}?softwareUsed={softwareName}&softwareVersion={softwareVersion}

Returns Reconciliation
https://www.ros.ie/payeemployers/v1/rest/returns_reconciliation/{employerRegistration}?softwareUsed={softwareName}&periodStartDate={periodStartDate}&periodEndDate={periodEndDate}&softwareVersion={softwareVersion}

SOAP Endpoints

RPN Services

https://www.ros.ie/paye-employers/v1/soap/rpn

Payroll Service

https://www.ros.ie/paye-employers/v1/soap/payroll

Return's reconciliation

https://www.ros.ie/paye-employers/v1/soap/returns_reconciliation

PSDA Actions

AOB

AOB

- Next Meeting – Monday 3rd of September 2pm