PAYE Modernisation

Service User Group
18th April 2019

Revenue

Cáin agus Custaim na hÉireann
Irish Tax and Customs

Agenda

- Live Update
- PIT Update
- CAB Update
- Employer visits' update
- Vendor data review update
- AOB

Live Update

Live Update (as at 5pm, 17/04/19)

- Total Submissions - >   1,788,000
- Direct Payroll Reporting   89%
  - ROS Payroll Reporting   1%
  - ROS Manual Input   10%
- Submitting Employers - >   159,000
- Submitting Employer for April - >   110,000

Total Line Items	Invalid Line Items	Deleted Line Items	Corrected Line Items
23,633,000	353,000	749,000	129,000
	1%	3%	1%

Live Update – RPN issues

- Between 9th and 11th April , incorrect RPNs were made available – requested by approximately 360 employers.

- All incorrect RPNs were updated on 11th April.

- May have resulted in impacted employees receiving a tax refund. When the correct RPN is applied in the next payroll run, any incorrect refunds received will be recouped.

- If the application of the correct RPN results in negative pay, contact the Employer Helpdesk and the relevant RPN will be updated to a week 1 basis.

Live Update – RPN issues

- Additional issue with RPNs identified yesterday for RPNs produced last week in respect of individuals who have the reduced rate of USC.

- Approx. 11k RPNs impacted

- Impacted RPNs are currently being corrected

- We will keep you updated on progress

Live Update – user behaviour payment issues

- Multiple payment method issues
  - Users setting up Multiple RDIs for a single return period
  - Users Setting up Variable Direct Debit and an RDI
  - This results in duplicate payments
- Revenue teams monitoring for potential duplicate payments and taken corrective action
- Enhancements made to screens to address confusion
  - Pay Now or Pay Later screen changed
  - Additional clarifying information added to screens and inbox items

Live Update – user behaviour payment issues

- Updates to enter payment amount screen (29/04)

PIT Update

PIT Update

Statistics

- 10 open tickets
- 1427 closed tickets

- Users – 225
- Companies – 93

PIT Developments

- PIT Wishlist from PSDA
  - Requirements being reviewed
  - Delivery timeline to be agreed

- CAB Items from PSDA

CAB Update

CAB #1: Lookup RPN by PPSN

1.   Request for Change Information

CR #	10
Type of Change	Enhancement Request
Submitter Name	PSDA
Brief Description of Request	Modify Look Up RPN By Employee API to allow searched by PPSN only either by means of a wildcard or blank Employment ID
Date Submitted	20/03/2019
Date of Implementation	To be agreed
Date Required	
Priority	
Reason for Change	This modification would enable Payroll Software to request a list of all registered employments for a particular PPSN – both live and ceased. With this functionality Payroll software could interrogate Revenue for the existence of live employments prior to making New RPN calls or making a first submission for an Employment ID and creating an unintended dual employment. The software could then warn the user of the potential of creating an unintended dual employment. Currently can only request a list of all employments registered against an employer, or for a single PPSN + Employment ID combination.
Artefacts Impacted	The REST and SOAP versions of the Payroll services
Comments	
Raised By	PSDA
Date Raised	20/03/2019

2. PSDA Analysis

Impacts	
Comments	It may also be logical to amend the Look Up RPN By Employer API to allow similar.
Recommendations	

3. Revenue Analysis

Impacts	A PPSN only RPN lookup would require: • Implementing a change to the current RPN lookup service so that it would accept a wildcard (e.g. an asterisk) in place of the employmentId value. This would require minimal changes to the public interface and so might be the easiest to implement for Payroll software providers; Alternatively • A new RPN lookup service which is a dedicated PPSN only lookup service could be implemented. This would potentially require a bigger coding change for Payroll software providers and Revenue but would a clearer more maintainable design; • Both solutions will require extensive performance testing as the RPN lookup service is currently optimised for lookups by Employer or PPSN-EmploymentId combination; • Both solutions will require all require a period of PIT testing for Payroll providers who choose to avail of this enhancement. Other Considerations: Length of PIT testing period that is required before change can be released? How do we ensure all Payroll software providers are notified of prospective change?
Comments	
Recommendations	Revenue would recommend that this change is released in tandem with the release of RPNs for 2020. This would provide payroll providers with sufficient PIT testing timeframe and would provide Revenue with sufficient timeframe to perform the required functional and performance testing.

CAB #2: Add cessation date to RPN

1.	Request for Change Information
CR #	9
Type of Change	Enhancement Request
Submitter Name	PSDA
Brief Description of Request	Change RPN Schema to include Cessation Date field
Date Submitted	20/03/2019
Date of Implementation	To Be Agreed
Date Required	
Priority	
Reason for Change	One of the ongoing issues in PMOD is that of duplicate RPNs for employees that should only have a single employment registered. The current RPN schema does not differentiate between RPNs for Live Employments and Ceased employments therefore it is impossible for Payroll software to accurately identify situations where an invalid duplicate RPN could be created by the user. If the RPN had a cessation date then the software could accurately determine if an employee already has an active registered employment and could flag this to the user before a second employment is registered by mistake (either by an New RPN call or Payroll Submission). It should be noted that any cessations may have been filed manually via ROS or using another software system, therefore the Payroll system cannot always identify ceased RPNs from their own datasets.
Artefacts Impacted	The REST and SOAP versions of the Payroll services
Comments	
Raised By	PSDA
Date Raised	20/03/2019

2. PSDA Analysis

Impacts	Schema changes may break existing code depending on the vendors implementation.
	The PSDA will canvas members beforehand to determine if such a change would cause any problems with already released software.
Comments	Suggest using a field named "leaveDate" as used on Payroll Submissions.
	This change may also help with the processing of Post Cessation Payments.
	It was also suggested by some members that we consider using the existing "endDate" to indicate that an RPN was no longer valid/live, however this may cause problems with post cessation payments.
Recommendations	

3. Revenue Analysis	

Impacts	When reviewing this change request two approaches were considered:
	
	1. Update the 'Lookup RPN' request message to include an optional parameter which would indicate if cessation date, when available, should be returned in the response. Cessation date would only be returned, if the RPN relates to a ceased employment and the calling payroll software has set the optional parameter in the 'Lookup RPN' request.
	
	    Pros:
	
	• Only payroll software which includes the optional parameter in the request will need to make changes to accommodate the inclusion of Cessation date in the response;
	
	• Only payroll software which includes the optional parameter in the request will need to perform PIT testing in advance of this change;
	
	    Cons
	
	• Increased complexity for Revenue in maintaining the 'Lookup RPN' service;
	
	• Introduction of a schema change in first year of PMOD;
	
	• Risk that some Employers/Payroll provider may not make the required changes to their payroll software and so will be not be able to process RPN responses after this change has been applied;
	
	• Performance impact on 'RPN Lookups' will need assessed;

3. Revenue Analysis	

Impacts	2. Update the 'Lookup RPN' response to include cessation date, if the RPN relates to a ceased employment.
	
	      Pros:
	
	 • No changes to 'Lookup RPN' request message;
	
	 • Less complex solutions which is easier to maintain;
	
	      Cons
	
	 • Introduction of a schema change in first year of PMOD;
	
	 • Risk that some Employers/Payroll provider may not make the required changes to their payroll software and so will be not be able to process RPN responses after this change has been applied;
	
	 • Performance impact on 'RPN Lookups' will need assessed;
	
	 Common Considerations:
	
	 Length of PIT testing period that is required before change can be released?
	
	 How do we ensure all Payroll software providers are notified of prospective change?

Comments	
Recommendations	Revenue would recommend that this change is released in tandem with the release of RPNs for 2020. This would provide payroll providers with sufficient PIT testing timeframe and would provide Revenue with sufficient timeframe to perform the required functional and performance testing.

Update – employer visits

Employer visits

- Emergency tax reported but no income tax deducted – old rules being used?
- Emergency tax and RPN number reported
- Gross pay less than pay for income tax and pay for USC – not including taxable benefits in gross pay
- Medical insurance paid by employer reported but nil reported under taxable benefits
- USC exempt but USC deducted

Employer visits

- Gross Pay = 0. Using a net to gross calculation but gross not being reported to Revenue.

- Incorrect USC and tax calculations and credits reported on submission not matching the RPN.

- Pension tracing numbers not being reported where there is an employer RBS

- Employers unaware of the values on the data that was being transmitted to Revenue

Employer Visit

- Data must be corrected as the payroll submissions is the basis for the employee view and also their end of year statement.

- Employees will have a facility later in the year to share this data with third parties for loan applications etc.

Update – vendor data review

Vendor data review

- Data reviews completed with 14 software providers.

- Message on PIT Helpdesk with instructions if others want to schedule a data review.

- As further data analysis is completed a second round of reviews can be scheduled.

Pay for USC Less Than Pay for Income Tax

- 50 Software Providers
- 43,000 line items

Pay Date	Gross Pay	Pay for Income Tax	Pay for USC	
11/01/19	413.30	413.30	182.53	Taxable Benefits not included in pay for USC
11/01/19	80.85	109.69	80.85	Negative ASC and RBS. These are added to gross pay for Pay for IT. Pay for USC = Gross Pay
29/01/19	302.72	302.72	88.00	?
02/02/19	346.92	346.92	52.92	?

AOB

AOB

- Next Meeting
  – Service User Group 10am 16th May