



Administrative Burden Reduction

**Report on the measurement of the regulatory burden imposed on
business by Revenue**

July, 2012

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1. INTRODUCTION

This Report contains the results of Revenue's measurement of the administrative burden, or the costs of "red tape", on business arising from Revenue regulation.

The measurement was carried out in accordance with the Government decision to set a target of a 25% reduction in the administrative burden on business by the end of 2012.

Revenue's results are very positive and we have effectively achieved the 25% target through the implementation of various simplification and technological initiatives. The reductions were primarily achieved through reviewing the operation of various taxes and optimising efficiencies from electronic filing and the Revenue Online Service.

Making it Easier and Less Costly to Comply – A Key Priority for Revenue

Speaking about the report, **Revenue Chairman Josephine Feehily** said:

"It is very important for the economy generally, and for inward investment in particular, to have tax and customs systems that are easy to comply with, responsive to the needs of taxpayers and other stakeholders, and that encourage and actively promote voluntary compliance.

Our strategies include consulting with stakeholders, designing out complexity and providing good quality services to make it as easy as possible to comply. Our approach is based on the smart use of technology-based solutions including self-service options. A measure of our success is that for the fifth year running, Ireland continues to be ranked the easiest country in the EU in which to pay business taxes, and fifth easiest in the world according to an annual index by the World Bank and PWC "

2. BACKGROUND

In March 2008, the Government set a target of 25% for the reduction in the administrative burden of national regulation on business to be achieved by the end of 2012.

The Department of Jobs, Enterprise and Innovation (DJEI) was given responsibility for the national co-ordination and management of this project.

An Inter-Departmental Group (IDG) was established in July 2008 to co-ordinate the delivery of the project. Revenue is represented on this Group.

This project is included in the work programme of the High Level Group on Business Regulation. The HLG was established in 2007 and acts as a forum for dialogue between business, trade unions and Government agencies. Its primary focus is to act as a "clearing house" for regulatory simplifications brought to its attention by business in relation to specific priority areas, including taxation. Revenue has been an active participant in this Group since it was established and has implemented a number of burden reduction initiatives identified by this Group.

The DJEI adopted a centralised approach to this burden measurement process aimed at ensuring a consistency across the Government Departments and Revenue. The DJEI proposed the use of the internationally accepted Standard Cost Model methodology for conducting the measurement of burden and proposed the engagement of external consultants, SIRA Consulting, to provide training and to oversee and validate the measurement process and results. Government accepted these proposals.

The measurement exercise involved three main activities. The first activity was the identification of the administrative activities that gave rise to the greatest burdens on business. The second activity was the establishment of a baseline measurement of the administrative burden using the year 2008 as the basis year. The third activity was the measurement of administrative burden at the end of 2011. These measurements were the basis for reporting to Government on progress towards the achievement of the 25% reduction target.

This report focuses on the administrative burden caused by national Revenue regulation. There is a parallel administrative reduction project at EU level which has as an objective the reduction in EU imposed administrative burden associated with VAT and Customs regulation.

3. REVENUE MEASUREMENT APPROACH AND PROCESS

Project Team and Consultancy Support

A Project Team comprising of officials from Revenue and the Better Regulation Unit, DJEI, was established in October, 2011 to deliver this project – see Appendix 3 for membership of the team.

SIRA Consulting provided training in the Standard Cost Model methodology to the members of the Project Team. They also attended a number of interviews with both Revenue experts and businesses and provided ongoing technical support.

Measurement Methodology

- Members of the Project Team carried out the measurement with input from SIRA Consulting. (see Appendix 1 for the main steps involved in the Standard Cost Model).
- The DJEI opted to take a prioritised approach to measurement of the administrative burden on business. The prioritised approach is referred to as the “80/20” approach the aim of which is to identify the 20% of regulations that cause 80% of the administrative burden. The purpose of the exercise was to apply a systematic method of quantifying administrative burdens while concentrating resources only where they were most likely to produce results.
- Administrative Burdens, in this context, are defined as costs faced by a tax compliant business when complying with requirements in regulation or law to provide information to Revenue. This means that “Business As Usual” costs are not counted as a burden if a normal compliant business is likely to incur such costs even if not required by law to do so.
- Revenue identified the top 20% of the most burdensome regulatory requirements, also called Information Obligations (IOs). The data requirements and administrative activities for each of these IOs were mapped out. These regulatory areas were

selected based on population (i.e. number of businesses affected), frequency (filing requirements, monthly, quarterly, annual) and time taken to comply with the regulatory requirements (i.e. complexity). A number of the most burdensome regulatory areas were identified through interaction with business representative bodies in the High Level Group on Business Regulation.

- Customs related regulation was not included in this current exercise as the IOs are provided for in EU law and Revenue has limited opportunity to influence that burden. VAT was included, as business and practitioners had identified VAT as a major burden on practically all businesses. However, as is the case for Customs, the vast majority of OIs for VAT are also provided for in EU law and Revenue has limited scope for reducing the burden.
- An extensive internal consultation process with legislative and operational experts in Revenue was carried out in drawing up the list of most burdensome IOs. The list of regulatory areas to be measured was an item at the Taxation Administration Liaison Simplification Sub-Committee meeting in February 2010. This Committee has representatives from Revenue and the various tax and legal professions. The list of regulatory areas to be measured was also included as an agenda item for the HLG on Business Regulation meeting in June, 2010.

4. ADMINISTRATIVE BURDEN MEASUREMENT RESULTS

Number and Type of IOs Measured

- The baseline cost year for this exercise was 2008. The measurement period was the end of 2012. The population used was the 2008 population. Reductions introduced from 2004 to 2011 were counted and Revenue also included the reductions to be introduced through the implementation of its new electronic RCT facility at the start of 2012.
- 51 interviews were held with businesses and agents to determine the time and cost involved in complying with IOs. These interviews were both complex and time consuming. Revenue is very grateful for the time given to us by members of the business community and by tax agents in the completion of this exercise.
- Revenue measured 62 IOs (see Appendix 2) which were identified as imposing the greatest administrative burden on business in terms of population affected, frequency of reporting and complexity. These IOs were clustered into groups based on tax type (e.g. Income Tax) or administrative process (e.g. tax registration). Table 1 below shows the number of IOs measured per tax type and administrative process.

Table 1. Information obligations measured per tax type/administrative process

No	Tax Type		IOs Measured
1	PAYE	Pay As You Earn	21
2	RCT	Relevant Contracts Tax	17
3	VAT	Value Added Tax	9
4	IT	Income Tax	6
5	CT	Corporation Tax	5
6	N/a	Audits	1
7	N/a	Tax Registration	1
8	N/a	Tax Clearance	2
	Total		62

Measurement Results

Table 2 shows the measurement results exclusive of the administrative burden associated with VAT and Table 3 shows a separate measurement for the VAT administrative burden. For this measurement exercise, the same 2008 population figures are used for both the 2008 AB and 2012 AB measurements.

Table 2 – Reduction of €66.6m which equates to a 24.9% reduction

	2008 AB €m	2012 AB €m	AB Reduction	% Reduction
Employers' PAYE/PRSI	63.6	57.8	5.8	9.1%
Relevant Contracts Tax	35.8	11.5	24.3	67.9%
Income Tax	104.1	75.6	28.5	27.4%
Corporation Tax	52.3	44.1	8.2	15.7%
Audits	5.5	5.5		0.00%
Tax Registration	4.6	4.8	-0.2	-4.00%
Tax Clearance	1.5	1.5		0.00%
Total	267.4	200.8	66.6	24.9%

Table 3 – Reduction in VAT AB of €18.9m which equates to 7% reduction

	2008AB	2012AB	AB Reduction	% Reduction
VAT*	268.5	249.6	18.9	7%

Main initiatives which resulted in the administrative burden reduction

The administrative burden reduction achieved was mainly the result of:

- Reduced filing frequencies for VAT, Employers' PAYE/PRSI and Relevant Contracts Tax
- An increase in the VAT registration threshold
- Pre-population of IT and CT return forms
- Revenue's new electronic Relevant Contracts Tax system
- The expansion and enhancement of the range of electronic facilities on ROS

5. COMMENTARY ON REVENUE’S BROADER CONTRIBUTION TO THE ADMINISTRATIVE BURDEN REDUCTION PROJECT

Revenue has effectively met the Government target for reducing the administrative burden on business by 25%. Revenue will continue with its ongoing programme of simplification and reduction of the administrative burden associated with tax and duty obligations. One of Revenue’s key corporate strategies is to “Make it easier and less costly to comply”. Reducing the administrative burden on business and associated compliance costs for all customers will continue to be a key priority for Revenue.

This section sets out Revenue’s broader contribution to the administrative burden reduction project in the following areas:

- The measurement of Administrative Burden in respect of Regulation which is within the remit of other Government Agencies
- Revenue’s contribution to Administrative Burden savings by other Government Agencies
- The evolution and expansion of ROS services
- Reducing compliance costs – a key corporate strategy for Revenue Commissioners

Administrative Burden arising from agency type services operated by Revenue in respect of Regulation which is within the remit of other Government Agencies

PRSI and Health Contributions

Revenue collects PRSI and Health Contributions on an agency basis on behalf of the Department of Social Protection and the Department of Health and Children. There is a combined reporting and collection arrangement for Employers’ PAYE, PRSI and Health Contributions. Accordingly, the Administrative Burden associated with PRSI and Health Contributions was included in the Revenue 2008 Administrative Burden measurement for these charges.

Tax Clearance Requirements

Most Government Departments and agencies have requirements for Tax Clearance Certificates, which place an administrative burden on business. Revenue manages the administrative process for these certificates. The cost of the Administrative Burden associated with the Tax Clearance Certificates process has been included in the Revenue Administrative Burden measurement.

National Excise Licence Office

Persons engaging in certain commercial activities are required by law to hold a licence known as an Excise Licence. Excise Licences are specific to the type of business being conducted (for example, liquor, gaming and amusements) and are subject to certain conditions and requirements. While the regulation for many licences falls within the sphere of other Government Departments and Agencies, Revenue manages the administrative processes for the issue of licences.

In June, 2009, Revenue launched its new National Excise Licence Office. This development reduced the administrative burden associated with Excise Licence obligations for up to 40,000 license holders, as considerable streamlining was applied to the Excise Duty Licence application and renewal process. All licence renewal forms have an automatic Tax Clearance facility applied to them; in effect, license holders who

have a valid tax clearance certificate receive a pre-printed renewal form and payslip. Those applicants who do not hold a valid Tax Clearance Certificate receive a letter outlining their compliance position. In contrast to prior years, other supplementary documentation is not required to be submitted with renewal applications. It is also possible for licence holders to renew and pay for their licence using the ROS facility.

Revenue's role in the reduction in Administrative Burden by other Government Agencies

In addition to the reduction in Administrative Burden achieved by Revenue, we also made a contribution to the Administrative Burden savings achieved by other State agencies.

Revenue/Central Statistics Office (CSO)

The CSO achieved a significant reduction in administrative burden imposed on business respondents between 2008 and 2010. One of the initiatives which delivered this reduction is the increased re-use of administrative data, particularly data provided by Revenue. This reduced the requirement to collect information from businesses. The CSO has acknowledged the role of Revenue in this regard.

Revenue provides tax and trade data to the CSO using secure data transfer methods. This reduces the administrative burden on business, in particular with regard to reducing duplication in data submission. A joint Revenue/CSO review of the compilation of trade statistics resulted in the re-engineering of internal work processes and in legislative change which also delivered a reduction in the administrative burden on business.

Revenue/ Companies Registration Office (CRO)

Revenue provides an electronic identity authentication service using the ROS digital signature for the CRO. This has allowed the CRO to widen its base of entities that can sign and submit documentation electronically and reduces the administrative burden by eliminating the need to post paper to the CRO and by enabling real time registration of changes of company details.

The availability of an electronic system for filing annual returns and signed financial accounts could result in an estimated saving to firms of some €29m in 2011 based on all companies using the electronic system.

Evolution and Expansion of Revenue On-line Service (ROS)

Revenue has been building on a programme of simplification since ROS was launched in 2000. Many of the initiatives delivered could not be counted towards the 25% AB reduction target because they pre-dated the baseline measurement year for this project (i.e. 2004).

On-line services provide real and tangible benefits for taxpayers, their agents and for Revenue. The benefits for taxpayers/agents include greater accuracy, speed and convenience (which all translate into lower costs). ROS provides a faster, easier and more secure 24 x 7 day service for the business taxpayer and reduces the administrative costs for both business and Revenue. For Revenue, take up of on-line services frees up increasingly scarce resources from low-value tasks, such as data entry and error correction, allowing greater focus on taxpayer support and compliance.

More extensive use of on-line filing also facilitates the simplification of paper forms and the collection of data for purposes of informing policymaking and risk profiling.

The increased adoption of ROS is considered essential in fully realising the efficiencies – for both business taxpayers and Revenue – that technology can offer. Revenue now provides a wide range of services on ROS to facilitate business taxpayers in the electronic filing of returns and payments. Revenue’s mandatory electronic filing program commenced in 2009 and since 1 June, 2012, all Government Departments, Public Bodies, Companies, VAT registered taxpayers, partnerships, trusts and other groups of taxpayers are obliged to electronically pay and file their taxes.

The range and quality of the online services we have made available to our customers has increased substantially in recent years. ROS services continue to expand with e-licensing, e-Stamping, e-CAT, e-Registration and e-RCT the most recent services introduced. ROS offers businesses access to records of their payment and filing history, summary statements, useful prompts and reminders. We believe that it is a valuable resource for taxpayers and tax agents.

The next step for Revenue in this process is to move to the acceptance of Financial Statements and Tax information in in-line eXtensible Business Reporting Language (iXBRL) format. This is an on-line protocol for the capture of accounts information and will deliver benefits in terms of reduced administrative burden on business. iXBRL will also facilitate better exchange of information between Revenue, the Companies Registration Office and the Central Statistics Office.

Reducing compliance costs – a key corporate strategy for Revenue Commissioners

Over the last decade we have made considerable progress in making it easier to do business with us. Our strategies involve the provision of effective mechanisms and processes for the submission of returns, the collection and accounting of taxes, duties and levies. The availability of a range of technology based solutions and self-service options simplify and reduce the administrative burden associated with tax and duty obligations. A measure of our success in the delivery of this strategy is the fact that for the fifth year running, Ireland continues to be ranked the easiest country in the EU in which to pay taxes (according to “Paying Taxes 2012 – The Global Picture”, an annual report by PricewaterhouseCoopers, the World Bank and the International Finance Corporation). The index used in this study consists of a number of indicators one of which is the number of working hours needed each year to comply with tax requirements. The Paying Taxes indicator measures the total tax burden borne by a standard small to medium sized business as well as the number of payments and total time spent complying with tax laws in a given year.

Revenue’s Survey of Small and Medium Sized Business Customers in 2008 found that high satisfaction levels expressed in the results indicate that the SME sector has a positive attitude towards Revenue. Customer satisfaction with service delivery both at an overall level and specific to various communication channels is high. More than 87% of respondents are either very satisfied or satisfied with overall customer service delivery.

Consolidation of legislation

Recognising that the compliance burden on business can be exacerbated by complex legislation and regulation, Revenue has undertaken an extensive programme to systematically consolidate and streamline older excise, tax and customs legislation. Examples include:

- Taxes Consolidation Act 1997 (IT, CT and CGT)

- Stamp Duties Consolidation Act 1999
- Capital Acquisitions Consolidation Act (gift tax and inheritance tax)
- Modernisation and Simplification of CAT in 2010
- Consolidated VAT Act 2010
- Consolidation in the excise area over a number of Finance Acts from 1995 to 2012
- New Consolidated Customs Bill

APPENDIX 1 -THE STANDARD COST MODEL (SCM) METHODOLOGY

This section sets out in general terms the standard steps involved in using the SCM. The SCM is the internationally accepted methodology used to measure the administrative burden imposed by regulation. It provides a simplified, systematic and consistent method for estimating Administrative Burden imposed on business by regulation. It takes a pragmatic approach to measurement and aims to provide results which are indicative rather than scientifically representative. The SCM involves the following steps:

Identify the most burdensome regulatory areas:

- Draw up a list of all regulation for which Revenue has responsibility. Identify the data requirements and administrative activities associated with each IO. In consultation with legislative and operational experts identify the regulatory areas which impose the greatest burden on business in terms of population (i.e. the number of businesses affected), frequency (filing requirements, monthly, quarterly, annual) and time taken to comply with the regulatory requirements (i.e. complexity). A total of 70 IOs relating to 5 major tax types and 3 administrative processes were identified of which 62 IOs were measured. See list of IOs at Appendix 2
- Prioritise the most burdensome 20% of IOs in terms of an estimation of price x time x quantity
- Draw up a list of all simplification initiatives introduced since 2004
- The fundamental unit of measurement is the normally efficient business- i.e. businesses within the target group that handle their administrative tasks in a normal manner. The measurement does not include businesses that, for various reasons, are either particularly efficient or inefficient
- The SCM assumes full compliance. That means that in performing the calculation to arrive at an estimate of the total AB for all businesses, the population figure used is that for all affected businesses, not just those that are complying with the legislation
- Input was provided by 28 Revenue legislative and operational experts on both the identification of priority IOs, and preparation for interviews with businesses and practitioners

Conduct interviews with businesses and practitioners

- A structured interview script was provided by DJEI which was amended to suit Revenue requirements
- Members of the Project Team completed mapping reports for individual or groupings of regulatory obligations. These were basically fact-sheets containing details of the legislative provisions, a description of the activities which business are required to carry out to comply with the Regulation, the population, segmentation of the population where requires, and details of any initiatives introduced to reduce the burden on business. The mapping reports in respect of the more complex requirements were vetted by legislative and/or operational experts to ensure they were accurate and contained all relevant facts

- Members of the Project Team, accompanied in some cases by business experts, held interviews with businesses and practitioners to establish the average cost and length of time it takes a typical business to comply with the IO and to identify adjustments to these times and costs arising from changes in regulation (e.g. reduced filing frequency, introduction of on-line services) during the period 2004 to 2011. Revenue also included the Administrative Burden reduction to be delivered through the implementation of the new electronic Relevant Contracts Tax system in 2012
- A total of 51 interviews were held with businesses and practitioners

Price parameters for software and labour costs:

- Software costs for businesses (e.g. payroll, VAT, etc) are based on a formula devised by SIRA Consulting
- Standard hourly rates for labour costs are used for clerical/secretarial input, middle management/accountant input and Director/CEO input. These rates are to be applied by all Departments and agencies involved in the national project to ensure consistency of results. The relevant rates are €23, €31 and €41 for the 3 aforementioned levels. While there was scope within the SCM to apply other rates in specific and well-supported cases, it was not possible to avail of this option in respect of practitioners' fees as these were not fully established during the course of this measurement process. In these circumstances an hourly rate of €31 was generally applied for practitioner input

Reporting data

- The results of the business and practitioner interviews were assessed by the Project Team, legislative and operational experts and SIRA Consulting to identify the administrative burden for a normally efficient business. These results were then extrapolated to the business population required to comply with particular IOs
- The results of the interviews were then entered onto the SCM spreadsheet to calculate the overall AB
- Comments/feedback received during the course of the interviews was recorded. This was generally very positive, particularly regarding ROS

APPENDIX 2 - LIST OF REVENUE INFORMATION OBLIGATIONS

A total of 62 of the 70 Revenue Information Obligations were measured. The balance (highlighted in the table below) were not measured for the reasons specified below:

10 2 – Employers are obliged to keep a register of employees. In practice the payroll register itself is the register of employees and therefore this IO does not result in an administrative burden.

IO 3 - Employers are accountable for PAYE deducted or refunded. This obligation was not measured because it does not directly lead to an administrative activity and therefore does not result in an administrative burden. The administrative procedures linked to deducting or refunding PAYE are underpinned by other obligations, which are included in the measurement.

IO 14 - Operate PAYE on salaries and wages generally. This obliges employers to operate PAYE on any payment of emoluments. This IO is an exact duplicate of IO 4. In order to avoid double counting this obligation was not measured.

IO 17 - Parking Levy. This obligation was not measured because it had not been implemented at the time of this measurement.

10 18 – Obliges the employer to deduct and remit the income levy. This levy was payable in respect of the years 2009 and 2010 only and accordingly did not lead to an administrative burden in the baseline measurement years of 2008 or 2011.

IO 25 - Await receipt of Relevant Payments Card RCT47 before making any gross payments. This obligation does not oblige businesses to complete an administrative procedure and therefore does not cause any administrative burden directly. However, the administrative procedure the business needs to go through in order to get the Relevant Payments Card is included in the measurement.

IOs 63/64 – Due to the scope and range/scale of the activities encompassed by site visits and assurance checks, it was decided to focus solely on audits.

Nr.	Tax head	Legislation reference	Information Obligation
1	PAYE	PAYE Regulations Part 2 Reg 7 (Primary Legislation: Section 986)	Obliges employer to register for PAYE. Form TR1 refers; All employers who make a payment > €8 per week to an employee are obliged to (a) register as an employer and (b) notify Revenue of any change of name or address
2	PAYE	PAYE Regulations Part 2 Reg. 8 Primary legislation: Section	Obliges the employer to keep a register of employees; Obliges employers to keep a register of employees and when requested deliver it to Revenue within a required period
3	PAYE	PAYE Regulations Part 1 Reg. 4 Primary Legislation Section 986	Employers are accountable for PAYE deducted or refunded; Employers are obliged to pay any PAYE deducted to Revenue

Nr.	Tax head	Legislation reference	Information Obligation
4	PAYE	PAYE Regulations Part 42, chapter. 4 Primary legislation: Section 986	Operate PAYE on salaries and wages generally in accordance with Section 986 and the PAYE regulations; Obliges employer to operate PAYE on any payment of emoluments
5	PAYE	PAYE Regulations Part 5 Reg 32 (Primary Legislation Section 986)	Obliges an employer to produce all records relating to the calculation or payment of emoluments on request by an authorized Revenue officer. All such records must be retained for a period of at least 6 years; Employers must produce all wages and salaries records on request to a Revenue official. Employers must also retain these records for at least six years
6	PAYE	PAYE Regulations Primary Legislation: Section 985C	Intermediate employer obliged to keep details of employee's emoluments; Intermediate employer obliged to furnish details of employee's emoluments to the principal employer or operate PAYE if instructed by principal employer
7	PAYE	PAYE Regulations Part 4 Reg 17 Primary legislation Section 986	Obliges the employer on the payment of any emolument to an employee to calculate any overpayment or underpayment on a cumulative basis and make a deduction or refund as appropriate and maintain complete records; Employers must apply the PAYE cumulative basis on making a payment to an employee
8	PAYE	PAYE Regulations Part 4 Reg 19 (Primary legislation:)	Obliges the employer to give extra tax credits/SCROP when 53 weekly pay/27 fortnightly payments arise; Employers must apply the "week 53" treatment to certain payments and maintain an accurate record of all such payments
9	PAYE	PAYE Regulations Part 4 Reg 26 Primary Legislation Section 986	Obliges the employer to make repayments to the employee during periods when the employee is not in receipt of pay; Employers must make repayments to employees who are sick or unemployed and not in receipt of emoluments
10	PAYE	Section 897A, TCA, 1997 Returns by employers in relation to pension products	Obligation on employer to return details of tax relief for pension fund contributions; Obligation upon employer to prepare and deliver return stating details of salaries, wages and any other remuneration and details of apportionment if appropriate
11	PAYE	PAYE Regulations Part 4 Reg 27 (Primary legislation Section 986)	Obliges the employer to issue a certificate of pay and tax to all employees in their employment at the end of the year; Employers must issue a P60 showing pay, tax, tax credits and SCROP to all employees at the end of the year
12	PAYE	PAYE Regulations Part 5 Reg 28 Primary legislation Section 986	Obliges the employer to pay over any tax due under the PAYE regulations each month; Employers must pay over any PAYE/PRSI due within 14 days of the end of each month (23 days if paid and filed on ROS)
13	PAYE	PAYE Regulations Part 5 Reg 31 (Primary Legislation Section 986)	Obliges an employer to submit a certificate with annual details in respect of each employee; Employers must complete and submit a Form P35 within 46 days after the end of the year containing details for all employees during the year
14	PAYE	Part 42, chapter 4, Section 986	Operate PAYE on salaries and wages generally in accordance with Section 986 and the PAYE regulations; Obliges employers to operate PAYE on any payment of emoluments
15	PAYE	PAYE Regulations Part 4 Reg 16A Primary legislation: Section 986	Obliges the employer to deduct tax in respect of notional payments to an employee; Employers are obliged to deduct tax from notional payments and remit the tax to Revenue (since 2004 employers are obliged to calculate the tax on all types of BIK and pay it to Revenue)
16	PAYE	PAYE Regulations Part 4 Reg 20 Primary legislation: Section 986	Obliges the employer to complete a P45 when an employee leaves and follow instructions as laid down by the regulation in relation to new employees; Employers must give a P45 to an employee on leaving and submit relevant part to Revenue. Employers are also obliged to follow procedures in the regulation relating to new employees
17	PAYE	Parking Levy--Part 18B Section 531O inserted by Section 3 Finance No 2 Act 2008.	Obliges employers in designated areas to deduct and remit from employees a fee for the entitlement to use a parking space; Employers in designated areas must monitor the use of parking spaces provided to employees and charge each employee a fee for the use of a space. All fees must be paid to Revenue and detailed records must be maintained.
18	PAYE	Income Levy --Part 18A Section 531A inserted by Section 2 Finance No 2 Act 2008	Obliges the employer to deduct and remit the income levy. Employers must operate the Income Levy on all relevant emoluments of their employees at the progressive rates, remit all amounts deducted, balance liability for each employee, submit accounting instructions via P35 and maintain records.
19	PAYE	PAYE Regulations Part 4 Reg 22 Primary Legislation: Section 986	Obliges an employer to follow the rules laid down the emergency basis of deduction; Employers must operate the emergency basis of deduction in the absence of a P45 or a TCC and apply to Revenue for a TCC certificate
20	PAYE	PAYE Regulations Part 8 Reg 44 (Primary legislation Section 986)	Obliges the employer to take into account any taxable benefit under the Social Welfare Acts to which the employee may be entitled; The employer must reduce the Tax Credits and SRCOP in order to recoup any tax due on Social Welfare taxable payments

Nr.	Tax head	Legislation reference	Information Obligation
21	PAYE	Part 5 Chapter 1 Section 112 A	Maintain records and return details on P35. Medical Insurance premiums of employees paid by employers. Records to be maintained and details entered in P35.
22	PAYE	PAYE Regulations Part 7 Reg 41 and 42 Primary legislation Section 986	Obliges an employer to set off against the employee's relevant earnings any contributions to certain superannuation funds and schemes. Any repayments of tax arising in this context should be dealt with by the employer; Employers must set off allowable superannuation contributions against an employee's relevant earnings
23	RCT	Section 531 (6)(b)(i) and Regulation 3 Income Tax (Relevant Contracts) Regulations 2000	Declaration completed by both parties proposing to enter into a relevant contract and not a contract of employment; Registered principals are required to complete Form RCT1 and retain for a period of 6 years
24	RCT	Section 531 (12) Taxes Consolidation Act 1997	Apply for a Relevant Payments Card RCT47 in respect of the certified subcontractor; Provide all required information on form RCT46
25	RCT	Section 531(12) Taxes Consolidation Act 1997	Await receipt of Relevant Payments Card RCT47 before making any gross payments
26	RCT	Regulation 20 Income Tax (Relevant Contracts) Regulations 2000 S.I No. 71 of 2000	When making payments to a certified subcontractor, the principal must enter all required information on the Relevant Payments Card including the subcontractor's PPS number or tax reference number and, if the subcontractor is an individual his or her date of birth. All Principals are required to enter all relevant information on the Relevant Payments Card
27	RCT	Section 531 (1) Taxes Consolidation Act 1997	Deduct tax at 35% from all payments made to uncertified subcontractors; All Principals are required to deduct tax at 35% from all payments made to subcontractors unless they have a valid C2 certificate and they have a relevant payments card
28	RCT	Relevant Contracts Tax Regulations Section 531 (3A) Taxes Consolidation Act 1997	Monthly returns to Collector General on the prescribed form for payments made to uncertified subcontractors; Principals are required to submit Form RCT30 together with any tax deducted by the 14th day of the month following the month in which the tax was deducted
29	RCT	Relevant Contracts Tax Regulations Section 531 Taxes Consolidation Act 1997	Form RCTDC given to uncertified contractor where RCT has been deducted; Principals are required to give uncertified subcontractor RCTDC at the time of payment and record details of payments on Form RCT48
30	RCT	Relevant Contracts Tax Regulations Section 531 Taxes Consolidation Act 1997	Annual declaration and return of payments made to subcontractors must be submitted to Collector General; Principals are required to submit RCT35 which lists all details of every subcontractor engaged during the year, whether or not tax had been deducted. The time limit for making the annual return is 46 days after the end of the tax year.
31	RCT	Regulation 20 Income Tax (Relevant Contracts) Regulations 2000 S.I No. 71 of 2000	Retain all Relevant payment cards, tax deduction cards and declarations for a 6 year period; Principals are required to retain all Relevant payment cards, tax deduction cards and declarations for a period of 6 years after the end of the year in which they refer
32	RCT	Relevant Contracts Tax Regulations Section 531 (11) Taxes Consolidation Act 1997 and Regulation 8 Income Tax (Relevant Contracts) Regulations 2000 S.I No. 71 of 2000	Application for a certificate of authorisation on Form RCT5 and PC5; All subcontractors who want to hold a certificate of authorisation (C2) must complete Form RCT5 and PC5 and supply all the relevant information and documentation
33	RCT	Section 531 Taxes Consolidation Act 1997, The Income Tax (Relevant Contracts) Regulations 2004 (S.I No 761 of 2004)	Notify Revenue of change in details; Registered principals are required to inform Revenue of any change in their relevant details
34	RCT	Section 531 Taxes Consolidation Act 1997, The Income Tax (Relevant Contracts) Regulations 2004 (S.I No 761 of 2004)	Notify Revenue of cessation as a principal; Registered principals are required to inform Revenue if they cease to be Principal
35	RCT	Section 531 Taxes Consolidation Act 1997, Income Tax (Relevant Contracts) (Amendment) Regulations 2008 (S.I No 80 of 2008)	RCT1 declaration delivered to Revenue in certain circumstances within 7 days and within 21 days if specifically requested to do so by Revenue; Certain circumstances as listed in S.I No 80 of 2008 dictate whether RCT1 declaration needs to be delivered to Revenue
36	RCT	Section 531 Taxes Consolidation Act 1997	Examine subcontractors C2 and satisfy him/herself as to the identity of the certificate holder; Principals are required to ensure the details of the C2 are carefully checked (photograph, signature, monetary limit, still in date etc)
37	RCT	Section 531 (13)(c) Taxes Consolidation Act 1997	Return Relevant Payments Card RCT47 to Revenue when informed by Revenue that the subcontractors C2 certificate has been cancelled; All Principals are required to return RCT47 upon notification that a subcontractors C2 has been cancelled

Nr.	Tax head	Legislation reference	Information Obligation
38	RCT	Section 531 (12)(b)(I) Taxes Consolidation Act 1997 and Regulation 18 Income Tax (Relevant Contracts) Regulations 2000 S.I No. 71 of 2000	Sign RCT46 and supply Revenue with details of bank account where required; Provide all required information on form RCT46
39	RCT	Section 531 (6) (g) Taxes Consolidation Act 1997 and Regulation 22 Income Tax (Relevant Contracts) Regulations 2000 S.I No. 71 of 2000	Provide principals with all necessary information to enable them to comply with any provisions of the RCT Regulations; All subcontractors are required to furnish all such information or particulars as are required by principals to enable principals to comply with any provision of regulations made under this section.
40	RCT	Relevant Contracts Tax Regulations Section 531(6)(e) Taxes Consolidation Act 1997 and Regulation 21 Income Tax (Relevant Contracts) Regulations 2000 S.I No. 71 of 2000	Retain a record of all payments received during the year and include details of date of payment, amount of payment and name of person making the payment; Subcontractors are required to retain information relating to payments received by them during the year for inspection
41	VAT	Section 9 VAT Act. Regulation 7 of the VAT Regulations 2006	Completion of a VAT registration form giving personal and business particulars. Form TR1 refers; Persons exceeding turnover thresholds are required to register and account for VAT.
42	VAT	Section 2, 10 and 11 of the VAT Act.	Charge VAT on the correct amount for each transaction at the correct rate. VAT must be charged, levied and paid on the supply of goods and services within the State, on intra-Community acquisitions and importation of goods into the State by accountable persons, where relevant.
43	VAT	Section 16, VAT Act: Regulation 8 of the VAT Regulations 2006	Duty to keep trading records; Traders are obliged to keep full and true records of all transactions including copies of invoices issued to the business and other relevant documentation. This also applies to special schemes in operation, for example, the special scheme for investment gold.
44	VAT	Sections 12A and 17 of the VAT Act: Regulations 9 to 12 of the VAT Regulations 2006	Information required on invoices and credit notes. Duty to include specific information on all paper and electronic invoices & credit notes.
45	VAT	Section 13A of the VAT Act	A person who wishes to become an authorised person is required to submit to Revenue a completed, certified application form together with all relevant information. The zero rate of VAT applies to goods and services supplied to a person authorised under section 13A and to intra-Community acquisitions or importation of goods made by that person.
46	VAT	Section 14 of the VAT Act; Regulation 15 of the VAT Regulations 2006	The obligation to apply in writing for authorisation to account for VAT on a cash basis; to continually review eligibility for cash basis of accounting and to notify the Revenue where he or she no longer qualifies. A person can be authorised to account for VAT on a cash basis if he or she satisfies certain criteria.
47	VAT	Section 19, VAT Act	Completion and submission of the VAT Return and payment of the tax; Registered traders are required to complete a VAT Return and submit payment of the tax to Revenue. Failure to do so may result in a liability to interest and penalties.
48	VAT	Section 19, VAT Act	Completion and submission of the Return of Trading Details to include all transactions at each VAT rate; Registered traders are required to complete a Return of Trading Details forms.
49	VAT	Section 19A, VAT Act: Regulation 14 of the VAT Regulations 2006	Statement of intra-community supplies; Registered traders are required to complete a quarterly return setting out details of supplies made to taxable persons in other Member States
50	Income Tax	Section, TCA 1997 Registration for self-assessment	Obligation to complete registration form for Income Tax. Form TR1 refers; Completion of Form TR1 for sole traders, Trusts and partnerships
51	Income Tax	Section 886, Taxes Consolidation Act 1997	Obligation to keep certain records, Maintaining books and records and retention of same for 6 years; Maintain records in relation to all income and expenditure and these books and all related documents must be retained for 6 years.
52	Income Tax	Section 886A, TCA, 1997 Retention and inspection of records in relation to claims by individuals	Retention of documentation used in support of claim to tax relief; All persons who make a claim for tax relief must retain for six years any documentation used as a basis for the claim for relief
53	Income Tax	TCA '97 Section 951	General Tax Return- Form 11 and 11E; General/Main Tax Return in respect of Direct Taxes in a tax year.
54	Income Tax	TCA '97 Section 951 and 958 - Payment of tax including preliminary tax	For individuals liable to income tax (other than PAYE) preliminary tax must be paid by 31 October every year.; Preliminary tax must be 90% of the tax liability for the current tax year or 100% of final tax liability for the immediately previous year or 105% of final liability for the year preceding the immediately previous year (the latter option is only available where the person authorises the Collector General to collect tax by direct debit).

Nr.	Tax head	Legislation reference	Information Obligation
55	CT	Section 882 of TCA 1997- particulars to be supplied by new companies	Newly incorporated companies are required to register with and furnish certain particulars to Revenue within 30 days of commencing to carry on a business. Form TR2 refers; Information to be furnished includes names, address of the registered office and place of business, company secretary, nature of business and accounting date of the company
56	CT	Sections 884 and 951 of TCA 1997 - Company returns of profits	Companies within the charge to corporation tax must submit a detailed return of taxable profits within 9 months after the end of the relevant accounting period (s.951) or as required by the inspector (s.884).; The annual CT1 return contains details on the company's results for the accounting period including income and gains from various sources, expenses and charges, allowances and reliefs claimed etc.
57	CT	Section 886 of TCA 1997 - Obligation to keep certain records	Every person who carries on a trade, profession or other activity with profits or gains chargeable to tax must keep proper books and records so that correct returns of income may be made.; Records are broadly defined and include accounts and manual/ electronic documents or data relating to all receipts and payments, sales and purchases, assets and liabilities and acquisition or disposal of assets.
58	CT	Sections 952 and 958 of TCA 1997 - Payment of tax including preliminary tax (companies)	For large companies (with tax liability over €200k), preliminary tax is payable in 2 instalments, 1st instalment in 6th month and 2nd instalment in 11th month of the a/c period. For all other companies, preliminary tax is payable in one instalment in 11th month of a/c period. Top-up payment allowed for certain chargeable gains 1 month after a/c period. Balance of tax must be paid with CT return 9 months after end of a/c period.; Preliminary tax must be 90% of tax due for the a/c period, but small companies have option of paying 100% of tax due for previous period. For large companies, 1st instalment is 45% of tax due for current a/c period or 50% of tax due for previous a/c period and 2nd instalment will bring total prelim tax payment to 90% of tax due for current a/c period.
59	46G	Section 894 of TCA 1997 - Returns of certain information by third parties [applies to both Income Tax and Corporation Tax]	Companies and traders and other persons carrying on a business activity are required to make a return of certain payments for services to third parties. Obligation on persons and companies to make a return of information by specified dates.
60	Tax Clearance	S. 1094, TCA, 1997- Tax Clearance Certs in relation to certain licences	Obligation to apply for a TCC for the purpose of obtaining various licences; Sets out circumstances for issue of tax clearance certificate
61	Tax Clearance	S. 1095, TCA, 1997- Tax Clearance Certs in relation to the general scheme	Obligation to apply for a TCC for the purpose of seeking a Government contract or grant; Sets out circumstances for issue of tax clearance certificate
62	Audit	Section 900, Taxes Consolidation Act, 1997 - Power to call for production of books, information, etc.	Audits: Production or making available for inspection books, records and other documentation; Authorised office may require taxpayer to produce books, records and other documentation relevant to the taxpayers liability
63	Audit	Section 900, Taxes Consolidation Act, 1997 - Power to call for production of books, information, etc.	Site Visits: Production or making available for inspection books, records and other documentation; Authorised office may require taxpayer to produce books, records and other documentation relevant to the taxpayers liability
64	Audit	Section 900, Taxes Consolidation Act, 1997 - Power to call for production of books, information, etc.	Assurance Checks: Production or making available for inspection books, records and other documentation; Authorised office may require taxpayer to produce books, records and other documentation relevant to the taxpayers liability
65	PAYE	Section 531AO subsection (8) TCA 1997	An employer is obliged to make an annual return showing emoluments paid to employees and USC (Universal Social Charge) payable and liable to be remitted during the year (P35 with Pay and Tax etc. details). NB this obligation exists for 2011, but not for 2008.
66	PAYE	Part 18D TCA 1997, 531AO, Subsection (11)	An employer is obliged to give a certificate to an employee who ceases employment during the year showing particulars of emoluments paid to employees, USC (Universal Social charge) deducted and dates of commencement and cessation of employment (as with P45 for income tax and PAYE). NB this obligation exists for 2011, but not for 2008.
67	Income Tax	Taxes Consolidation Act 1997, Section 531AS treats USC as income tax in the way in which it is to be due and payable by an individual who pays income tax under the self-assessment system.	An individual's calculation of preliminary tax to be paid by 31 October 2011 is to be done as if universal social charge instead of income levy had been payable for 2010'. USC is included here for comparative purposes only, as it was introduced post-2008.

Nr.	Tax head	Legislation reference	Information Obligation
68	PAYE	Section 4, Health Contribution Act, 1979 Health Contributions Regulations 1979 (S.I. No. 107/1979)	Obliges the employer to calculate and deduct Health Contributions in respect of individuals within the PAYE tax system and to remit those deductions, maintain records and furnish returns to the Collector Generals. A composite figure for both PRSI and Health Contributions is shown on the suite of Employer PAYE returns and forms. NB this obligation exists for 2008, but not for 2011 (replaced by USC. IO 65 refers).
69	PAYE	Sections 13 and 17 Social Welfare Consolidation Act, 2005 Social Welfare [Consolidated and Insurability) Regulations, 1996 – S.I. No. 312/1996	Obliges the employer to calculate and deduct Pay Related Social Insurance contributions in respect of individuals within the PAYE tax system and to remit those deductions, maintain records and furnish returns to the Collector Generals. A composite figure for both PRSI and Health Contributions is shown on the suite of Employers PAYE returns and forms.
70	PAYE	Section 531AO TCA 1997-Subsection (10).	For 2011, the P60 must also contain details of the Gross Pay for the USC (Universal Social Charge) and the USC paid. Note, this burden did not exist in 2008 (replaces Health Contribution IO 68 refers.)

APPENDIX 3 – MEMBERSHIP OF PROJECT TEAM

Name	Department/Role	Division
Kevin Mulkerrins	Revenue Senior manager	Planning Division
Audrey Fleming	Revenue Senior manager	Planning Division
Irene Martin	Revenue Project Manager	Planning Division
Padraig Crowe	Revenue	Planning Division
Colette Doherty	Revenue	ICTL
Anna Nolan	Revenue	ICTL
Carol Walsh	Revenue	ICTL
Harry Prendergast	Revenue	ICTL
Teodora Corcoran	DJEI	Better Regulation Unit
Eric Giguere	DJEI	Better Regulation Unit

APPENDIX 4 TABLE OF ABBREVIATIONS

CSO	Central Statistics Office
CRO	Companies Registration Office
CT	Corporation Tax
DJEI	Department of Jobs, Enterprise and Innovation
e-CAT	Online Capital Acquisitions Tax
e-Registration	Online Registration Service
EU	European Union
HLG	High Level Group on Business Regulation
IDG	Inter-Departmental Group
IOs	Information Obligations
IT	Income Tax
iXBRL	In-line Extensible Business Reporting Language
MAC	Management Advisory Committee
PAYE	Pay as you Earn
PRSI	Pay-Related Social Insurance
PWC	PriceWaterhouseCoopers
ROS	Revenue Online Service
SCM	Standard Cost Model
VAT	Value Added Tax