

IMPORTANT END OF YEAR NOTICE TO EMPLOYERS & PENSION PROVIDERS

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1. 2018 Employer Tax Credit Certificates (P2Cs)

Revenue will cease issuing 2018 P2Cs with effect from 30 November 2018. An exception to this will be for employees/pensioners commencing employment or pension, which are notified to Revenue in December. Revenue will continue to issue P2Cs for 'December commencements' through ROS to employers/pension providers until end-December 2018.

2. PAYE Modernisation

From 1 January 2019 the PAYE system, which was first introduced in 1960, is changing to 'real time'. This means that every time you pay your employees, you will report the pay and deduction details to Revenue as part of the payroll process.

Employers, agents and payroll providers will need to review their business processes and practices so they meet the new requirements. You must ensure that you:

- have registered all of your employees with Revenue,
- checked you have the correct Personal Public Service Number (PPSN) for all employees. Employers can use the PPS number checker in ROS to confirm the correct PPS number for employees or pensioners,
- operate the Revenue deduction instructions for each employee (on the P2C up to end-2018 and on the RPN from January 2019),

- have complete payroll data, which is accurate and up-to-date,
- have all required information on employee pay, including notional pay, on a timely basis and in the correct format to payroll; and
- have an active ROS digital certificate on the computer you use to run your payroll.

If you use an accountant or a payroll agent for your payroll, you must contact them to ensure that you will meet your reporting obligations.

If you use payroll software to operate your payroll, you must contact your software provider to ensure your payroll package is ready to meet the reporting obligations.

Important details on ROS preparations for 2019 are available on our [website](#).

ROS Digital Certificates

ROS access is critical to fulfilling your obligations as an employer.

You should review your ROS digital certificates to ensure that they have not expired. ROS Administrators should log in to ROS now and if prompted to renew, should proceed with the renewal. If the ROS Administrator certificate expires, all sub-users will be suspended until a new certificate is obtained, which may take up to 5 working days. There is only one ROS Administrator certificate. To check that you are the ROS Administrator, go to the Profile tab in ROS – only the ROS Administrator may update contact details there.

ROS certificates have to be renewed every 2 years. Email reminders are issued in advance. You should make sure that your contact details are up-to-date in the ROS Profile tab so that you receive the reminders.

If any ROS certificate is copied to another computer or another user, ensure that all relevant parties are aware of any renewals or updated passwords.

You should also **review your sub-users' digital certificate permissions** to ensure that payroll staff and your software have the appropriate permissions to allow you to comply with PAYE Modernisation. Information regarding ROS certificates is available on our website – see Online services / ROS help / ROS for employers / ROS preparations for 2019 payroll.

Full details regarding PAYE Modernisation and your obligations as an employer are available on our [website](#).

3. 2019 Revenue Payroll Notifications (RPNs)

From 1 January 2019 Revenue Payroll Notifications (RPNs) are replacing P2Cs.

Payroll software will retrieve the latest RPNs from Revenue as part of the normal payroll process. If you do not use a payroll package you will be able to request your employees' RPNs through ROS.

The RPN will provide you with the necessary information to deduct the correct income tax, Universal Social Charge (USC) and Local Property Tax (LPT).

RPNs will be available from 5 December 2018.

Note: from 1 January 2019, you should no longer apply a previous year's P2C to an employee's pay. You must request the latest RPN for all employees/pensioners before you run your payroll. Where Revenue cannot provide you with an RPN, you must apply emergency tax. The [revised emergency tax rates](#) should be used.

4. Forms P45, P46, P30, P35 and P60 abolished

With the introduction of real time reporting from 1 January 2019, Forms P45, P46, P30, P35 and P60 will be abolished. The 2018 P35 due to be filed in mid-February 2019 is the last P35 to be filed. The 2018 P60s are the final P60s that should be produced for your employees.

Employer returns

P30s and the suite of P35 forms will not be used in the new real-time reporting system.

Revenue will issue you with a monthly statement based on your payroll submissions; by the fifth day of the following month. The monthly statement will show a summary of the total liability, and a breakdown of your liability for income tax, USC, PRSI and LPT.

The monthly statement will be deemed as your return if no amendments or corrections are made (to the underlying payroll submissions) before the return due date (the 14th of the following month).

Payment due dates

[Payment due dates](#) for employers are unchanged.

While quarterly and annual remitters will have a monthly statement issued by Revenue which becomes their monthly return, your payment due dates will remain the same.

5. Commencing and ceasing employees

From 1 January 2019, the process for commencing and ceasing employees will be part of your normal payroll process. You must request an RPN for any new employees before you pay them. (The RPN request and payroll submission includes a field for commencement date.) This action will create the employment on our records and will provide you with the details required to calculate their payroll deductions.

First ever employment in the State

An employee who has never worked before in the State must register with Revenue so that the correct amount of tax and USC will be deducted from his or her wages. It is an employee's responsibility to register with Revenue using [myAccount](#) (selecting 'Add Job or Pensions' in PAYE Services) if it is their first ever job in the State. You will then be able to request an RPN.

When an employee ceases their employment with you, you will input the date of leaving (cessation date) on the payroll submission. This eliminates the requirement for a P45.

Note: you should continue to complete P45/P46 process in respect of employees who cease and commence employment **prior** to 1 January 2019.

6. Universal Social Charge (USC)

As announced in Budget 2019, the rates and thresholds of the USC are changing with effect from 1 January 2019. The [USC information on our website](#) has been updated to take account of these changes.

7. USC Exemption on RPNs

Where Revenue estimate (generally based on previous year's earnings) that the employee's/pensioner's total annual earnings (from all USC-able sources) will not exceed the [USC Exemption](#) threshold of €13,000, the USC exemption will be stated on the RPN.

However, where it is known that an employee's/pensioner's pay for USC purposes will in fact exceed the €13,000 threshold, we ask that the payroll operator or HR Department advise the employee/pensioner to contact Revenue to have a revised RPN issued. This can be done by individuals online using myAccount (by selecting 'PAYE Services'), or by contact with his or her [Revenue office](#). This will avoid a situation where the employee/pensioner has an under-deduction of USC at the end of the year (where the exemption is exceeded, USC becomes payable on all income).

8. 2019 Emergency Tax and Emergency USC rates

The new [Emergency Tax and USC rates](#) applicable from 1 January 2019 are available on our website. You should be aware that the [legal basis](#) for applying emergency tax is updated in PAYE real-time reporting. Additional information is included on our [website](#).

9. Taxation of Illness Benefit and Occupational Injury Benefit

Since 1 January 2018, Revenue incorporated the taxable element of [Illness Benefit](#) or Occupational Injury Benefit into employees'/pensioners' tax credit certificates. This had the effect of reducing employees'/pensioners' available tax credits and/or rate bands.

Employers should not have included taxable Illness Benefit with pay in payroll in 2018, and should not return Illness Benefit on their 2018 Form P35L.

Throughout 2018, when Revenue was informed by the DEASP that an employee was in receipt of an Illness Benefit payment, we wrote to the individual to advise that this payment is a taxable source of income and that any tax due would be collected by reducing their tax credits. From 1 January 2019, Revenue will no longer issue letters to employees.

10. Employers' Guide to PAYE

The [Employers' Guide to PAYE](#) is available on our website. This is a comprehensive source of information on the operation of PAYE for employers.

The Guide is currently being updated to take account of changes arising from the introduction of PAYE real time reporting from 1 January 2019.

11. 2018 P35 Filing: feedback to assist filing

(i) Correct PPSN

Payroll/pension departments are reminded to ensure that the correct PPSN is used for their employees/pensioners. All employers/pension providers should have a P2C with the correct

PPSN for all their employees or pensioners; and that PPSN should be subsequently used in completing the 2018 P35L detail. As employers have submitted their list of employees, employer register information should match the P2Cs issued by Revenue in 2018.

Issues have arisen when, for example, an employee/pensioner changes from a 'W' number and has a new PPSN issued by DEASP and Revenue issue a new P2C under the new PPSN. The employee's/pensioner's new PPSN should be recorded on the 2018 P35L. Where an employer continues to use a cancelled or incorrect PPSN on the P35L, this will cause delay in updating the individual employee's or pensioner's pay and PRSI information to the DEASP.

Employers can use the PPS number checker in ROS to confirm the correct PPS number for employees or pensioners.

(ii) Local Property Tax (LPT)

Employers/pension providers are reminded that they are obliged to ensure that [LPT](#) is correctly deducted where instructed to do so by Revenue, and is subsequently included on the 2018 P35L. Updated P2Cs containing instructions about LPT deductions are issued by Revenue during the year, generally based on a customer's instructions to Revenue. Accordingly, it is important that the latest P2C instruction relating to LPT deductions is used. It is particularly important to ensure that updated information about new PPSNs is used in order that the LPT deductions are correctly recorded on your employee's/pensioner's LPT payment record.

12. Revenue's 1890 LoCall phone system replaced by standard telephone numbers

In September 2018, Revenue launched a new telephone technology platform that facilitates phone calls using standard telephone numbers, resulting in reduced costs for customers using mobile phones.

While the 1890 service is a low-cost service for fixed line calls, mobile telecom operators do not treat it as a low-cost service or as part of 'bundled minute packages' and charge standard rates.

Revenue has implemented changes that will allow us to provide a robust and reliable telephone service like that provided by the 1890 architecture. As it uses standard phone numbers, calls will be charged based on a caller's own telephone 'bundle package'.

National Service	Phone number	Outside Ireland
National Employer Helpline	(01) 738 36 38	+ 353 1 738 36 38
PAYE queries from employees or pensioners	(01) 738 36 36	+ 353 1 738 36 36

The full list of new phone numbers replacing the 1890 numbers is available in the [Contact us](#) section of our website.

13. National Employer Helpline

The **National Employer Helpline** provides information and support to employers. Contact details as follows:

MyEnquiries: Select 'Employers PAYE' in the 'My Enquiry Relates To' box.

14. Further assistance

Additional assistance is available from www.revenue.ie in relation to

- using ROS - see [ROS Help](#)
- PAYE Modernisation - see [PAYE Modernisation Technical Overview](#).

Furthermore, there are videos to assist employers and payroll operators in familiarising themselves with the new screens and facilities developed as part of PAYE Modernisation. The videos are interspersed through the links from [Employer obligations from 1 January 2019](#).