

Minutes of TALC Sub-committee on Collection Issue.

Date: 19th June 2019.

Conference Room 1, Ground Floor, Blocks 8-10, Dublin Castle, Dublin 2.

Item 1: Minutes of meeting held 12th March 2019.

The minutes were approved subject to a minor amendment:

Item 6: 'Who were previously registered for VAT' was replaced with 're-registered for VAT'.

Item 2: Matters arising

VAT Refund TDM and wording of the 'Refund Disallowed Letter' are currently under review.

Agent copies of 'Final Demands' and 'Interest Demand letters'-no change to the current process, Debt Management Services (DMS) still in the bedding down stage but Revenue will examine this request at a later stage once the DMS priority upgrades have been addressed.

Layout of 'Statement of Net Liabilities' -Revenue will examine the layout (Balancing year first, followed by Prelim).

VAT 58 – The application cannot be saved and submitted later. Revenue will include this as a development request for the future, however no timeframe can be provided at this stage.

ACTION POINT:








Layout of 'Statement of net Liabilities' - Revenue will examine the layout.

Item 3: PAYE Modernisation.

Revenue provided an update:

From 14th May 2019, each employee/pension recipient is able to view his/her pay and tax details as reported to Revenue by their employer/pension provider. Please see Revenue eBrief No. 093/19 - [PAYE Modernisation Update - employers and payroll agents](#)

From 1st January to 17th June 2019

-  €43bn - Total Gross Salaries
-  36m - Payslips Received
-  2.6m - Number of Employees Reported
-  2.77m - Total Submissions
-  167K -Number of Employers reporting
-  0.5sec -Average Response time to payroll software
-  9.6bn – Total Tax, USC and LPT Reported.

Queries from employees since its launch includes:

- No Submission by employer where the employee has confirmed that payslip shows deductions
- Employer has employee on emergency tax

New facility in myAccount released over weekend of 15th June:

- The ability to claim unemployment repayments on-line. Please see Revenue eBrief No. 118/19 - [Online Unemployment Repayments](#)
- Secure access by third parties to employee pay and statutory deduction information e.g. Financial Institutions for mortgage approval

Facility to add Incomes/Claim extra Credits/generating P21 is currently under development.

Articles are available on Revenue website for employers to encourage their employees to use myAccount. A video is also available on the website.

Revenue is willing to provide seminars to Practitioners, if required, on how to register for myAccount and to ensure awareness as to what will happen at end of year, no P60s etc.

Additional enhancements to myAccount are planned for later 2019.

Revenue is undertaking a data integrity project on data being provided.

Revenue responded to queries raised by the practitioners:

Where an issue is encountered Revenue will respond directly with the employer by Phone or eMail. Phone call may solve the issue where the number of employees is small.

Revenue invited the practitioners to contact Revenue if they need assistance in addressing client issues. PMOD team are available if the practitioners want to avail of their services.

Item 4: Debt Management Services (DMS)

Revenue provided an update and addressed issue raised by the Practitioners.

Debt Management Services has resulted in more contact with customers/practitioners from Revenue.

Where payments are being made by direct debit (DD) Variable DD is a better option for making payments and is popular with customers with a 60% take up of this payment option to-date.

Revenue outlined the difference between direct debit quarterly and monthly payers payment screen.

Revenue informed that it is difficult to anticipate what customers want to do in instances where customers complete a future payment date and also set up a Variable Direct Debit.

To date Revenue has received 1400 Phased payment applications, 945 approved, 381 rejected and 75 under discussion.

Revenue acknowledged the feedback from Practitioners on low value phased payment arrangements for €5,000 and under and has further simplified the application process.

Revenue advised that all referrals to enforcement are screened by caseworkers. A payment request where a payment has not been made when due only issues in the month after the due month. In the absence of a response to the payment request a Final Demand is issued approx. 7 days after the request and 21 days after the due date for that tax. Low value debt is demanded later in the month after the due month. Prioritisation is always in relation to the higher debt. Early engagement by customers or their agents will prevent enforcement.

Where a customer has no live ROS Registration, Revenue will issue the Payment Request /Final demand in paper format. Revenue advised that copies of correspondence to agents will be kept on the agenda but there are other developments that require prioritisation.

For low value debt, under €5,000, Revenue does not propose to change the time line from Payment Request to Final Demand to Enforcement.

Revenue will examine the scope for providing the agent with a copy of the Final Demand, however it highlighted difficulties that might arise such as change in agent / agent no longer dealing with customer's tax affairs/ GDPR.

Revenue advised that a pattern has developed where by the customer is including current taxes in a Phased Payment Arrangement (PPA). Revenue advised that current taxes cannot be included in a PPA and must be paid up front.






ACTION POINT:

Revenue will examine the position in relation to Agent copies of Final Demands.

Item 5: Contacts [My Enquiries/myAccount -Customer Engagement Strategy]

Subgroup of main TALC met on 12th June to discuss Revenue's MyEnquiries service.

Topics discussed included:

-  CT accounting period is currently under review. There is an interim solution which involves amended text to encourage filers to file the return with no gaps or overlapping dates and the system will accept it.
-  A CT offset requests option is planned for inclusion on next year's CT1.
-  The functionality for agents to update address is with the Revenue ICT area.
-  The issue of Customers' representative contacting Revenue but not being able to deal with the customer's tax affairs e.g. Law Society representative.
-  CT1 2019 TDM is in production

The next meeting is scheduled for 19th November.

ACTION POINT:

Revenue to provide an update at next Collection TALC meeting.

ITEM 6: ROS

Revenue presented on P&F/ROS Update.

- CT1 2019 – 1.4k Filed. (73.8k CT1 2018 filed)
- Form 11 2018 (72k filed + 12% YTD)
- myAccount/PAYE – Unemployment Repayments and view payroll details
- ROS Certificate renewals
- ROS Revenue Record (Inbox) – there are a number of videos on the website to explain the Revenue Record service to agents and customers. These are available at the following link ; **Revenue Record**

Reminder of ROS cert renewals –

- Bulk certificate renewal **will take place** in late 2019/early 2020. There is information on the ROS help centre <https://www.revenue.ie/en/online-services/support/ros-help/using-ros/renewing-your-ros-digital-certificate/index.aspx>
- **NOTE:** ROS certificates may be embedded in direct payroll reporting so it's important to check the expiry date of the certificate or sub-certificate.
- System reminders issue at 55 and 15 days before expiry, but note that a significant number of renewals (>85K) were done in August 2017.

ACTION POINT:

Practitioners to advise members that ROS certificates may be embedded in direct payroll reporting and the importance of checking the expiry date of the certificate or sub-certificate

ITEM 7: ITI issues

The new screens for the two-tier VAT registration process were circulated among the group.

Practitioners enquired if there was a way to check if a 'Domestic VAT number' is valid.

Revenue will check the position and revert.

ACTION POINT:

Revenue will issue a soft copy of the VAT screens

Revenue to check whether a Domestic VAT Number can be validated online.

Item 8: BREXIT Information

Revenue's Brexit unit provide an update on 'Trader Engagement'.

- ✚ Since 2009 there have been 46,875 Economic Operators Registration and Identification (EORI).
- ✚ In 2019, as of 16th June, 6,830 registrations

Revenue identified businesses that trade with the United Kingdom (UK) by analysing the VAT Information Exchange System (VIES) returns.

- ✚ 2018 VIES records shows 92,363 businesses traded in goods with UK in 2018
 - 91,838 make an Import VIES return
 - 6,223 made an Export VIES return
- ✚ 65,400 (71%) of these businesses have no EORI
 - 21,193 with no EORI made VIES import return ever quarter in 2018
 - 395 with no EORI made VIEWS export return in six months + in 2018
- ✚ Majority of small businesses i.e. less than 10 employees have no EORI
- ✚ Letters issued in March to Accounting Bodies and Agents requesting that they register their clients for EORI.
- ✚ Agents should encourage their members to register for EORI via ROS.

Key essentials in planning for Brexit:

- ✚ Register for Customs
- ✚ Decide who will submit your customs declarations
- ✚ Know the data required for a customs declaration
 - Commodity code
 - Customs Value of your goods (it is made up of the invoice price plus the costs of transport and insurance)
 - Origin of your goods (You need to know the product you are importing originates from. The country of origin of the goods is used to determine the amount of duty payable).

Next Communication Phase:

- ✚ June 2019:
 - Letter to new businesses on the 2018 records
 - Public Administration seminars (Government Departments and Education Sector)
- ✚ July-August 2019:
 - Sectoral approach using data from VIES records
 - Engagement with relevant representatives bodies
 - Targeting businesses that will be transiting goods through the UK.
- ✚ September 2019:

- Public administration seminars (Local Authorities, County Councils and Health sector).

The Brexit Team addressed issues raised by the Practitioners:

- Where traders are registered for ROS it will not automatically register them for EORI. There is an application process that requires certain information to be inputted by traders.
- There are a number of videos tutorials on the Revenue website to assist traders. www.revenue.ie/brexit
- Traders should not leave it too late to register, practitioners should get this key message out to their clients.
- A dedicated Brexit section was created on the Revenue website www.revenue.ie/brexit that contains useful information to help businesses prepare for Brexit.

ACTION POINT:

Revenue to provide communication to practitioners to issue to clients.

Practitioners to distribute the information through their various communication channels.

ITEM 8 AOB:

An Update was provided to the group on Revenue & Danske Bank transition.

See Appendix 1.

CAT payments by 3rd party

The 'Ability for agent to pay CAT on behalf of client' on RevPay went live on 8/9/18.

Practitioners enquired about **the eRepayment claim portal for the Stamp Duty** residential property rebate and in particular, the requirement to have an RDI in place. In the context of a rebate/refund, it would not appear to be necessary for an RDI (i.e. a debit instruction from a client account) to be in place in order for Revenue to credit a taxpayers account.

Revenue requested details of the case in order to examine the position.

ACTION POINT:

-Briefing Note on 'Revenue & Danske Bank transition' to be circulated to the group.

-Practitioners to submit details of the case-eRepayment claim portal for Stamp Duty and the need for an RDI

Attendees at the meeting:

Apologies: Ms Sandra Clarke (ITI)

CCAB-I

Mr Gerry Higgins
Ms Brid Heffernan

Irish Tax Institute

Ms Mary Healy
Mr Paul Wallace

Revenue

Mr Leonard Burke (chairman)
Mr Pat O'Shea
Mr Joseph Howley
Ms Maura Conneely
Mr Gearoid Murphy
Ms Lynda Slattery
Mr Raphael Ryan
Ms Lucy Mulqueen

Appendix 1: TALC Update – Revenue & Danske Bank transition

In 2018, Revenue was part of the Government wide tender run by the Office of Government Procurement (OGP) for the provision of banking services to Government departments. The OGP tender process resulted in Danske Bank being awarded the contract.

Revenue has commenced a project for the transition of commercial bank accounts with existing providers BOI and AIB to Danske Bank. This project will be completed on a phased basis with the bank accounts used for EFT payments being the first category to move to Danske, with an expected go-live for the new Danske accounts of 1st Oct 2019.

Over the coming months, Revenue will be closing all existing EFT accounts with BOI and AIB. We will be commencing a communications campaign advising customers who make payments via EFT of the account closures and providing details on how to avail of alternative online payment methods. A similar communications campaign is planned at a later stage for the much smaller number of customers paying Revenue by cheque.

Customers have an obligation under S917EA TCA 1997 to file and pay their taxes online with the only exceptions being for (1) non-residents, (2) those who have been granted an exemption from mandatory e-filing from Revenue. In addition, pending an IT development in early 2020, VRT customers can avail of the EFT payment option via the existing payment notification process.

Mandatory eFiling regulations specify that *'payment shall be made by such electronic means as are required by Revenue'*. In this context payment by electronic means as required by Revenue is an electronic payment made via **ROS/my Account, and/or Direct Debit**. Electronic payment includes a number of different payment options such as debit or credit card, single or recurring debit instruction. **Payment by EFT is not deemed to be a payment by electronic means as required by Revenue.**

The many advantages of paying online for taxpayers include:

- Payment records are updated in real-time with immediate credit as Revenue can identify the taxpayer immediately using the tax reference number provided with the payment
- Availability of a payment history and audit trail of payments
- Online payments can be made for a wide range of taxes (including interest and penalties) including audit and notice of attachment payments
- A single payment can be made for a number of different taxes in one transaction
- Compliance with mandatory e-filing and e-paying regulations

The main disadvantages of not paying online include:

- Delays in processing where the tax reference number is not provided with the payment, requiring customer and bank contacts
- EFT and Cheque payments can require manual intervention preventing the real time update of credit to the customer record for payments received.