

Minutes of meeting of TALC Sub-committee on Collection issues

Date: 04 October 2018

Venue: Conference Room 1, Ground Floor, Blocks 8-10, Dublin Castle

Approval of minutes of the meeting held 13 June 2018

The minutes were approved as proposed.

Workplan

Debt Management Services

Revenue will give a presentation about this new service at the next TALC collections meeting. As discussed in previous meetings the current case management system will be replaced with the latest technology which will provide significantly enhanced capability and capacity. Revenue said that the work on this area is ongoing and they will provide an update in due course.

PAYE Modernisation Update (Revenue presentation)

Revenue gave an update on progress on PAYE Modernisation and the design of the ROS system.

Content on the website is continually being updated.

Payroll Integration Test (PIT) software is now live and allows software providers to test live 2018 payroll data.

Letters issued to employers in the week commencing 24 September 2018, advising employers to contact their agent / accountant and to familiarise themselves with the system and the website in advance of 1 January 2019.

Revenue gave an update on the regional seminars that began in September and will run until the end of October.

Revenue demonstrated the new manual input payroll screens for employers who do not use payroll software.

Revenue stated that people should use the new national helpline: 01 7383638 for support on PAYE Modernisation. Revenue confirmed that there will be a new webchat on ROS, that My Enquires will be available and that they have added additional resources to the helpline in order to support the transition to PAYE Modernisation.

Employee Lists

As at 1 October, 20,147 employers had uploaded a list of employees to ROS. Revenue employee information submitted will be validated against Revenue's records. Any differences will be flagged, significant differences will result in the list being rejected and the employer or agent will be advised to contact Revenue to resolve the differences. Some of the results to date are that 17,000 records have been ceased, 17,000 records have also been created.

Practitioners stated that they have been made aware of instances where there have been issues when uploading list of employees to ROS - with the lists being rejected. Practitioners stressed that it's the same software they have been using to upload a number of lists - all the mandatory fields have been filled in and the list uploads in some instances won't upload - so it's not clear why some of the lists are being rejected. Revenue said to raise these issues through the dedicated helpline.

New Income Tax Regulations

Revenue gave a legislation update – new Income Tax Regulations have been published. Revenue highlighted subtle differences in the new regulations compared to the old regulations as follows:

1. Under the new regulations an RPN can only be used in the year for which it relates, compared to the current regulations which allow P2C to be used for multiple years.
2. Emergency tax will be applied when a RPN has not been obtained. If an employee is subject to emergency tax and the situation is rectified the tax will be re-paid in the next payroll.
3. Basis for emergency tax has changed.

Revenue stated that they expect 2019 RPNs to be available the first week of December 2018. Revenue explained that RPNs will be available in real time. The RPN will update every year.

Practitioners Queries

Practitioners had a query on group remitters. Revenue explained that a single payment can be made and it will be apportioned on Revenue's system. A statement will issue for each reference number. Revenue said they will circulate details on how group remitters work under PAYE Modernisation.

Practitioners had a query in relation to salary advances – Revenue explained that there are two options depending on how the payment is treated:

1. If the payment is a salary advance, it is treated as a benefit in kind (BIK), it should be reported as BIK through the tax return. Or,
2. If the payment is treated as an emolument - report it when the payment is made, i.e. make two notifications – one when the advance payment is made and on payday.

Advance notification: Practitioners raised a query in relation to advance notifications and gave an example where; if in January an agent does 26 notifications in advance (to save costs as it is going to be extremely costly to small business to pay agents every month to do a notification). Practitioners want to know, if they do the notifications in advance will the credits be locked in? Revenue explained that there is nothing stopping an employee logging into their My Account and moving the credits – credits are not locked in if the notifications are done in advance, there is a potential risk that the credits may be changed unknown to the agent.

Revenue said that the Tax and Duty Manual on directors is being worked on at the moment.

My Enquiries and related matters

Practitioners sent a list of commonly experienced difficulties with navigating the Revenue website and sourcing information to Revenue in July.

Practitioners noted that a Revenue representative to answer calls would be more welcome than the current automative telephone service. Revenue understand that it is preference to speak to a person however they said the automative answer gives the caller information on how long they will be on hold for, the answering machine gives information to callers on where they can find information on the website.

VAT Registrations

The introduction of a dual system is under construction for delivery at the end of 2018. This system will split domestic and international registrations into two tiers. This dual system is expected to quicken the registration process. A Revenue update on this will be made at the next meeting.

ROS Issues

Form 11

Practitioners queried why the Form 11 has increased in length. Revenue noted that the form is not longer but boxes for multiple trades are removed and are now included as an appendix. Questions in relation to residency are mandatory on the form and a new question has been added to the Capital Gains Tax (CGT) section of the form along with a question on the year of marriage

Pay & File update

- 160,000 2017 returns have been filed to date
- The CGT panel is now amendable
- ROS helpline services have been extended – this was communicated in an eBrief
- Revenue will be issuing a ‘tips and tricks’ eBrief in advance of the deadline
- Revenue acknowledged that ROS payment processing and balancing can be delayed at peak times but as soon as the payment is processed a receipt is issued
- Videos have been added to ROS providing additional information for filing tax returns
- Revenue have included 12 videos which each shows a step explain Revenue record view
- The videos are aimed at dealing with queries that come up most frequently
- Refund bank details should be updated by the taxpayer
- ROS downtime coming up to the deadline are not anticipated – expect for slight downtime on the October bank holiday weekend, Revenue expect this down time to only last around 30 minutes.

1890 business taxes telephone

Revenue gave an update on the new telephone lines that have replaced the 1890 Business Taxes telephone service.

Practitioners previously requested that Revenue consider the introduction of a dedicated agent telephone service. Revenue advised this is not an agenda item at present.

Customer Engagement Strategy

Revenue will provide an update on the customer engagement strategy at the next meeting.

Section 126(2)(B)

Practitioners asked for clarification on the tax position following a ruling by the High Court which determined that a qualified adult for the purposes of the old age contributory pension is beneficially entitled to the amount of the increase of the pension payment. Revenue clarified an additional employee tax credit or increased standard rate band is not due in these cases for the year after 2013 in accordance with section 126 (2B) TCA 1997.

CAT update

Revenue confirmed that third parties can now pay CAT liabilities on behalf of clients.

List of exceptional contact – Dublin

Revenue confirmed that they have put in place a nominated exceptional contact for the Dublin Region. The details of the exceptional contact are: dublinregoff@revenue.ie. Philip Murphy 01 8589201. Dublin Regional Office, Cross Blocks, Upper Castle Yard, Dublin Castle, Dublin 2.

Guidelines for Agents Acting on Behalf of Taxpayers – dual agents

Revenue issued an updated Tax and Duty Manual on 28 June 2018.

Dates for next meetings

All meetings to be held in Conference Room 1, Ground Floor, Dublin Castle

Thursday 6 December: 10.30 – 12.30

Attendees at the meeting:**CCAB-I**

Mr Gerry Higgins (chairman)

Ms Norah Collender

Ms Bríd Heffernan

Irish Tax Institute

Ms Mary Healy

Ms Sandra Clarke

Ms Fiona Carney

Revenue

Ms Lucy Mulqueen

Mr Joe Howley

Ms Maura Conneely

Ms Ruth Kennedy

Mr Leonard Burke

Law Society

Ms Tracey O'Donnell