

Issue of PAYE refunds in respect of Drugs Payment expenditure for 2009

Part 15-01-37

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The automatic processing of tax refunds under the Revenue Drugs Payment Refund Scheme ceased in 2010. The last year for which automatic refunds were made under this Scheme was in respect of the 2009 tax year.

1. Background

In Budget 2007 it was announced that Revenue was commencing a PAYE Simplification programme to make it easier for individuals to claim their entitlements to tax allowances and tax credits. Two elements of this programme are already in place, they are DIRT exemption at source and automatic granting of age related tax credits. This programme also includes provision for third parties to share information with Revenue in order to facilitate the payment of tax refunds.

Section 9 of the Finance Act 2007 implemented the PAYE Simplification programme.

2. Expenditure under the Drugs Payment Scheme

The Drugs Payment Scheme is operated by pharmacies and administered by the Health Service Executive (HSE). This is the scheme where individuals or families need only pay a maximum of €100 per month (for 2009) in respect of prescribed drugs. The aggregate of the monthly expenditure on prescribed drugs (max of €100 x 12) is eligible for tax relief.

The HSE supplied Revenue with a file relating to individuals expenditure under the Drugs Payment Scheme. This file included expenditure incurred in 2009 and PPS numbers.

Note that the figures supplied by the HSE may not fully reflect an individual's entire prescribed drug expenditure for 2009 so claims for additional expenditure under this heading can be accepted.

3. Automatic refunds

The PAYE system was developed to process this file and where appropriate, a P21 will issue and a tax refund will follow. The P21s/refunds associated with this scheme issued during the week commencing 25th October, 2010. It should be noted that P21s only issued where a tax refund due was greater than €20 and equal to or less than €300 and passed various other validations (e.g. pay and tax details on record etc). However a small number of refunds between €20-€300 which were offset against other years/taxheads could result in some net refunds lower than €20 issuing. P21s were not issued where the result of the review was either balanced or an underpayment.

4. Will any explanation issue with the P21?

An insert was included with the P21s outlining how the refund originated and that there is no need to contact Revenue. A copy of the notice is attached at the Appendix. There may, however, be customer contacts and the following **Questions and Answers** will assist in dealing with the issues. Further queries can also be addressed to the **PD-PAYE Helpdesk**.

5. How will staff identify P21's issued?

The following material is either exempt from or not required to be published under the Freedom of Information Act 2014.

[...]

6. Questions and Answers

- Q. Has Revenue the authority to request this information from the HSE?
A. Yes. The authority was included in the Finance Act 2007 but the legislation also contains a provision that Revenue can only use the data for tax refund purposes.
- Q. What about Data Protection?
A. The legislation in the Finance Act gives Revenue the authority to request and process this information in respect of tax refunds. In addition, Revenue has consulted the Data Protection Commissioners on this matter and are satisfied that the scheme is fully in compliance with Data Protection legislation.
- Q. Has any medical information been passed across to Revenue?
A. No. Only amounts of expenditure have been passed across to Revenue.
- Q. As I did not request this refund, do I have to sign any documentation?
A. No, there is no need to sign any document. The data has been processed as if the individuals applied for the refund themselves.
- Q. I had no expenditure last year on prescribed drugs; there must be a mistake?
A. The expenditure may have been made by a family member. However, if you are satisfied that the refund is not due, the refund should be returned and it will be cancelled.

- Q. Where do I return my refund for cancellation?
A. Refunds should be returned to the District Office address specified on the Form P21.

- Q. I also had other qualifying medical expenditure. Will I get this back separately?
A. If you have additional qualifying medical expenditure, you should apply to Revenue. The easiest way to apply for medical expenses relief is by logging onto the Revenue website www.revenue.ie and accessing **PAYE anytime**. Alternatively you can submit a Form Med 1 and return it to Revenue and it will be processed.

A more recent version of this manual is available.

7. Appendix

Leaflet sent to taxpayers with the P21.



October 2010

Refund of Tax

Dear Customer,

I am enclosing a PAYE Balancing statement (Form P21), which shows that you are entitled to a tax refund for the year 2009 for money spent by you on prescribed drugs. You don't need to take any action or contact Revenue at this stage - this refund will issue, from Revenue, to you in the next few days.

The refund arises from details provided to Revenue by the Health Service Executive. This information only related to the actual amount spent by you on prescribed drugs fees and was given to Revenue in accordance with the Finance Act 2007. This information has only been used to calculate the tax refund due to you and will not be used for any other purpose.

Full details of all tax credits, reliefs and allowances are available on the Revenue website www.revenue.ie or from your local Revenue office. If you are claiming additional entitlements I would urge you to use **PAYE Anytime**, full details of which are also available on the website.

If in the meantime you have any enquiries, please contact your local Revenue office, contact details below.

Yours sincerely

Norman Gillanders

Border Midlands West Region Cavan, Monaghan, Donegal, Mayo, Galway, Leitrim, Longford, Louth, Offaly, Roscommon, Sligo, Westmeath	1890 777 425
Dublin Region Dublin (City and County)	1890 333 425
East and South East Region Carlow, Kildare, Kilkenny, Laois, Meath, Tipperary, Waterford, Wexford, Wicklow	1890 444 425
South West Region Clare, Cork, Kerry, Limerick	1890 222 425

Revenue



Cáin agus Custaim na hÉireann
Irish Tax and Customs

Aisíocaíocht Chánach

Deireadh Fómhair 2010

A Chustaiméir,

Iaim leis an litir seo ráiteas Comhardaithe ÍMAT (Foirm P21), a léiríonn go bhfuil tú i dteideal aisíocaíocht chánach don bhliain 2009 i gcomhair airgid a chaith tú ar chógais ordaithe. Ní gá duit aon rud a dhéanamh ná teagmháil a dhéanamh leis na Coimisinéirí Ioncaim ag an bpointe seo - eiseoidh an aisíocaíocht seo chugat, ó na Coimisinéirí Ioncaim, laistigh de chúpla lá.

Eascaíonn an aisíocaíocht ó shonraí a chuir Feidhmeannacht na Seirbhíse Sláinte ar fáil do na Coimisinéirí Ioncaim. Níor bhain an fhaisnéis seo ach leis an méid iarbhrí a chaith tú ar tháillí um chógais ordaithe agus tugadh do na Coimisinéirí Ioncaim í i gcomhréir leis an Acht Airgeadais 2007. Níor úsáideadh an fhaisnéis seo ach chun an aisíocaíocht chánach atá dlite duit a ríomh agus ní úsáidfeair í chun aon chríocha eile.

Tá sonraí iomlána maidir le creidmheasanna cánach, faoisimh, agus liúntais ar fáil ar láithreán gréasáin na gCoimisinéirí Ioncaim www.revenue.ie nó ó d'oifig áitiúil de chuid na gCoimisinéirí Ioncaim. Má bhíonn teidlíochtaí breise á n-éileamh agat d'áiteoinn ort **PAYE Anytime** a úsáid. Tá sonraí iomlána maidir leis an tseirbhís seo ar fáil ar an láithreán gréasáin freisin.

Má bhíonn aon cheist agat san idirlinn, déan teagmháil le d'oifig áitiúil de chuid na gCoimisinéirí Ioncaim, a bhfuil a sonraí teagmhála thíos.

Is mise, le meas,

Norman Gillanders

Réigiún na Teorann, Lár na Tíre, agus an Iarthair An Cabhán, Muineachán, Dún na nGall, Maigh Eo, Gaillimh, Liatroim, an Longfort, an Lú, Uíbh Fhailí, Ros Comáin, Sligeach, an Iarmhí	1890 777 425
Réigiún Bhaile Átha Cliath Baile Átha Cliath (Cathair agus Contae)	1890 333 425
Réigiún an Oirthir agus an Oirdheiscirt Ceatharlach, Cill Dara, Cill Chainnigh, Laois, an Mhí, Tiobraid Árann, Port Láirge, Loch Garman, Cill Mhantáin	1890 444 425
Réigiún an Iardheiscirt An Clár, Corcaigh, Ciarraí, Luimneach	1890 222 425