

Minutes
Indirect TALC Meeting
02nd October 2019 @10.30 am
Basement Conference Room, Stamping Building, Dublin Castle

Item 1 – Minutes of the last meeting

- The minutes of the meeting held on 12th June 2019 were approved.

Item 2 – TOB

- Revenue received a submission from the Law Society on 24 September concerning Partnerships / Co-ownership's / Mergers which it will consider and respond to at the next meeting.
- Members raised the question of whether there was any intention by Revenue to publish specific guidance in relation to Mergers, as in their experience there was an element of confusion around interpretation. Revenue requested details and it was agreed that this would be provided prior to the next meeting in December.

Item 3 – Capital Goods Scheme

- Members asked Revenue if they intended to consider the introduction of new rules for the Capital Goods Scheme related to recovery and deduction similar to those which are covered by Regulation in the UK. UK law allows adjustments to the initial attribution where there is a change in intention, whereas the Irish CGS Scheme is based on use and does not consider intention changes. Members clarified that it was not a high priority issue, but they believed that it would be a beneficial simplification measure.
- Revenue confirmed that it was not currently under consideration.

Item 4 – EU Update

- Revenue provided an update covering areas of note. Various ongoing issues were referred to including the PSP, European Defence Force, Definitive VAT Regime and Rates proposals. Members queried when regulations and guidance on the 'Quick Fixes' would be finalised; Revenue indicated that they expected to finalise these very shortly and pointed out that the changes involved were clear from the Directive. Members were reminded that Revenue would consider any technical issues that they identified in any of the proposals currently before the Council.

Item 5 – AOB

- Revenue’s Correspondence Policy – Revenue informed the Committee that it would not be possible to issue Aspect Queries through the ROS system. Members noted that in their experience, some districts issue hard copies to both the taxpayer and agent, but some do not, and asked about the possibility of Revenue issuing hard copies to both the agent and taxpayer as a matter of policy. Revenue indicated that it would look into the proposal, but ultimately this is an issue for Audit TALC as they have ownership of the Code of Practice for Revenue Audit.
- Review of VAT Grouping – Revenue informed members that two meetings were held with a Subgroup of the Committee on this matter and a draft document would be circulated (to the subgroup) for consideration, and discussion if necessary. Members asked if there was a Revenue position with regards to “Minimum Shareholding” and Revenue stated that the three pillar conditions for grouping were under consideration. Revenue informed the members that they hoped to forward the draft VAT Grouping document to the subgroup within three weeks.
- Two-Tier VAT Registration – Members had concerns that the Commission’s Gateway system would no longer validate VAT numbers where a trader was registered for domestic registration only. Traders and Financial Institutions regularly use the system as part of due diligence checks on customers or clients. Revenue informed the members that this system was not set up for this purpose, it was in place for ICS/VIES purposes and traders should carry out their own due diligence. Revenue would consider further whether a facility to check a “domestic only” VAT number could be made available. Members requested that Revenue consider including reference to verification procedures in our guidance. Revenue agreed to consider whether further guidance in this area was required.
- Tax and Duty Manual Updates – Members mentioned the issue of differences between current published guidance compared with old Revenue Leaflets / Statements of Practice, where it is unclear that there is a material change to the tax treatment. Revenue pointed out that changes are highlighted in accompanying e-brief’s where applicable. Revenue also stated that it would review the contents of the old public bodies leaflet and consider if it should be republished in a new manual.
- Website – Feedback on VAT Content – No feedback received from Members, and nothing raised at the meeting. Agreed therefore that the item would be removed from future agendas.
- Update on Cross Border Rulings – Revenue clarified that the full list of CBR requests is available on the Commission website, and that to date, Ireland has been involved in 4 CBR requests relating to services connected with immovable property, cross border repair services, car hire and the cross-border supply of perishable goods.

Action Points	Responsible	Timescale
Revenue to respond to Law Society submission	Revenue	Next Meeting
Members to provide feedback regarding particular issues in the area of Mergers for consideration.	Members	Next Meeting
Members to provide observations / feedback regarding items raised in relation to the EU update.	Members	Next meeting
Revenue to circulate document on VAT Grouping to members of the subgroup	Revenue	3 Weeks

Attendees

ITI

Gabrielle Dillon
Alma O' Brien
Tom Corbett

CCAB-I

Kevin Elliott (Chair)
Kimberley Rowan

Law Society

Donal Kennedy
David Lawless

Revenue

Gerard Moran*
Colin O' Farrell (Secretary)
Ita Foster
Dermot Donegan
Humphrey O'Sullivan
Ian McCarthy
Davena Lyons

Apologies

CCAB-I

Philip Nolan

*Designated Public Official, *Regulation of Lobbying Act 2015*