

# Revenue Medium Enterprises Division Revenue Technical Service (RTS) Webinar

**November 2024**

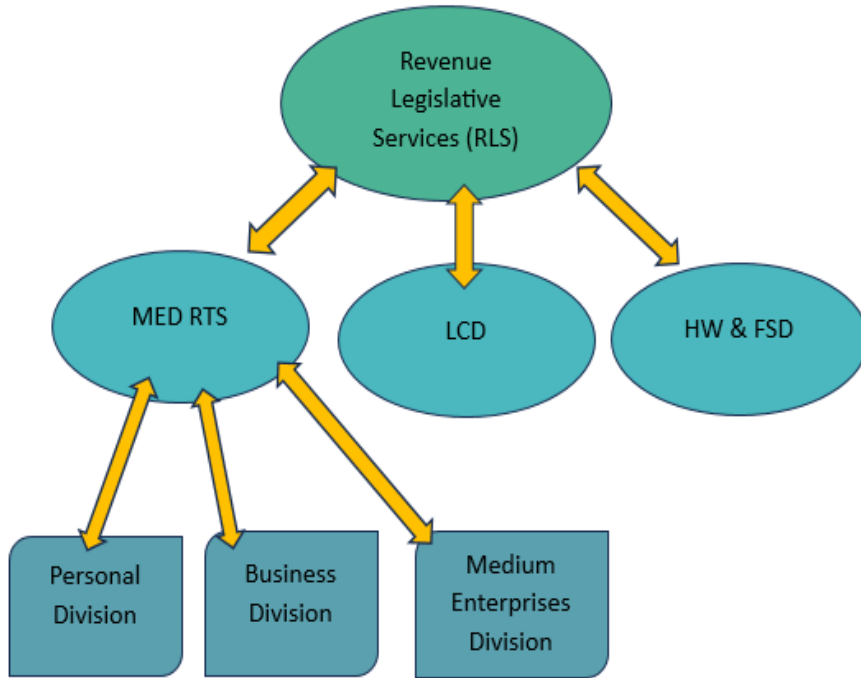
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# Overview

- Overview of Revenue Technical Service (RTS)
- When/How to contact RTS
- Completing a Form RTS1A
- Case studies
- Closing remarks

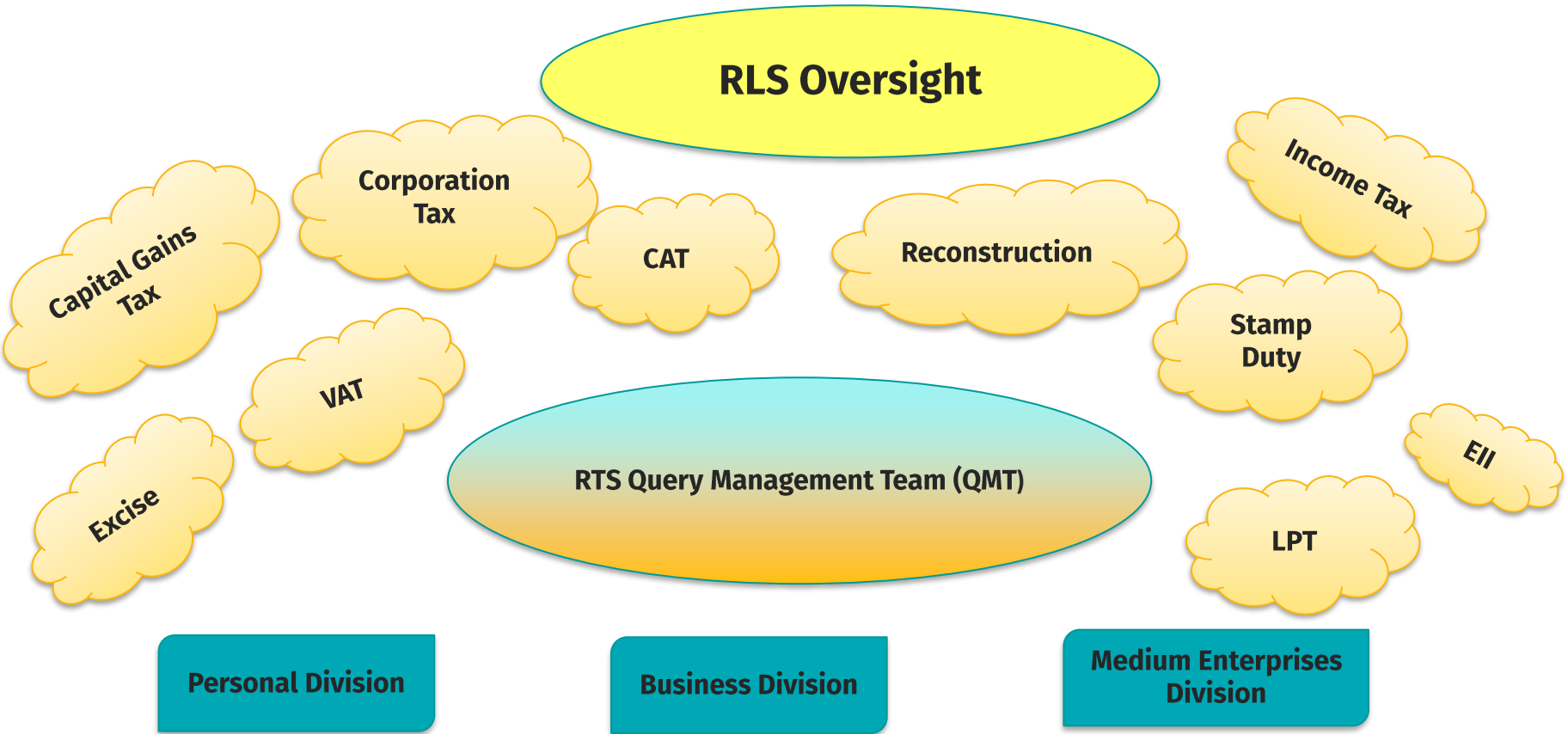
# RTS Framework



The Revenue Technical Service (RTS) provides responses to practitioners and Revenue staff on complex and technical queries and works to enhance the technical capability of our staff to ensure that Revenue continues to meet its core obligation of “minding the tax”.

Tax and Duty Manual 37-00-00a covers MED RTS operation.

# MED - RTS



# What is an RTS (external) opinion ?

- The RTS provides **opinions** - not rulings, determinations, or suchlike.
- RTS offer opinions where a doubt is specified as to the application of Revenue legislation on a complex and technical matter(s). RTS does not provide letters of comfort.
- Taxpayers are not bound by an RTS opinion or by Revenue guidance *“if they can show that the approach that they adopt is in line with the legislation.”* (see paragraph 7.3 of TDM 37-00-00a)
- Opinions are not appealable as they are not binding in the first place.
- RTS opinions have a time limit of 5 years – opinions given in advance of a transaction may not have this limit applied.
- Opinions are provided as part of our Customer Service offering – RTS only provides opinions when asked to do so by taxpayers.

# What will RTS not provide opinions on ?

- RTS will offer Advance opinions, but only in limited circumstances – (see Appendix C of TDM 37-00-00a). The submission must be in respect of an actual proposed rather than hypothetical transaction.
- RTS will not offer an opinion on the bona fides of a transaction, e.g. avoidance provisions.
- Expressions of Doubt are dealt with by relevant Revenue branch.
- RTS will not provide responses on Statutory clearance and certain other topics (see paragraph 8 of TDM 37-00-00a).
- Tax Planning: Revenue will not offer an opinion if it believes RTS is being used for tax planning purposes.

# When to contact RTS ?

- If you have a complex and technical query;
  - where the information being sought, or the answer to the query raised is not already available from published materials either on the Revenue website or from other sources.
  - where a doubt is specified as to the application of Revenue legislation.
- Read the admission criteria – **paragraph 5.2 of TDM 37-00-00a**. Summarised below:
  - The query is set out on a fully completed Form RTS 1A with the full facts, analysis, specified doubt, relevant legislation and guidance you've checked, and your own interpretation.
  - It is case specific and gives the name and tax reference number of the taxpayer requesting the opinion/confirmation and of any other party involved.
  - A description of the details and purpose of each proposed transaction is required.
  - It is not a hypothetical question.
  - The issue is not subject to a current Revenue compliance intervention.

# How to contact RTS ?

- **Submit your query via the following MyEnquiries options:**
  - Add New Enquiry
  - My Enquiry relates to
  - Other than the above
  - And more specifically
  - Tax Practitioners – RTS Queries
  - Add Supporting Documentation (attach your Form RTS1A here)

Failure to submit directly to the above may result in significant delays in processing your RTS 1A submission.



# How to complete a Form RTS 1A ?

- Fully complete all sections of the Form RTS 1A - do not enter “see above”, “as attached” etc.
- Provide a clear summary of the issue and the question to be answered needs to be clear.
- State how the legislation & guidance specifically affect the facts of your case. *(Simply quoting a section number is not sufficient.)*
- You must include your own research/analysis and interpretation of the complex technical issue.
- Attach all relevant and supporting contracts, documents etc.
- Be CONCISE, PRECISE and LOGICAL.

# Form RTS 1A

<p><i>Taxpayer / Company Name</i></p>	<ul style="list-style-type: none"> <li>• Input Taxpayer /Company Name.</li> <li>• Each query should relate to one entity only.</li> </ul>
<p><i>Address/Business Address</i></p>	<ul style="list-style-type: none"> <li>• Input Taxpayer Official / Business Address.</li> </ul>
<p><i>Tax Reference</i></p>	<ul style="list-style-type: none"> <li>• Input Taxpayer /Company Tax Registration Number [TRN]. If there is no TRN available, please explain why – for example, does the query relate to a Taxpayer/Company who is not yet resident in the State?</li> </ul>
<p><i>Revenue Branch/District</i></p>	<ul style="list-style-type: none"> <li>• Input Taxpayer’s relevant tax branch.</li> </ul>
<p><i>Agent</i></p>	<ul style="list-style-type: none"> <li>• Input Taxpayer’s Agent on file (if any).</li> </ul>
<p><i>Submitting Agent</i></p>	<ul style="list-style-type: none"> <li>• Input name of Agent making the submission to RTS.</li> <li>• If the Submitting Agent is not the Agent on file, an Agent Link Notification Link Form for RTS is required.</li> </ul>
<p><i>Tax/Duty Heads involved (IT, CT, CAT, CGT, VAT, RCT, Stamp Duty, etc)</i></p>	<ul style="list-style-type: none"> <li>• List all Tax/Duty heads concerned.</li> </ul>
<p><i>Full facts of the case in relation to the issue or transaction, including the purpose of the transaction(s) and details of any prior or further steps involved</i></p>	<ul style="list-style-type: none"> <li>• Establish the full relevant facts of the situation for which the opinion is sought.</li> <li>• The full and complete details of all the relevant facts must be clearly set out here as the RTS will be working from these set of facts as presented <b>by you</b>. Any doubts over what is happening should be addressed before the query is submitted. Only when the full factual position has been settled and fully understood should a query be sent to RTS.</li> <li>• Be concise and only include the relevant facts which relate to the matter being queried.</li> <li>• If seeking an opinion regarding a product, set out the manufacturing process and product purpose. Include imagery of the product, marketing information (e.g. websites, leaflets, etc) and labelling/packaging.</li> </ul>

## Form RTS 1A (continued)

<i>Details of the specific doubt arising on the proposed tax treatment of the transaction(s) and the exact uncertainty on the application of the relevant legislation upon which clarity is required.</i>	<ul style="list-style-type: none"><li>• State your doubt about the tax treatment and why you are unclear about the application of the relevant legislation (and on published Revenue guidance, if unclear on this also).</li><li>• This should be concise, brief and to the point.</li></ul>
<i>Relevant legislative provision(s)</i>	<ul style="list-style-type: none"><li>• The name of the relevant legislative provision(s) is all that is required to be entered here. Further down in the form under technical analysis, you will outline why you looked at those particular sections.</li></ul>
<i>Details of relevant case law</i>	<ul style="list-style-type: none"><li>• List any relevant case law.</li><li>• Name of the cases read is sufficient in this section.</li><li>• As above, the case law may not necessarily appear in the technical analysis, but it advises the RTS that you considered it and don't consider it relevant.</li></ul>
<i>Details of your full technical analysis and research</i>	<ul style="list-style-type: none"><li>• Outline what analysis and research you have undertaken – use headings:<ul style="list-style-type: none"><li>(i) Start off by quoting the legislation or guidelines in question.</li><li>(ii) Then set out your view of how this piece of legislation/guidance applies to the facts of your query.</li><li>(iii) Finish with your precise opinion/view and your question of doubt – why do you/would you doubt your own opinion?</li></ul></li></ul>
<i>Your conclusions on the interpretation of the application of the legislative provisions</i>	<ul style="list-style-type: none"><li>• Outline your conclusion on how the legislation applies to the particular circumstances of the case.</li><li>• Some of this section may include a copy and paste from section immediately above.</li></ul>

# Form RTS 1A (continued)

<p><i>Have copies of contracts and other relevant material been included?</i></p>	<ul style="list-style-type: none"> <li>If there are supporting documents you wish to include, number and attach these files when submitting your Form RTS1A via My Enquiries. List each in your correspondence, e.g. (1) Invoice X - 13/5/24, (2) Contract Y - 20/5/24....</li> </ul>		
<p><i>Have all facts in the matter been disclosed in full?</i></p>	<ul style="list-style-type: none"> <li>If the full facts have not been disclosed, include details of the omissions, and state any caveats or assumptions that you are making regarding the matter.</li> <li>RTS does not address queries based on hypothetical scenarios.</li> </ul>		
<p><i>Is the submission the subject of a compliance enquiry of any kind?</i></p>	<ul style="list-style-type: none"> <li>If yes, please state the status of the enquiry.</li> <li>If not, please insert No.</li> </ul>		
<p><i>Is the submission requested in connection with any form of tax planning by the agent or the taxpayer?</i></p>	<ul style="list-style-type: none"> <li>If yes, please provide details.</li> <li>If not, please insert No.</li> </ul>		
<p><i>Does this interpretation relate to subject matter to which exchange provisions apply?</i></p> <p><i>If yes, confirm all supporting documents are included</i></p>	<ul style="list-style-type: none"> <li>Guidance on matters that are subject to exchange provisions is available in Revenue's <a href="#">Tax and Duty Manual 35.00.01</a> – review and select 'Yes' or 'No' here accordingly.</li> </ul> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>		
<p><i>Confirmation</i></p>	<ul style="list-style-type: none"> <li><a href="#">RTS Tax and Duty Manual 37.00.00a</a>, specifically paragraph 5.2, which outlines RTS acceptance criteria should be considered by you before completing this section.</li> </ul> <p>I confirm that the above detailed query and analysis meets the RTS query submission criteria:</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>		
<p><i>Prepared by</i></p>	<p><b>Name</b></p> <ul style="list-style-type: none"> <li>Input Submitter Name</li> </ul>	<p><b>Company/Department</b></p>	<p><b>Date</b></p>

# Rejections

**Not complex  
and technical**

**No doubt  
specified**

**Not case  
specific**

**Matter  
concerning  
Revenue  
intervention**

**Insufficient  
information  
provided**

**Hypothetical  
question**

**RTS 1A  
incomplete/  
not provided**

**Tax planning/  
avoidance**

**Not proper  
to RTS (e.g  
non-technical  
or simpler  
technical  
queries )**

**Answer  
available in  
public domain**

**Advance  
opinion**

**Repeat  
submission**

# How to avoid your Form RTS 1A being rejected ?

- Take your time completing the form – be organised in the layout of your points.
- Match your entries to the categories requested:
  - e.g. “full facts of the case...” “details of the specific doubt...”
- Attach all contracts, corporate structures, documents, referred to in your submission.
- Show how/where you researched your query; what sources did you check?
- Why was the legislation, guidance, case law researched unable to resolve your query?
- Get the form right first time: it saves time in the long run.

# Rejection Response

Where a submission is rejected by RTS:

- RTS Response will issue
- Acceptance criteria not met
- Reason for rejection
- RTS will endeavour to provide assistance e.g.,
  - No Complex/Technical Doubt expressed/Reconsider/Resubmit
  - Refer querist to relevant section of legislation
  - Refer querist to Guidance notes/TDM/Revenue Website/Answer in Public Domain
  - Refer to relevant Revenue Branch e.g., Expression of Doubt/Compliance Intervention

# Case study: Not tax technical in nature

## Query to RTS:

- Is my wife a 'Farmer' for the purposes of claiming s.598/s.599 TCA 1997 Retirement Relief?

## Outcome:

- Query Rejected:
  - Technical but is it tax technical?
  - Complex and technical V weight of evidence.
  - Onus on taxpayer to satisfy Revenue that they meet the conditions specified in legislation & relevant Revenue Guidelines.
  - Whether farmers wife is a 'farmer' is simply a 'Matter of Fact'.
  - Potential compliance matter and not within the remit of RTS.



## Case study: Form RTS1A incomplete

Incomplete form/Insufficient information/Legislation is clear  
(Facts? Legislation? Guidance consulted?)

<i>Submitting Agent</i>	[REDACTED]
<i>Tax/Duty Heads involved</i> <i>(IT, CT, CAT, CGT, VAT, RCT, Stamp Duty, etc)</i>	CGT
<i>Full facts of the case in relation to the issue or transaction, including the purpose of the transaction(s) and details of any prior or further steps involved</i>	Request for exemption on CGT associated with the sale of [REDACTED] [REDACTED] He is making the claim for exemption of Capital Gains Tax under the Taxes Consolidation Act, 1997, section 604 (11).
<i>Details of the specific doubt arising on the proposed tax treatment of the transaction(s) and the exact uncertainty on the application of the relevant legislation upon which clarity is required.</i>	Please see letter attached that t/p has submitted outlining his claim. My query is that the property was purchased for both parents as dependant relatives. On reading up on Dependant relative it only uses the singular and not for two persons residing in the property. Can you confirm if the exemption is due from the date the property was purchased or from the date t/p's mother became a widow and resided in the property on her own.
<i>Relevant legislative provision(s)</i>	
<i>Details of relevant case law</i>	

### • Section 604(11) TCA 1997

11) [(a) In this subsection "dependent relative", in relation to an individual, or the wife or husband of the individual, who is incapacitated by or maintaining himself or herself, or a person, whether or not he or she is incapacitated—

(i) who is the widowed father or widowed mother of the individual or the husband of the individual, or

(ii) who is the father or mother of the individual or of the wife or husband of the individual and is a surviving civil partner who has not subsequently entered into another civil partnership.]<sup>9</sup>

# Customer Service Standards & Response times

- RTS submissions range from:
  - Query rejected as answer available in the public domain, to
  - Highly complex new business areas such as Crypto currency.
- RTS will endeavour to reply to complex technical queries within 20 working days.
- Response times depend on the complexity of the query.
- Customer Service Standards are monitored.
- The top priority is to provide accurate opinions.

# RTS - Mission Statement

- Clarity: RTS will provide you with clarity as to the application of Revenue legislation.
- Clarity works both ways: please try to be clear and concise with your submissions to RTS.
- Our priority is to provide you with the correct interpretation of Revenue legislation.

## **Contacting RTS:**

- All submissions to RTS must be made via MyEnquiries.
- Phone numbers (administration):
  - Jody McDonnell: 087-6817961
  - David McCarthy: 086-6029455
- Technical RTS staff are not contactable directly via email or phone – contact administration as above.

# Revenue



Cáin agus Custaim na hÉireann  
Irish Tax and Customs