

Summary Note of the Annual Branch Network Meeting between the Irish Tax Institute and Revenue's Business Division

Irish Tax Institute offices, Longboat Quay, Dublin 2.

26 November 2025

1. Structure and Staffing of Business Division

Business Division has 1,045,000 customers in its case-base. The upper threshold for the case-base has increased substantially over recent years; increasing from taxpayers with annual turnover up to €3 million, to €9 million and now up to €15 million. The case-base includes businesses and individuals with Case I/II income and proprietary directors of such businesses, together with businesses with a live VAT or RCT registration that are not within the case-base of another division. Business Division is the largest operational division in Revenue. An organisation chart for Business Division is available [here](#).

Business Division consists of two Service Branches, 11 Compliance Branches, a Risk Management & Quality Branch and a Divisional Office. The compliance branches operate on a geographical basis and are risk-based in their approach to compliance activities.

The National Employer Helpdesk is managed by Service for Compliance Branch 1, which also includes the National Business Taxes Registration Branch and the VAT phone service. Service for Compliance Branch 2 manages the Business Taxes phonenumber (i.e. income tax, corporation tax, CGT) and related MyEnquiries. The Branch also includes eRCT service and the National Excise License Office (NELO).

The service element of CGT relating to the case-base is now managed by a centralised team in Personal Division. The remit of the centralised team in Personal Division includes the handling of requests for CGT clearance on

disposals by non-resident vendors. Centralisation should help further streamline this process.

As noted in previous meetings, Revenue encourages escalation of appropriate cases to the relevant Principal Officer (PO) if a case is not progressing or significant difficulties are experienced.

There are 1,266 staff in the Division across 23 offices around the country. Staff are primarily geographically based so that they have local knowledge of the case-base. The Division carries out a diverse range of activities given the nature of the case-base and the Divisional Office assists with staff training and skill development.

There were over 70 vacancies in the Division in 2024, however, Revenue was very successful in its recruitment with all these posts now filled. Over the last year, there has been significant interest in Revenue's recruitment campaigns across all grades from a diverse profile of applicants including graduates and professionals working in the corporate sector.

Practitioners highlighted the short timeframe between the income tax and corporation tax deadlines in 2025 (i.e. 19 November for the income tax ROS pay & filed deadline and 21/23 November for corporation tax). Practitioners asked Revenue to reconsider this approach for future years. The request was considered more appropriate to TALC, and the Institute will raise the matter at that forum.

2. Business Division Branches and Activities

The Division outlined its current areas of focus. These are:

- **VAT:** High risk VAT is always an area of focus.

- **Share Schemes:** Work continues to collect employees' unpaid tax on share options exercised prior to the change in tax treatment from 1 January 2024. €11 million has been collected from the project to date. Revenue is currently working on cases where the tax owed on share options is less than €20,000 and Level 2 Risk Reviews have issued. Revenue has sent two letters to taxpayers but has received no response in approximately 1,000 cases. Revenue will proceed to assess the tax due following a 7-day warning letter in cases where no response has been received.

In future, Revenue will not write repeatedly to tax agents and taxpayers seeking engagement. In exceptional circumstances, for example, where the client has a medical issue and further time is needed to respond, the agent can engage with Revenue to explain the situation and seek additional time to respond. Revenue reminded that engagement is essential to maintain the benefit of penalty mitigation for co-operation under the *Code of Practice for Revenue Compliance Interventions*.

- **PMOD:** This remains an area of focus in compliance activities.
- **Income earned from social media, virtual cash and cryptocurrency:** The Division has experienced considerable success in generating settlements from social media influencers, with some significant amounts in unpaid tax.
- **Tourism, hospitality and holiday lets** are also an area of focus.
- **R&D Tax Credit claims:** Revenue issued a ROS Inbox circular to companies that had claimed the R&D Tax Credit in the past to advise how to avoid errors in their 2024 Form CT1 returns. Videos were also released on Revenue's website on common errors on the tax return. This supplemented information on common errors provided to the Institute via TALC last year for circulation to members. Revenue has observed a significant decrease in the error rate since these resources were made available.

Revenue reiterated that it has no discretion regarding the 12-month deadline for submission of an R&D Tax Credit claim. Revenue highlighted instances where companies are submitting reports in support of R&D Tax Credit claims, but they are not including the claim on the Form CT1. Revenue cannot enter the claim for the taxpayer on the Form CT1.

It may be the case that these taxpayers are start-up businesses which have not appointed a tax agent to assist them with their claim and they assume it is sufficient to submit an R&D expenditure report to Revenue. However, a valid claim is not made unless the appropriate fields on the Form CT1 are completed. Revenue is engaging with the Department of Enterprise, Trade and Employment to improve awareness of the requirements.

Revenue also reminded of the pre-filing notification for companies claiming the R&D Tax Credit for the first time. The requirement is outlined in the legislation. Revenue does not take a view on the validity of the claim based on the pre-filing notification.

- **Compliance Interventions:** Revenue uses its real-time risk system to identify claims for review. Level 2 compliance interventions may be initiated in appropriate cases and result in penalties. The opportunity to make a qualifying disclosure ceases once a Level 2 intervention has commenced.

Revenue has observed an increasing number of instances where the taxpayer is ignoring communications from Revenue. A failure to respond can often result in the taxpayer paying a sizable penalty which is considerably larger than the penalty that would have applied if the taxpayer engaged at an earlier stage and made a qualifying disclosure. Revenue encourages early engagement by taxpayers and qualifying disclosures.

- **Postponed Accounting:** Revenue has identified errors in the PA1 field in the VAT3 return notwithstanding the required information is provided in the

Customs & Excise reports. Revenue has withdrawn the right to use postponed accounting in certain cases where it is not applied properly.

- **RCT:** The Division has a keen focus on RCT particularly to address fraud with dedicated staff resources working on fraud cases. In addition, inaccurate data has been submitted which has resulted in unnecessary interventions. Other issues arising include unknown subcontractors, misclassification of employment and late payment of RCT.

Revenue conducts detailed analysis of RCT data. Consequently, inaccuracies and anomalies draw Revenue's attention. The Tax & Duty Manual (TDM) on RCT for principal contractors has been updated to remind principal contractors to determine the correct employment status of subcontractors, using the five-step framework outlined in the *Karshan* judgment.

The correct application of RCT procedures is important and is an area of focus for Revenue. Significant RCT penalties have been imposed where patterns of non-compliance are identified. Revenue will examine the full supply chain where there are multiple principal contractors in the chain. Determining the correct employment status is also important. Regarding the application of penalties, Revenue agreed that minor errors may occur due to an honest mistake by the principal contractor which should be corrected promptly. It is instances of bad practices in relation to RCT that cause Revenue concern and result in penalties.

- **CAT:** CAT non-filers are an area of focus with Level 2 interventions underway. Exemption and relief claims are also examined to ensure they are valid. Taxpayers should ensure they retain full back up information to support any claim and should anticipate that this information will be sought by Revenue. Instances have arisen where AI generated invoices and other documents, which are not what they purport to be, have been provided to Revenue.

Processing of CAT clearances for estates is now centralised in Personal Division and currently there is no backlog. Centralisation should support

greater streamlining in the processing of clearances and reduce inconsistencies practitioners have noted, such as, the use of the correct valuation date, handling of early filing of returns and delayed refunds. Personal Division handles the screening of the clearances. If a compliance intervention is initiated in relation to a Business Division case, the Division will manage the compliance aspect of the case.

- **CGT:** Review of CGT involves examining capital losses, debt forgiveness, Retirement Relief, Entrepreneur Relief, Share for Share exchange relief i.e. the *bona fide* test demonstrating the commercial purpose of the transaction. Revenue is also using data from CG50 applications.
- **Stamp Duty:** Revenue examines the application of section 31E SDCA 1999 (i.e. the higher rate of stamp duty that applies to the acquisition of 10 or more relevant residential units and attempts by taxpayers to avoid this charge). Adherence to the conditions of sections 79 and 80 reliefs and section 83D stamp duty refund scheme claims are also reviewed.

When examining section 79/80 relief claims Revenue will also examine CGT relating to the transaction e.g. sections 586/587 TCA 1997 and demonstration that the *bona fide* test has been met

- **Domicile levy** cases are reviewed.
- **Excise Duty:** Considerable progress has been made in reducing the number of unlicensed traders. Excise control officers are visiting premises. If the trader does not have a licence, Revenue will examine the trader's compliance with all other tax obligations including PREM, Enhanced Reporting Requirements (ERR). Consequently, businesses should be aware that the absence of a license will draw scrutiny.

Currently, Revenue's activity has involved the checking of licences and seizing of unlicensed gaming machines. The Gambling Regulation Act 2024 provided for the establishment of the Gambling Regulatory Authority of Ireland

(GRAI) which will be the sole body responsible for the regulation and licensing of gambling in Ireland.

- **Debt Warehousing Scheme (DWS):** Approximately, €1.5 billion of the warehoused debt refers to taxpayers in the Business Division case-base. Generally, businesses are adhering to the agreed payment arrangements and retaining their tax clearance. The DWS is a generous support and Revenue reminded it is essential to adhere to the terms of the scheme.
- **E-liquid Product Tax (EPT):** This tax came into effect on 1 November 2025. 51 traders have registered for the EPT to date, 42 of these are Business Division taxpayers. The first returns for EPT are due in January 2026. Revenue's initial focus will be on ensuring appropriate businesses are registered for EPT.
- **Tax registrations:** Revenue requested that businesses only register for the appropriate taxheads when registering for tax for the first time. If all taxheads are selected on the tax registration application, the taxpayer's record will indicate they are non-compliant for taxes for which they are not filing returns.
- **Solid Fuel Carbon Tax (SFCT):** For compliance interventions, for example, in respect of non-compliant fuel sales Revenue will widen the intervention to examine all tax risks.
- **Sugar Sweetened Drinks Tax (SSDT):** The current aim is to ensure those businesses that are within the scope of the tax are returning SSDT. The SSDT applies to the first supply in the State of sugar sweetened drinks. In-scope businesses must register for the tax and subsequently file a return and make a payment after the end of the accounting period. Relief from SSDT for exports is available, however, the trader must first register for the tax to claim the relief. It is important not to select SSDT when registering a new business for tax unless the business is in-scope of SSDT i.e. only select the appropriate taxheads on the tax registration application.

The Division issued letters to businesses which Revenue consider may be in-scope but had not registered for SSDT. 59% of recipients responded with 53 businesses subsequently registering for the tax, 46 declared a liability and 16 submitted unprompted qualifying disclosures. The Division will review all cases that do not respond. The Division initiated 40 SSDT interventions using a mix of appraisals, Risk Reviews and Audits.

- **Employment Investment Incentive (EII)/Start-up Capital Investment (SCI)/Start-up Relief for Entrepreneurs (SURE):** The most recent year for review of returns is 2024. One team specialises in reviewing cases and examines adherence to the rules of the schemes. Revenue takes a risk-based approach to selecting cases. Revenue's review starts with the Form 11 of the person making the claim for relief under Part 16 TCA 1997. Revenue often looks at the entity that raised the funds at the same time. Accuracy in the completion of the Form 11 is important. Only returns of proprietary directors are handled by Business Division. PAYE claimants of the reliefs are dealt with in Personal Division.
- **Identity theft, extraction fraud and cyber-crime:** The risk of tax and customs fraud from organised crime is a growing issue for tax authorities. A centralised Revenue team is focused on identifying and addressing threats of economic crime to tax collected by the Exchequer. Revenue has a number of teams of staff working on unravelling attempts at cyber-crime, for example, 73 staff working on one project.

Revenue drew attention to the risk of criminals targeting tax agents to enable criminal access to an agent's computer and ROS login. Bad actors may purport to be potential clients and send an agent a document which, if opened, allows malware to access the agent's system and gives the criminal control. Instances have arisen where the criminal subsequently logs into ROS to amend bank account details and contact information for clients etc.

Revenue noted the importance of agents having appropriate internal processes in place to address any potential security risks as required in the

TDM [Guidelines for Agents and Advisers Acting on Behalf of Taxpayers](#). If there is a loss to the Exchequer due to negligent practices by an agent and inadequacies in their system, Revenue will seek to recover the sum lost from the agent. Therefore, agents should ensure they are familiar with their cyber insurance claims policies. Revenue highlighted examples of instances where agents may not have up-to-date malware protection systems, instances where agents were hacked and re-hacked within a short period and instances where others using the agent's credentials were able to access ROS and amend details on client records.

Similar to 2024, Revenue has removed a number of TAINs from agents and this process is continuing. Revenue recognises that the removal of a TAIN is a significant step and impacts an individual's livelihood. The decision to remove a TAIN is not taken lightly but results from egregious behaviour by the agent.

In addition, cases have been identified where purported agents are operating without a TAIN and using taxpayers' login details. Instances have also been identified of identity theft e.g. using an individual's PPSN when the individual has left an employment. Criminal prosecutions will follow in appropriate cases. Referral to the relevant regulatory bodies will be made where appropriate.

It was agreed that the growing instance of cyber-crime and risk is a concern for all. The Institute will consider ways to increase members' awareness of the concerns raised by Revenue.

Auto-enrolment (AE)

Revenue confirmed that it does not perform any role in respect of AE. The National Employer Helpline will advise callers with queries on AE that Revenue is not involved in the scheme and does not have access to the information provided to the National Automatic Enrolment Retirement Savings Authority (NAERSA). PMOD information supplied to Revenue via payroll is shared with NAERSA under a data sharing arrangement to enable it to determine which employees are in scope of the scheme. Queries on AE should be directed to the NAERSA helpline.

Revenue will facilitate a ROS Inbox notification on behalf of NAERSA to remind employers of the commencement of AE on 1 January 2026.

Enhanced Reporting Requirements (ERR)

Practitioners queried Revenue's approach to ERR. The Division confirmed that there is no standalone Business Division project in respect of ERR. It is examined in conjunction with PMOD interventions. Overall, across Revenue's case-base for 2024, approximately €1.6 billion non-taxable payments and benefits were reported under ERR consisting of €1.3 billion of travel and subsistence expenses, €10 million payments of the Remote Working Daily Allowance and €217 million under the Small Benefit Exemption. The level of contact by employers with the NEH in respect of ERR remains quite low with only 89 queries in the third quarter of 2025.

Revenue highlighted that ERR is an important risk indicator regarding an employer's approach to payroll compliance. Tax leakage can arise from the payment of cash and tax-free travel and subsistence expenses to employees in inappropriate circumstances. Revenue will examine patterns in ERR returns and in sectors and select cases for intervention. One-off errors in returns will not be liable to penalty where a business is making a genuine effort to comply with the requirements of the regime.

Business Division Plans for 2026

The Division's plans for 2026 have not been fully developed. However, they are likely to involve activity relating to:

- Short-term lets
- Driving instructors paid in cash
- Couriers and delivery drivers
- Form 46G compliance

- Abandoned VAT claims (i.e. a claim is abandoned when supporting information is sought. Revenue will visit businesses submitting such claims.)
- Construction sector e.g. RCT and employed versus self-employed status
- Extraction fraud and cyber risk
- eLiquid Products Tax
- The interplay between income tax and RCT
- Cases in a net refund position on a constant basis
- CAT non-filers
- VAT and VRT risks in respect of luxury vehicles
- Employee share schemes
- Cross-checking of returns against reliable third-party data e.g. data on farm payments
- Work on gambling licences will cease considering the establishment of GRAI
- Digital Public Services Plan
- Payroll accuracy and the quality of data
- VAT high-risk carousel fraud
- Postponed accounting e.g. the PA1 field
- Shadow and cash economy - 20% of the time worked by Joint Investigation Unit (JIU) officers is out of hours work, with an increased focus on the nighttime economy
- Construction site visits with Gardaí and immigration officers
- Short-term lettings
- Crypto-currency trading and investment
- Wage payments above reported payroll and ERR
- Cash-only businesses
- Car washes
- Puppy farms
- Sole traders filing the same income amounts each year e.g. taxi drivers, driving instructors (Revenue can obtain information on lessons reported to the Road Safety Authority).
- Mineral Oil Tax, ROM1 returns
- Customs clearance checks and audits (Revenue adopts a risk-based approach to customs audits.)

- LPT compliance

The Division will ensure adequate coverage of risk across the case-base with taxpayer behaviour dictating selection of case for a compliance intervention.

Closing interventions

Less than 20% of interventions are open for more than 18 months old with 84% of interventions open less than one year old. The Division is keen to close out cases as promptly as possible. 400 individual appeals in respect of the Division's case-base are in progress. Revenue noted that the reason for the intervention should be set out in the letter.

Revenue noted that timely responses by agents/taxpayers is important in concluding cases and is an area of focus. Practitioners raised the scheduling of interventions at challenging times for practitioners, for example, in advance of the key filing deadlines. While Revenue is receptive to requests from agents for additional time to respond, practitioners would appreciate if Revenue were cognisant of the demands on practitioners when issuing compliance letters.

3. Engagement with the Division – Services and Supports

Payment demands

Practitioners noted an experience where Revenue did not correctly allocate preliminary tax paid by a deceased spouse to the surviving spouse, resulting in an interest demand and noted the speed at which a demand progresses to the Sheriff for enforcement.

From a practitioner's perspective, the automatic issue of payment demands impedes scope for Revenue to review such a case, identify the issue and stop any demand issuing. The speed at which demands progress to enforcement also impacts the time available for agents to intervene and address the issue. This results in small businesses receiving visits from the Sheriff when the outstanding

payment could be addressed earlier and without incurring Sheriff's fees. The Institute noted its annual engagement with the Collector General's Division in relation to divisional activity.

VAT registrations

Practitioners raised delays with VAT registrations and that issues can arise with the information Revenue seeks to support a registration. In some cases, a business may have a track record with Revenue, for example, where a sole trader is incorporating their business. However, Revenue seeks information that would be similar to that requested from a brand new business. In support of a VAT registration, Revenue may seek details, such as, 5-year business plans, leases when they have not been signed yet etc. In some cases, the business registering is a member of a larger and established group with sizeable business activities.

Revenue noted that it exercises particular care in examining applications for an intra-EU VAT number, considering the risk of VAT fraud. Revenue's approach includes seeking evidence of intention to trade and pre-registration visits. Revenue does not have a checklist of required information (i.e. if the specific information requested cannot be provided, taxpayers should review the information that is available to support their application and supply this to Revenue).

Applications for VAT registrations have increased by 20%, however, the processing turnaround time should not exceed 30 working days. Approximately, 20,000 registrations were approved from January to October 2025. The registration process will be examined as part of VAT modernisation.

Pay & File and service-related feedback

Practitioners shared feedback with Revenue on issues experienced and suggestions:

- The Cloudflare outage on 18 November seriously disrupted the work of some tax agents and their ability to upload income tax returns on ROS.
- Practitioners suggested opening the Pay & File Helplines earlier in the days leading up to the deadline e.g. opening the phonelines from 8am rather than 9:30am.
- Error messages appeared on ROS as the midnight 19 November deadline approached.
- Practitioners considered that the ROS Helpline support was generally good.
- ROS was down for maintenance on 22 November when 23 November is an important deadline for corporation tax.
- Issues arose with the new agent elinking process, with individual taxpayers experiencing issues in identifying the relevant ROS/myAccount notification and making the appropriate selection to appoint an agent and issues for older individuals in using an online system. This resulted in time spent calling Revenue to address the difficulty. The Institute noted its engagement at TALC to clarify the appropriate contact point in cases where a non-e-enabled individual is inadvertently brought within the elinking process.
- Regarding the Estimated Response Time (ERT), in several cases an ERT appeared initially but then disappeared e.g. a blank field was displayed. Revenue confirmed that no ERT would appear if there was no category for that query type in 2024, as the ERT is based on a comparison with the same period last year. However, once displayed, the ERT should not disappear and Revenue would welcome examples.
- Revenue noted that queries raised on the agenda relating to tax clearances was more appropriate to Personal Division.