



Setting up a tax practice

A useful guide

5. Taxes registration

If you employ individuals in the business or act as a director in a company, it will be necessary to register for PAYE / PRSI.

Where turnover exceeds €37,500 VAT registration is obligatory. In the context of VAT, consideration should be given to availing of the cash receipts basis of accounting. One can apply for the cash receipts basis at the time of registration by ticking the appropriate box on the taxes registration form. The cash receipts basis is available to:

1. VAT registered persons whose supply of goods and services are almost exclusively made to unregistered persons or persons not entitled to a full deduction of VAT or
2. VAT registered persons whose turnover does not exceed €1 million

A Form TR1 (sole traders, partnerships) or TR2 (limited companies) must be completed to give effect to taxes registration.