



**Irish Tax
Institute**

ITI / Revenue Branch Network Webinar

4 October 2022



Revenue
Cáin agus Custaim na hÉireann
Irish Tax and Customs

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Speakers and Panellists



**Irish Tax
Institute**

- **Katie Clair**, *Principal Officer, Personal Division, Revenue Commissioners*
- **Aisling McEvoy**, *Principal Officer, Business Division, Revenue Commissioners*
- **Maureen Marray**, *Principal Officer, Collector General's Division, Revenue Commissioners*
- **Eve Arrowsmith**, *Principal Officer, Medium Enterprises Division, Revenue Commissioners*
- **Carol Durac**, *Principal Officer, RTS Branch - Medium Enterprises Division, Revenue Commissioners*
- **Colm Browne**, *Irish Tax Institute President*
- **Stephen Gahan**, *Irish Tax Institute Council Member & Chair of the Institute's Tax Administration Committee*
- **Anne Gunnell**, *Director of Tax Policy & Representations, Irish Tax Institute*
- **Mary Healy**, *Senior Representations Manager, Irish Tax Institute*



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ITI & Revenue Branch Network Webinar

4 October 2022

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ITI & Revenue Branch Network – Personal Division Update

4 October 2022

Katie Clair,
Principal Officer
Personal Division

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Topics

1. Overview of Personal Division – Case Base
2. Personal Division Structure
3. Local Property Tax
4. PAYE End of Year Reconciliation
5. Personal Division: Audit and compliance activity
6. Pay and File

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Overview of Personal Division

Assistant Secretary – Vacancy

Case base: >6m taxpayers

The Division is responsible for:

- Individuals with non-trading income e.g., Rental
- PAYE-Only Individuals
- Local Property Tax
- Stamp Duty
- All other cases

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Local Property Tax

- Newly built properties - Self-assess the value at 1 November 2021
- Interactive tool and information on www.Revenue.ie to help you determine the value of your property and meet your LPT obligations.
- Existing property owners – ensure that Return is on record and Payment Method is in place
- IT/CT Surcharge
- Vacant Homes Tax

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PAYE End of Year Reconciliation

- September Communication Campaign
- PAYE taxpayers with an underpayment and/or overpayment on their Preliminary End of Year Statement for any one, or all of the years, 2019, 2020 and 2021 asked to file an Income Tax return for those years.
- Unclaimed Tax Credits
- Right amount of Tax at the right time.

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Compliance Focus

- Compliance in Personal Division - Business As Usual
- Focus on Rental income with interventions being opened on taxpayers with risk indicators
- **National Compliance Programme – Shares Schemes**
- Notices to Employers through ROS
Form RSS1 & Form ESA (Employer Share Awards) - filing requirement from 2020 onwards

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Pay and File

- The Pay and File deadline for ROS customers is **Wednesday 16 November 2022**, provided that the 2021 Form 11 return is filed, **and** the appropriate payment is made through ROS for:
 - Preliminary Tax for 2022
 - and**
 - Income Tax balance due for 2021.
- The extension does not apply where only one of these actions is completed through ROS, and the required date to submit returns **and** payments is **31 October 2022**

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Pay and File

- The ROS Form 11 TDM (38-01-04F) updated 31/8/22
- ROS TDMs (38-06-01 and 38-06-01a) updated 29/9/22
- [Digital Certificates](#) - log in early to avoid problems
- Peak Pay and File - short delay in the batch processing of banking instructions. **Letter of Acknowledgment of Self-assessment.** When payment instructions are processed, customers' balances are updated, and receipts are issued.
- Statement of Net Liabilities (SNL) Offsetting Refunds
- ROS Offline - Latest version of both the (i) Offline Application, and (ii) the Form

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Pay and File

- The ROS Technical Helpdesk, the Collector General's Division (including ROS Payment Support) and the Income Tax support line will provide the following extended opening hour services for the 2022 peak Income Tax Pay and File period.

Date	ROS Technical Helpdesk	Business Taxes (Income Tax only)	Collector General's Division (including ROS Payment Support)
	01-7383699	01-7383630	01-7383663
Friday, 11 November 2022	09.00 - 17.00	09.30 - 17.00	9:30 - 13:30
Monday, 14 November 2022	09.00 - 20.00	09.30 - 20.00	09.00 - 20.00
Tuesday, 15 November 2022	09.00 - 20.00	09.30 - 20.00	09.00 - 20.00
Wednesday, 16 November 2022	09.00 - 0.00	09.30 - 0.00	09.00 - 20.00

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ITI & Revenue Branch Network – Business Division Update

4 October 2022

Aisling McEvoy, Principal Officer
Business Division

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Topics

1. Overview of Business Division – Case Base
2. Business Division Structure
3. EWSS Compliance programmes
4. Business Taxes: Service to support compliance
5. Business Division: Audit and compliance activity
6. Postponed Accounting for VAT

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Overview of Business Division

Assistant Secretary – Noel Brett

Case base: c 998,000 taxpayers

The Division is responsible for:

- Individuals with either Case I or Case II income and related trading or professional partnerships with average turnover up to €8.8 million
- Companies carrying on a trade or profession and their subsidiaries who have an average turnover of up to €8.8 million
- Proprietary directors of Business Division Companies
- Cases with a live VAT, RCT or C&E registration

Division contains 11 Compliance Branches, 2 Service Branches and a Divisional Office team

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Overview of Business Division - Structure



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EWSS Compliance Activity

Risk based approach to EWSS Compliance Interventions:



Opened 6,774 Interventions
Collected €50.7m to date
1,197 interventions in progress

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Business Taxes – Service to Support Compliance



National
Employer
Helpline

- Volume of contact
- My enquiries

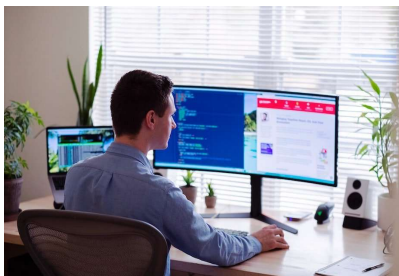
Business
Taxes Service
ITCTCGT/RCT

- My enquiries
- BT1890 service

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Audit Compliance Activity



EWSS Compliance

Debt Warehousing Scheme

VAT Compliance & VAT fraud

Payroll compliance

RCT compliance

Legacy Cases

Mineral Oils

Appeal Cases

C&E compliance and control

Sectoral projects

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VAT Postponed Accounting

- Introduced 1 January 2021
- Accountable Person account for VAT on imports on the VAT3
- Importance of Businesses recording VAT postponed correctly
- PA1 Field
- C&E weekly declaration transaction list - ROS

Compliance Activity:

- Non Filers
- Incorrect Filers
- Notice of Exclusion

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ITI & Revenue Branch Network – Collector General Division Update

4 October 2022

Maureen Marray, Principal Officer
Collector General's Division

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Presentation Topics

CGs Divisional Structure

Debt Warehousing

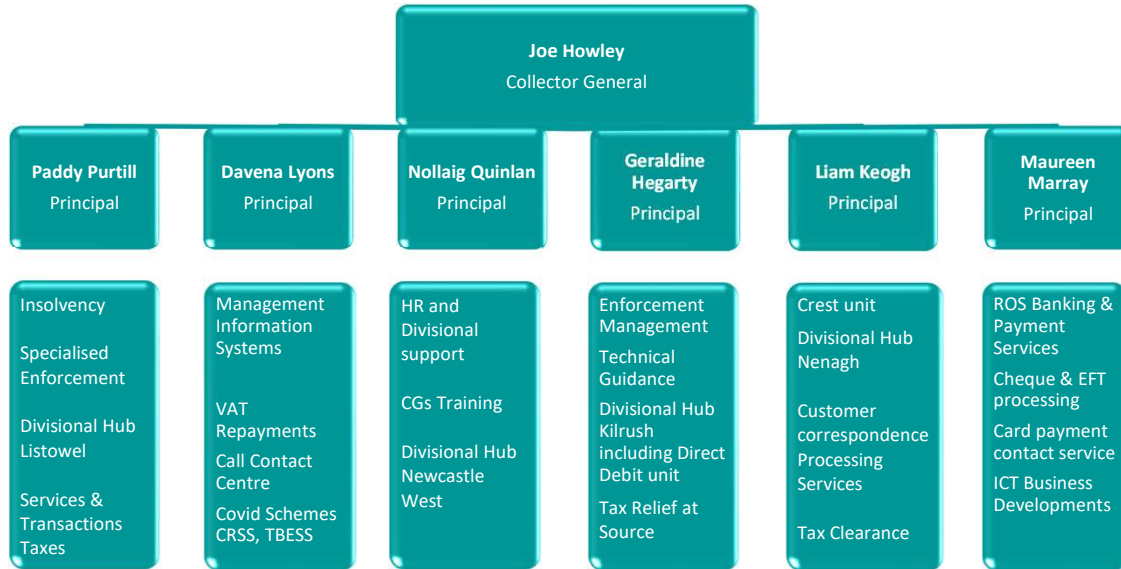
Resumption of Debt Collection

Tax clearance update

Ulster bank and KBC exit

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Collector-General's Division



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Debt Warehousing Periods

Period 1 Jan 2020 – Dec 2021	<input type="checkbox"/> WAREHOUSE VAT and Employers PAYE debt at 0% interest <input type="checkbox"/> Inclusion of TWSS/EWSS overpayments and Income Tax in certain circumstances <input type="checkbox"/> Automatic for Business and Personal Division, LCD and MED on application <input type="checkbox"/> Extension to 30 April 2022 for recipients of Covid 19 schemes in Q1 2022
Period 2 Jan 2022 – Dec 2022	<input type="checkbox"/> PARK debt at 0% interest for 12 months to end 31 December 2022 (or end April 2023 if extended) <input type="checkbox"/> Business must file and pay current taxes <input type="checkbox"/> Business can make payments against warehoused debt (no obligation)
Period 3 From January 2023	<input type="checkbox"/> REPAY the warehoused debt from 1 January 2023 (or 1 May 2023 if extended) <input type="checkbox"/> Pay in full at 0% if capacity or Phased Payment Arrangement (PPA) at 3% <input type="checkbox"/> PPA terms will be flexible and based on the circumstances of the business <input type="checkbox"/> Business must file and pay current taxes

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Debt Warehouse – outstanding debt position at end August 2022

Total Debt eligible for warehousing €31 bn - 310,000 customers, of which 250,000 used the scheme at some stage	Over 90% of the eligible debt paid during the scheme	End August 2022 Total Debt parked in warehouse €2.6 bn 78,600 customers	Includes extended scheme debt €166m 6,200 customers
Tax breakdown €2.6 bn €1.3 bn VAT €1.2 bn EmployersPAYE €103m TWSS/EWSS €53m Income Tax	Business Division €1.6 bn 73,500 customers	Medium Enterprises €723m 1,765 customers	LCD/HWI €289m 116 customers Personal Division €21m 3,200 customers

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Debt Warehouse Returns Compliance Campaign – June to September 2022

55,500	Reminder to file notices issued for returns outstanding
51,000	Caseworker reviews completed
28,000	Customers revoked from the warehouse due to outstanding returns
€118m	Debt removed from warehouse, immediate collection and enforcement action
96	Customers re-instated to warehouse once all outstanding returns filed
155,000	Outstanding VAT returns filed

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Debt Warehouse Self Review Campaign - September 2022 to January 2023

<p>To avail of Debt Warehousing must be fully compliant with the Tax Acts</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Failure to make full and accurate returns for Period 1 results in revocation <input type="checkbox"/> Immediate collection of Period 1 debt with standard interest charges
<p>Before 31 January 2023 Opportunity to self-review Period 1 returns and warehouse additional liabilities</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Relevant returns in scope: VAT and Employer PAYE for Period 1, and Income Tax returns for 2019/2020/2021 <input type="checkbox"/> Classified as a Level 1 Intervention under CIF <input type="checkbox"/> Additional liabilities declared for Period 1 can be warehoused and benefit from the 0% and 3% rates <input type="checkbox"/> Subject to certain conditions: qualifying disclosure, pay in full or request to enter a payment arrangement before 31 January 2023. <input type="checkbox"/> 310,000 letters issued week commencing 19 September
<p>After 31 January 2023 Risk warehouse revocation</p>	<p>Any additional liabilities identified by Revenue for Period 1 will result in warehouse revocation.</p>

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Repayment of Warehouse Debt (start of Period 3)

Period 3 commences on 1 January 2023 - majority of warehoused customers

Engage with customers from October 2022 seeking payment arrangements, 2 options:

- Pay in full before 31 December 2022 at 0%, if have capacity to pay, *or*
- Agree to enter into a Phased Payment Arrangement (PPA) at 3% for duration

Use online PPA to apply for a payment arrangement

- Agree tailored arrangements to suit individual business circumstances
- Final repayment arrangement subject to caseworker approval
- Standard terms of 25% down payment and 36-month duration
- Non standard terms available - minimum down payment and duration of up to 5 years

For customers in extended scheme - Period 3 commences 1 May 2023, engage in Feb 2023

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Resumption of standard Debt Collection 2022

- Incremental return to automated standard debt collection in 2022
- From March 2022 - Large Corporates, High Wealth Individuals & Medium Enterprise Divisions
- From August 2022 - Business Division & Personal Division
- Standard debt collection results in demands for payment, VAT estimates for VAT non-filers, enforcement action where debt remains outstanding
- Includes customers who have lost the benefit of warehousing after recent warehouse returns campaign
- Contact CGs via the **MyEnquiries** service or on 01-7383663 to discuss any difficulties in meeting current return and payment obligations

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Tax Clearance Update

March 2020 - Paused periodic review of tax clearance, taxpayers retained their tax clearance status at that time

Targeted projects during 2021/2022 with direct taxpayer engagement for Covid scheme recipients and LCD, MED and HWI customers

CGs currently writing to 58,000 customers with compliance issues to advise of risk to tax clearance and the need to:

- File all outstanding returns, pay or make arrangement to pay outstanding taxes
- Within 14 days
- Failure to do so will result in tax clearance rescinded

Full return to automated tax clearance periodic review from October 2022

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Ulster Bank and KBC bank exit

Dependency on customer to take action; switch and update details

Revenue running an extensive customer awareness campaign via multiple channels - website, messaging on online screens, call lines, bulk communications

Shortly writing to over 90,000 ROS customers using a UB/KBC bank account for ROS debit instructions, monthly Direct Debits or Refunds

Ulster Bank/KBC commencing closure of accounts from October 2022 to March 2023
Waived bank charges from August including charges for unpaid Direct Debits

To avoid missed payments or delay to refunds, remind all clients to:

- Update bank details online as soon as new details are available
- Need to update details for both Payments and Refunds, and all tax registrations
- Update 5-7 days in advance of next payment due date

Be Fraud Alert - Revenue will never send emails or text messages requesting customers to update bank account details via an email, text, or a pop-up window

Any queries to ROS Payment Support via MyEnquiries or on 01 -7383663

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ITI & Revenue Branch Network – Medium Enterprises Division Update

4 October 2022

Eve Arrowsmith, Principal Officer
Medium Enterprises Division

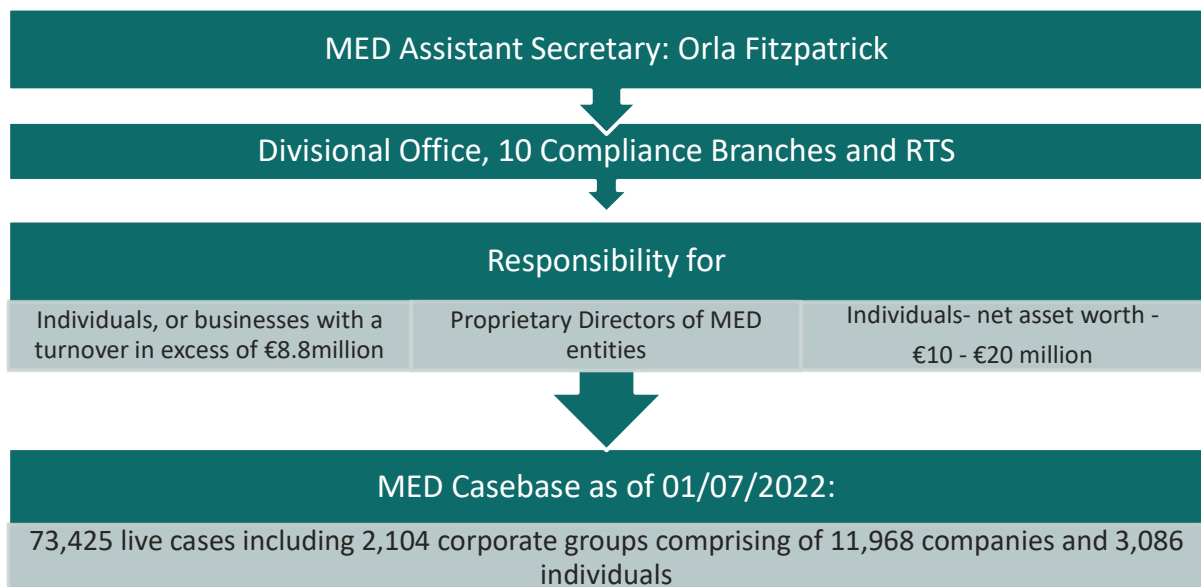
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Presentation Topics

- Overview of MED.
- MED Structure.
- Key Priorities for MED.
- VAT Postponed Accounting.
- Residential Zoned Land Tax.

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Overview of MED



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Orla Fitzpatrick - Assistant Secretary

Divisional Office – Sean O'Rourke	Accounting Legal and HWI- Martina Mulligan	Agriculture Health & Tourism- Anne Dullea	Construction – Maurice Priestly
IT Science & Finance – Breda McCarthy	Manufacturing – Olivia Phelan	Motor Transport & Utilities – Paul Kennedy	Non-Resident Online Business – Enda Malone
Public Admin – Nuala Flynn	Retail – Carol O'Sullivan*	Wholesale – Eve Arrowsmith	RTS – Carol Durac

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MED Priorities

MED Service for Compliance

- Continue to deal with refunds and correspondence in line with our customer service standards.
- Centralisation of functions with dedicated Service for Compliance team.
- MED-pilot phone service.
- Enablement of Self Sufficiency.
- Auto Assignment of IC/My Enquiries.

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MED Priorities

MED Compliance

- Risk Driven Interventions under new CIF – business as usual.
- Finalising Open Interventions including EWSS compliance interventions.
- Sectoral Risk.
- Group based approach to Interventions.
- Payroll Compliance under PMOD regime.
- Postponed Accounting.
- NROB Branch – implementation of the 2020 amendments to Directive 2006/112/EC – new reporting obligations for payment service providers in relation to cross-border payments.

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Employment Wage Subsidy Scheme



- EWSS, operated from September 2020 to May 2022.
 - provided supports to almost 52,000 employers to secure employment for nearly 746,000 employees
 - paid out over €7bn with related PRSI credit granted of €1bn
- Administration of the scheme is on a self-assessment basis.
- Multi-faceted approach to compliance checks to safeguard the integrity of the EWSS.
- Q2 2022 - final Assurance programme inviting 42,576 employers who received subsidy payments to perform a self-review of their EWSS eligibility for all periods of the scheme.
- Risk-focused program of compliance interventions.

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Groups Based Approach to Interventions



Interventions will be conducted as Level 1, 2 or 3 Interventions under the Compliance Intervention Framework.

MED continues to embed a group-based approach in assessing tax risk.



Group Risk profiling undertaken on the group as a whole.



Interventions will be risk focused and opened on specific companies within the group where risk has been identified.

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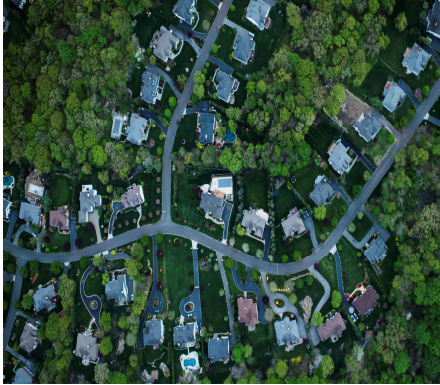
VAT Postponed Accounting

- Introduced from 31/12/2020
- Revenue has identified two specific issues which are currently subject to compliance activities by MED:
 1. **Non-Filers;**
 2. **Incorrect Filers**
- Compliance with all applicable filing and payment requirements is a prerequisite for availing of VAT PA. A failure to do so will result in exclusion from the Scheme.
- MED will continue to monitor the adherence of businesses to these requirements during 2023 and will undertake compliance activities where required.



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Residential Zoned Land Tax



- Introduced by section 80 of the Finance Act 2021 and is contained in Part 22A of the TCA 1997.
- Annual tax which is calculated at 3% of the market value of land within its scope.
- Role of Local Authorities.
- Revenue Administration of RZLT.
- Revenue have published on our website resources to support practitioners and taxpayers
 - Revenue – Notes for Guidance - <https://www.revenue.ie/en/tax-professionals/documents/notes-for-guidance/tca/part22a.pdf>
 - Revenue – Tax and Duty Manual - <https://www.revenue.ie/en/tax-professionals/tdm/income-tax-capital-gains-tax-corporation-tax/part-22a/index.aspx>
- Revenue RZLT website.

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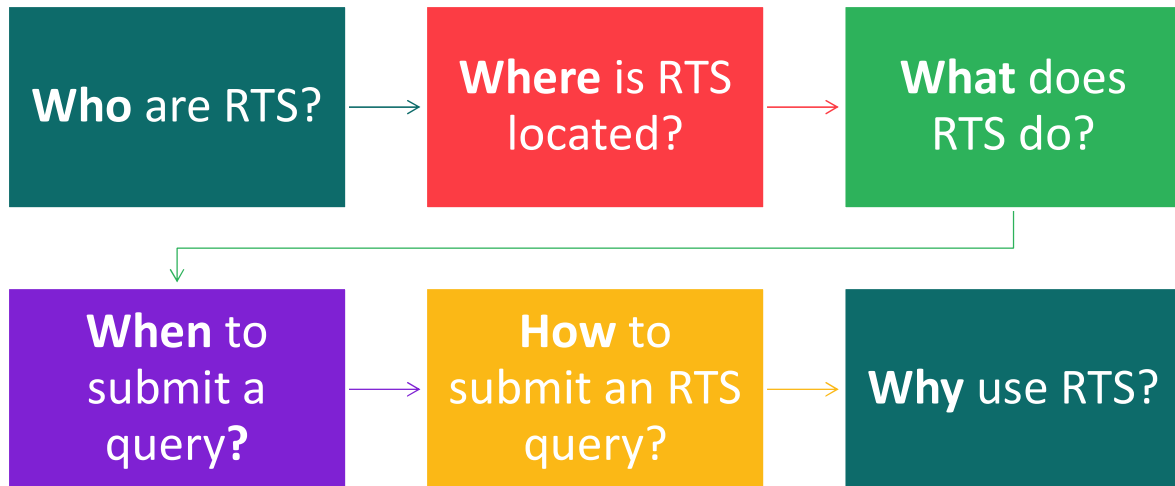
ITI & Revenue Branch Network – Medium Enterprises Division – RTS Update

4 October 2022

Carol Durac, Principal Officer
RTS Branch, Medium Enterprises
Division

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Topics



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Who are RTS?

- MED Revenue Technical Service is made up of a Queries Management Team (five members) and subject-matter-expert positions covering complex and technical queries under the headings shown below:
 - Business Taxes – Corporation Tax & Income Tax
 - Personal Taxes
 - Capital Taxes – Capital Gains Tax, & Capital Acquisitions Tax
 - Value-Added Tax and Relevant Contracts Tax
 - Stamp Duty
- RTS can also call upon RTS caseworkers that work in MED, Business and Personal Divisions on a part-time basis.

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Where is RTS located?

- The RTS operates as a branch of Medium Enterprise Division
- Revenue Legislation Services (RLS) have an oversight function in relation to all of RTS, including LCD and LCHWID
- RTS team members operate from several different locations across Revenue including Dublin, Galway and Limerick
- Phone numbers (administration):
 - Jody McDonnell: 087-6817961
 - David McCarthy: 086-6029455

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What does RTS do?

- RTS provides responses to practitioners and Revenue staff on **complex and technical queries**, and supports Revenue's core obligation of "*minding the tax*"
- MED RTS provides opinions on cases across **MED, Business** and **Personal** divisions
 - LCD and LCHWI divisions provide their own RTS service.
- The RTS is not an independent body. Taxpayers are not bound by an RTS opinion if they can show that the approach that they adopt is in line with the legislation.
 - RTS opinions issued to external parties are therefore 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 will only remain valid for so long as the facts and circumstances on which the opinion/confirmation is based continue to exist and the relevant legislation and practice remain in place.
 - An opinion can be reviewed at any time by Revenue, with a view to amendment or withdrawal, in the light of relevant facts, circumstances or other information changing or where Revenue decides to reconsider its position.

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What RTS does not do?

- RTS only deal with technical and complex queries
 - In cases where a query is determined by the facts of a case, the querist should determine themselves whether or not a particular relief applies
 - An expression of doubt can be filed if there is still any doubt as to the interpretation of the facts. Expressions of Doubt – are dealt with by relevant Revenue branch
- RTS will not provide you with a ‘letter of comfort’
- RTS will only offer Advance opinions in limited circumstances – (see Appendix C of TDM 37-00-00a)
- RTS will not offer an opinion on the bona fides of a transaction e.g., avoidance provisions
- RTS will not provide responses on Statutory clearance and certain other topics (see paragraph 8 of TDM 37-00-00a)

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When to submit a query (and when not to)?

- You can submit your complex and technical query to RTS:
 - 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.
- The RTS TDM 37-00-00a covers RTS operation and states that RTS will only accept an RTS1A from an external party where; “The issue is not subject to a current compliance intervention”
 - If a branch has conveyed a decision in writing regarding a compliance intervention and the taxpayer disagrees with an action arising from this decision which carries a right of appeal, the RTS should not be contacted in such circumstances about the same matter

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How to submit a query to RTS?

- Complete a Form RTS 1A
 - Fully complete all sections of the Form RTS 1A
 - The form must be fully completed, with full facts, analysis, specified doubt, relevant legislation and guidance you've checked, and your own interpretation
 - Attach all relevant and supporting contracts, documents, etc.
 - Be CONCISE, PRECISE and LOGICAL, e.g., Here are the facts, here's my analysis, here's my doubt – am I right or wrong?
- Submissions to RTS must all be made via MyEnquiries:
 - Add New Enquiry
 - My Enquiry relates to
 - Other than the above
 - And more specifically
 - Tax Practitioners – RTS Queries
 - Add Supporting Documentation (attach your RTS1A here)
- Failure to submit directly to the above may result in significant delays in processing your RTS 1A submission

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Why use RTS?

- RTS aims to provide a high-quality technical service to customers seeking an opinion on complex technical tax matters.
- RTS is a dedicated national (excluding LCD and LCHWID) service to practitioners and taxpayers for answering complex technical queries.
- The RTS provides opinions
- RTS will provide you with clarity as to the application of tax legislation.
 - Clarity works both ways – please try to be clear and concise with your submissions
- Our priority is to provide you with the correct interpretation of tax legislation.
- RTS try to respond within 20 working days. RTS will update you if longer period required.
- Our aim is to deliver a service offering that is both agile and innovative to meet the needs of an ever-changing tax environment, whilst also being key contributors to knowledge development across Revenue.

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