

Introduction

This leaflet sets out the important features of Pay and File. It sets out important dates and outlines the different filing and payment methods available for Income Tax self-assessment taxpayers.

Who does Pay and File apply to?

Pay and File applies to all self-assessment taxpayers, for example the self-employed, individuals in receipt of rental or investment income (other than those who have tax collected by reducing their PAYE tax credits). It does **not** apply to individuals whose income tax is solely collected through the PAYE system.

What is Pay and File ?

Pay and File means that there is a single due date for the payment of tax liability and the filing of a tax return. For self-assessment taxpayers that date is 31 October. On the 31 October you must:

- ◆ Make a tax return for the previous year
- ◆ Pay your:
 - ◆ Preliminary tax for the current year, and
 - ◆ The balance of tax for the previous year

An important point to note is that if you wait until the Pay and File deadline of 31 October to file your return you will need to calculate your own tax liability. It is therefore important that you take action in good time before this date to ensure that you are in a position to meet your tax obligations, thereby avoiding possible interest and penalties. The easiest and most efficient way to do this is through the Revenue On-Line Service (ROS). ROS will provide you with an instant calculation of your tax liability. You can access ROS through the Revenue website at www.revenue.ie.

ROS - Electronic Tax Return

You can make your tax return and pay your tax on-line using ROS. This facility is available 24 hours a day, 365 days of the year. ROS offer the quickest, easiest and most convenient way for you to meet your tax obligations under Pay and File as it provides an instant calculation of your liability. There are other benefits to being a ROS customer. For example, you can receive secure access to your personal tax records and you also get an instant acknowledgement of all transactions.

Registering as a ROS customer is a three step process and can be done via the Revenue website at www.revenue.ie. However, as registration can take up to 2 weeks to complete because certain passwords must be sent via land mail, give yourself adequate time if you are registering.

Paper Returns

If you are filing a paper tax return (i.e. you are not using ROS to make your returns) you must make the return on the prescribed form. If you are registered as a self-assessed individual Revenue will send a personalised return to you early in the tax year. However, even if you are not sent a personalised return it is your responsibility to see to it that you get, complete and submit your tax return on time. If you have not received a return you can obtain one either from the Revenue website, www.revenue.ie or from Revenue's Form and Leaflets Service, 1890 306 706 (ROI only) or 00353 1 6744050.

The personalised tax return which Revenue sends contains certain information unique to you and under no circumstances should it be used by anybody other than that named on the form. This return will also have a personalised payslip which should be used by you when making your payment (A sample of the payslip from the 2005 return is reproduced on page 4 for reference).

The place for making your income tax return and payment is:

Officer of the Revenue Commissioners
Collector-General's Division
PO Box 354
Limerick

Paper Tax Return received before 31 August - "Early Filer"

If you are filing a **paper tax return** and you do so before 31 August Revenue will issue you with a final tax assessment for the previous year well in advance of the 31 October deadline. This will assist those who are unsure about calculating their liability. Where your assessment indicates a payment due to Revenue all you have to do then is complete the personalised payslip and return it, including your payment or completed Single Debit Authority (SDA), to the Collector-General, to arrive on or before 31 October.

If the return is filed after 31 August Revenue cannot guarantee to send you a final tax assessment before 31 October, so the onus will be on you (or your agent) to calculate the tax liabilities and make the necessary payments on time.

Method of Payment

There are a number of payment options that you can avail of to pay your tax liability. These are set out as follows.

Payment via ROS

You can pay your tax through the ROS system using the following methods:

- ◆ **Laser** - by entering your Laser card number and expiry date
- ◆ **ROS Debit Instruction (RDI)** - You can set up this instruction by completing your bank details on-line or by post and then authorise the payment on-line. Your tax agent can also set up this debit instruction and authorise the payment on your behalf, provided he/she has your written authority to do so.

Please note that the RDI is only valid when you instruct Revenue to debit the nominated bank account for a specified amount. This is the only amount that will be debited from your account until you authorise a further payment.

- ◆ **On-Line Banking** - You need to log into your banks website in order to set up the payments. This option is available for the participating banks - AIB and Bank of Ireland. For further information on ROS payment methods e-mail roshelp@revenue.ie or contact your ROS Liaison Officer in your local Revenue office. A full list of liaison officers is available on the ROS site, which can be accessed through the Revenue website at www.revenue.ie.

Cheque

If you pay by cheque it will be cashed immediately on receipt. Simply complete the "Statement of Net Liabilities" on the payslip and return the payslip along with a cheque made payable to the Collector-General.

Single Debit Authority (SDA)

The Single Debit Authority removes the need to pay by cheque and the payment is not debited until the due date. All you have to do is complete the "Statement of Net Liabilities" and the SDA portion of the payslip, with details of the bank account (which must be a current bank account in Ireland and must be denominated in Euro) from which you want your total tax liability amount debited. You must also complete the Debit Amount, which is the amount that will be debited from your account. Please note that the SDA is valid for a single debit and only for the amount specified on the SDA. This is the only amount that will be debited from your account until you give further instructions with a new SDA. The amount specified on the SDA will be debited from your current account on 31 October.

Please note that, irrespective of how you make your payment if your balance for the previous year is a refund and you wish to offset this against your liability for the current year this should be indicated on the payslip by putting a "✓" in the appropriate box.

Pay and File

for self-assessment taxpayers

Calendar of Events	
DATE	EVENT
31 August	Date for the early filing of previous year's Tax Returns - make return to the Collector-General
31 October	<ul style="list-style-type: none"> ◆ Return filing date for your previous year's Tax Returns ◆ Payment date for the following <ul style="list-style-type: none"> ◆ Preliminary Tax (Income Tax) for the current year ◆ Balance of tax for previous year ◆ Capital Gains Tax for the initial period in the current year (Gains arising in the period 1 January - 30 September)

Capital Gains Tax

If you have made a chargeable gain between 1 January and 30 September of the year you are filing the return, you will also have to pay any capital gains tax due on 31 October. Capital Gains Tax arising in the period 1 November to 31 December is payable on the following 31 January. Further information on capital gains tax can be found in leaflet CG2 available on www.revenue.ie or from any Revenue office.

Further Information

This leaflet is issued for information purposes and is not intended to provide a legal interpretation of the legislation involved. If you need further information or clarification on any point please contact the Revenue website www.revenue.ie or your Revenue office.

PPS No: _____ Name: _____

€ Payslip

Signature: _____ Date: _____

€ Statement of Net Liabilities

Do not complete this authority if you are making payment by cheque. Please debit my account no earlier than 31 October 2006 with the single amount specified.

Single Debit Authority

Branch Sort Code									
Current Account Number									
DEBIT AMOUNT									.00
TOTAL NET AMOUNT									.00

Income Tax Preliminary Tax 2006									.00
Income Tax Balancing Amount 2005									.00
Capital Gains Tax 1/1/2006 to 30/9/2006									.00
TOTAL NET AMOUNT									.00

Tick above if Income Tax 2005 is a credit

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