



Tax Obligations of Non-Resident Principal Contractors & Subcontractors engaged in construction work in the Republic of Ireland (the State)

All non-resident principal contractors and subcontractors engaged in the Construction Industry are obliged to register for the following taxheads:

- Value Added Tax (VAT) **if a principal contractor or subcontractor** – see section 1
- Relevant Contracts Tax (RCT) if engaged in a Relevant Contract – see section 2
- Employer Registration - Pay As You Earn (PAYE) and Pay Related Social Insurance (PRSI) (if engaging employees – see section 3)
- Income Tax or Corporation Tax (if relevant - see section 4)

1. Value Added Tax (VAT)

There have been major changes recently in how principal contractors and subcontractors in the construction industry account for VAT.

From 1 September 2008, non-resident subcontractors who provide construction services to principal contractors that are within the scope of Relevant Contracts Tax (as defined in Section 530 of the Taxes Consolidation Act, 1997 but excluding haulage for hire), are not required to register for VAT. Such subcontractors may register for VAT, in order to claim credit for input VAT incurred.

However, the obligations of non-resident subcontractors performing relevant operations in the meat processing or forestry industries or those involved in haulage for hire within the construction industry have not changed with regard to the requirement to register for, charge and account for VAT.

Where the VAT Reverse Charge applies, non-resident principal contractors must register for VAT and account for the VAT (at **13.5%** or **21.5%** as appropriate) as if they had supplied the service.

Subcontractors not engaged in Relevant Contracts but who are engaged in construction work in the Republic of Ireland must register and account for VAT, subject to the normal VAT rules. The turnover thresholds for VAT registration which apply to Irish suppliers do not apply to non established suppliers who must generally register regardless of the level of their turnover.

To ascertain their VAT obligations, non-resident subcontractors are advised to consult the [Revenue VAT Guide](#) or visit the [VAT Section](#) of our website (log onto www.revenue.ie and under Taxes & Duties, select Value Added Tax).

To register for VAT a form [TR1](#) must be completed by Sole Traders and Partnerships. Companies must complete a form [TR2](#). These forms can be found on our web site www.revenue.ie under Taxes & Duties/Value Added Tax/Forms/Registration Forms/[TR1](#) or [TR2](#). The relevant form should be completed and returned to:

**Revenue Commissioners,
IRDS,
City Centre District,
9/10 Upper O'Connell Street,
Dublin 1.**

NOTE: Non-resident partnerships and companies

Please note that non-resident partnerships and companies will be allocated a registration number by IRDS but individuals must apply for a Personal Public Service Number (PPS Number) from the relevant Social Welfare Office. Instructions on how to get a PPS number are on page four of this document.

2. Relevant Contracts Tax (RCT)

RCT applies to payments made by a principal contractor to a subcontractor under a relevant contract (this is a contract to carry out, or supply labour for the performance of relevant operations in the construction, forestry or meat processing industry). RCT applies to both resident and non-resident contractors operating in the construction, forestry or meat processing industry.

RCT is a tax deduction system whereby a principal contractor:

- Deducts tax at 35% from payments to subcontractors for whom the principal contractor does not hold a relevant payments card (Form RCT 47*) and
- Maintains a record of payments to all subcontractors regardless of whether he/she holds a relevant payments card for them.

* RCT 47 is a relevant payments card on which the principal contractor records payments made without deduction of RCT. An RCT 47 cannot be issued to the principal contractor unless the subcontractor holds a Certificate of Authorisation (C2 card).

If no relevant payments card is held by the principal contractor, RCT at 35% must be deducted by the principal contractor and a Relevant Contracts Tax Deduction Certificate (RCTDC) must be issued to the subcontractor. The subcontractor can claim a credit or refund of the RCT deducted by forwarding the RCTDC received from the Principal Contractor to the Revenue Commissioners.

An [overview of how RCT works and the forms that are involved](#) is available on our website www.revenue.ie under Taxes & Duties/Relevant Contracts Tax/RCT for Principal Contractors/Subcontractors.

NOTE:

RCT applies irrespective of whether the principal contractor or the subcontractor **or both** are resident outside the State.

If the work is being carried out in the State, **35%** RCT must be deducted from the gross payment, unless the principal contractor has been issued with a relevant payments card (RCT 47) for the subcontractor in question for that year.

Where a payment is made gross without a valid RCT47, the principal is liable for the tax that should have been deducted. Interest and penalties may also be applied

To register as a principal contractor for RCT purposes a [Form P33](#) must be completed and forwarded to:

**Revenue Commissioners,
RCT/VAT Section,
City Centre District,
9/10 Upper
O'Connell Street,
Dublin 1.**

P33 forms can also found on our web site www.revenue.ie under Taxes & Duties/Relevant Contracts Tax/Forms/Forms for Principal Contractors/[Form P33](#)

3. Foreign employments (including offices) - Obligations of an employer

There has been a change in the tax treatment of the income attributable to the performance of the duties of a foreign employment in the State (Republic of Ireland).

With effect from 1st January 2006, all employers **including non-resident employers must** register for PAYE as an employer and operate PAYE/PRSI in respect of income attributable to the performance **in** the State of the duties of the foreign employment. See appendix A concerning the release for employers from the obligation to operate the Irish PAYE system.

In order to register as an employer, the section titled "Registration as an Employer for PAYE/PRSI" on the [TR1](#) or [TR2](#) form must be completed. If you are already registered for RCT, VAT, Corporation Tax or Income Tax, you should complete a [PREM Registration Form](#). This form can also be found on our website www.revenue.ie under Taxes & Duties/Income tax/Forms/[Prem reg – Employers](#). The Revenue Commissioners have released a Statement of Practice regarding Employee payroll tax deductions in relation to non-Irish employments exercised in the State (SP – IT/3/07). This is available at www.revenue.ie under Tax Practitioners/Legislation/[Statements of Practice 2007](#)

See Appendix A for Chapter 4 of the Statement of Practice regarding the release for employers from the obligation to operate the Irish PAYE system and see Appendix B for Chapter 6 of the Statement of Practice regarding PRSI and Health Contributions.

See Appendix C for 'frequently asked questions' section for further information on the above.

4. Income Tax or Corporation Tax

As a general rule, all persons earning income in the Republic of Ireland are taxable in the Republic of Ireland.

This rule can be changed by Double Taxation Agreements (DTA's) between the Republic of Ireland and other states. Persons resident and liable to tax in those States (listed on our website under International Tax/[Tax Treaties](#)), may not be taxable in the Republic of Ireland, unless they have a 'permanent establishment' in the Republic of Ireland.

Permanent establishment includes a building site or construction or installation project, which lasts for more than 6 months (or longer, depending on the DTA) or any fixed place of business, including a place of management, a branch, an office/site office, a factory, a workshop or a quarry.

If you are deemed to have a permanent establishment in the Republic of Ireland, you are **liable** for income tax as a sole trader or partner or for corporation tax as a company, on the profits arising from the permanent establishment.

The relevant section of Form [TR1/TR2](#) must be completed by non-residents liable to Irish tax.

Advising your employees on registering their employment in the Republic of Ireland

Step 1: Personal Public Service Number (PPSN)

The employee must have a PPS Number to register for tax. The Personal Public Service Number (PPSN) is obtained from the Department of Social and Family Affairs.

In order to do this the employee must visit his/her local *Welfare Services Office* and he/she **must** bring the following documents:

- Passport **or** National Identity Card **or** Immigration Card

And

- Evidence of Address such as a Household Bill in employee's name

If you have any further queries regarding a PPSN, please telephone *Client Identity Services* on [00-353-1-7043281](tel:00-353-1-7043281). A full list of Social Welfare Offices are listed in the Eircom Phone Book or they can be found at the Department of Social and Family Affairs website address www.welfare.ie under the heading *Contact Us*.

Step 2: Register the Employment with Revenue

Once the employee has been given a Personal Public Service Number, he/she can register the employment with the Office of the Revenue Commissioners, either by telephone **or** by post.

If the employee wishes to register his/her employment by telephone, the following information is required:

- Employee's Name & address

- Date of Birth & Marital status
- Employer's Registered Number
- PPSN
- Date employee **started** paid work with you

Employees can contact their Regional Revenue Office. The Revenue Commissioners have offices across the country. The employee's local tax office is the one closest to where he/she resides.

Two ways employees can contact Revenue:

☎ By telephone

Place of Business or Residing in Counties:		You Ring	Regional Area
Clare Kerry	Limerick Cork	1890 222 425	South West
Carlow Kildare Kilkenny Laois Meath	Tipperary Waterford Wexford Wicklow	1890 444 425	East & South East
Cavan Donegal Galway Leitrim Louth Longford	Mayo Monaghan Offaly Roscommon Sligo Westmeath	1890 777 425	Border Midlands West
Dublin (City and County)		1890 333 425	Dublin

✉ By post

A [Form 12A](#) can be completed and posted to the employees local tax office. [12A](#) forms can be downloaded/ordered from the revenue website www.revenue.ie or Forms can be requested from Revenue Forms & Leaflets on **Lo-call 1890 306 706**.

The leaflet [IT11](#) titled "Employees Guide to PAYE" should be of interest to employees and is found on our website www.revenue.ie under Taxes and Duties/Income Tax/Leaflets/ Employees Guide to PAYE.

Tax Registration Number Cancellation\Deregistration.

In the event of your contract or trading activity having ceased in the Republic of Ireland, you are obliged to cancel your Tax Registration Number. To do so, you should complete the Tax Registration Cancellation Notification which can be accessed on our website www.revenue.ie under Taxes and Duties/Income tax/Forms/Registration Forms/[TRCN1](#).

If you should have registered under any taxhead but failed to do so, please be advised that you will be liable to pay the tax together with interest and penalties as appropriate.

Application from foreign employers for clearance from Revenue Commissioners for the release from the obligation to operate the Irish PAYE system in respect of temporary assignees who have income attributable to the performance in the State of the duties of a foreign employment.

Note: The application should be made within 21 days from when the employee has taken up duties in the State.

Employer's Registration Number: _____

Name of Employer: _____

Address of Employer: _____

Name of Employee/Employees: _____

*Please attach an additional page with further employee names if necessary

DECLARATION: I hereby declare that the above named employee/employees-

(a) will be present in the State for a period or periods not exceeding 183 days in the aggregate in a year of assessment

(b) suffer withholding taxes at source in the 'home' country on the income attributable to the performance in the State of the duties of a foreign employment, **and I enclose evidence of withholding tax in the foreign jurisdiction [certified copy of payslip or statement from the relevant foreign tax jurisdiction]**

Note: For the purposes of paragraph (a), a day during any part of which, the employee is present in the State counts as a day of presence in the State for the purposes of computing the 183 day period.

I am aware that I must comply with the conditions as set out in Chapter 4 of the Statement of Practice on non Irish employments available on the Revenue website at [www.revenue.ie/en/practitioner/Statements of Practice 2007](http://www.revenue.ie/en/practitioner/Statements_of_Practice_2007) and I acknowledge that in all cases where liability is subsequently found to arise due to breach of these conditions, I will be liable under the relevant provisions of the Taxes Consolidation Act 1997 to pay the liability subsequently found to arise in respect of payments of emoluments to assignees.

Name [IN BLOCK LETTERS] -----

Signed: -----

Capacity of signature: -----

Date: -----

Appendix A

Temporary Assignees

Release for employers from the obligation to operate the Irish PAYE system

[Chapter 4 of the Statement of Practice on non Irish employments]
[Statement of Practice 2007](#)

4.1 General

When dealing with temporary assignees who hold non-Irish employments, two separate and distinct issues arise -

- (a) the operation by employers of the PAYE system of payroll deductions at source; and
- (b) the relief from Irish tax due to the employees under a double taxation agreement between Ireland and another jurisdiction.

The fact that an employee may be temporarily working in the State and relieved from the charge to Irish tax under the terms of a double taxation agreement does not mean that the employer need not operate the PAYE system on the employee's income attributable to the performance in the State of the duties of that employment.

However, the Revenue Commissioners do not require an employer to operate the Irish PAYE system in respect of temporary assignees as described in paragraph 4.2 below.

4.2 Temporary Assignees

4.2.1 Short term business visits to the State – not more than 60 working days

Under the terms of the *Employments* Article of Double Taxation Agreements (DTAs) between Ireland and other countries, the income attributable to the performance in the State of the duties of an employment may be relieved from the charge to Irish tax and tax deducted under PAYE must be repaid. Revenue will not require an employer to operate PAYE where the following criteria are satisfied -

- (a) the individual is resident in a country with which the State has a Double Taxation Agreement and is not resident in the State for tax purposes for the relevant tax year;
- (b) there is a genuine foreign office or employment;
- (c) the individual is not paid by, or on behalf of, an employer resident in the State;
- (d) the cost of the office or employment is not borne, directly or indirectly, by a permanent establishment in the State of the foreign employer; and
- (e) the duties of that office or employment are performed in the State for not more than 60 working days in total in a year of assessment and, in any event, for a continuous period of not more than 60 working days.

Note: For the purposes of (e) above a `working day' is any day in which any work is performed in the State.

4.2.2 Simultaneous deductions under the Irish PAYE system and under a tax deduction system of another tax jurisdiction.

Under the general double taxation agreement principles, where -

(a) an individual who is a tax resident of another jurisdiction is on temporary assignment in the State; and

(b) there is an obligation to make deductions at source from that individual's salary / wages under both the Irish PAYE system and a foreign tax deduction system simultaneously,

the obligation to grant relief in respect of such potential double deduction at source generally rests with the jurisdiction of which the individual is resident for tax purposes. More specific detail can be found in the terms of the appropriate treaty. A list of the Double Taxation Agreements between Ireland and other jurisdictions is on the Revenue website at Tax Practitioners/Legislation/[Tax Treaties](#)

However, where temporary assignees of Treaty countries-

1. are present in the State for a period or periods not exceeding in the aggregate 183 days in a year of assessment, and

2. suffer withholding taxes at source in the `home' country on the income attributable to the performance of the duties of the foreign employment in the State,

then, with effect from 1 January 2007, the Revenue Commissioners will not require an employer to operate the Irish PAYE system in respect of such temporary assignees who have income attributable to the performance in the State of the duties of a foreign employment where the following conditions, in addition to those in paragraph 4.2.1 above (other than condition (e)), are met.

Note- For the purposes of rule 1 above, a day during any part of which, the employee is present in the State counts as a day of presence in the State for the purposes of computing the 183 day period.

The foreign employer must

(a) be registered in the State as an employer for PAYE tax purposes; **and**

o where there is an intermediary (as defined in section 985C TCA 1997) paying the employees of the foreign employer, supply details of the intermediary who is paying the employees; and

o where there is a relevant person (as defined in section 985D TCA 1997) supply details of the relevant person for whom the employees of the foreign employer are doing work in the State.

OR

o Where the employees of the foreign employer are performing in the State the duties of the foreign employment, and are paid by a connected entity in the State of the foreign employer (connected in the sense that the entity is controlled by the foreign employer or visa versa or both are under common control) on behalf of that employer **or** are paid by the foreign employer, and the connected local

entity in agreement with the foreign employer has assumed responsibility for compliance with PAYE/PRSI obligations on behalf of the foreign employer, then the foreign employer need not register as an employer but must supply:

- o the PAYE registered number of the connected entity;
- o its own full name and address; and
- o where there is a relevant person (as defined in section 985D TCA 1997) the name and address of that relevant person for whom the employees of the foreign employer are doing work in the State;

(b) maintain a record of the full name, latest Irish and overseas address, date of commencement and cessation of the individual, the location where the individual carries out the duties of the temporary assignment and the amount of earnings in respect of the temporary assignment; **and**

(c) sign a written acknowledgement (see page 6 of main document) that in all cases where liability is subsequently found to arise in respect of payments of emoluments to assignees (e.g. because of a breach of any of the conditions) the employer will be liable under the relevant provisions of the Taxes Consolidation Act 1997 to pay the tax that should have been deducted from those emoluments; **and**

(d) supply evidence (see Note B below) of withholding tax in the foreign jurisdiction on the income attributable to the performance in the State of the duties of the foreign employment; **and**

(e) on request, supply a copy of the contract(s) relating to the employer's engagement in the State; **and**

(f) **seek clearance in writing from the Revenue Commissioners (see page 6 of main document) within 21 days of the date the assignee takes up duties in the State, - pending written clearance from Revenue, PAYE need not be operated if all other conditions are met.**

Note A

Where the foreign employer supplies the PAYE registered number of a connected entity in the State who is paying the emoluments on its behalf, Revenue may require evidence that the employment is a genuine foreign contract of employment, and that Treaty relief is due.

Note B

The following will be regarded as acceptable evidence of withholding taxes in the foreign jurisdiction:

o Certified copy of payslip. (Must be certified by the employer or the independent auditor of the employer. In the case of companies certification by a director or company secretary will be acceptable.)

or

o Statement from the relevant foreign tax jurisdiction.

Note C

An application for clearance (Page 7 of main document) from a foreign employer may cover more than one employee.

Note D

Applications should be submitted to

Office of the Revenue Commissioners
IRDS Section
City Centre District
Áras Brugha
9/10 Upper O'Connell Street
Dublin 1

Tel: 00 353 1 8655000
Fax: 00 353 1 8749431
E-mail: cityreg@revenue.ie

4.2.3 Short-term business visits to the State of not more than 30 days - non-treaty countries

Where a non-resident employee from a non-treaty country performs in the State incidental duties and performs those incidental duties in the State for no more than 30 days in aggregate in a tax year, PAYE need not be deducted in respect of income attributable to such duties.

Note- In this context a `day' is any day in which any work is performed in the State.

Appendix B

Social Security - Pay Related Social Insurance (PRSI) / Health Contributions

[Chapter 6 of the Statement of Practice on non Irish employments]
[Statement of Practice 2007](#)

6.1 Overview

The Social Security system in Ireland is known as the Pay Related Social Insurance (PRSI) system. A guide to the PRSI system can be found on the website of the Department of Social & Family Affairs at. [PRSI » Topics » The Department of Social and Family Affairs](#)

6.2 Collection of PRSI

Whilst the PRSI system is administered by, and is under the control of, the Department of Social & Family Affairs, employee and employer PRSI contributions are collected under the PAYE systems along with employee payroll tax deductions with the total amounts being remitted to the -

Collector-General

Office of the Revenue Commissioners

Sarsfield House

Limerick

Ireland

Tel: 00 353 1 61 488000

E-mail: cgcustserv@revenue.ie

Note- For those employees who are liable to PRSI in the State and who are not on the PAYE system, PRSI is payable through the Special Collection System, Department of Social & Family Affairs, Waterford.

6.3 EU Regulations / Reciprocal Arrangements

EU Regulation 1408 of 1971 sets out the rules governing liability to PRSI/ National Insurance/Social Security in the case of EU nationals and non-EU nationals legally resident in the territory of EU Member States, working in other EU jurisdictions. Essentially, the rules provide that contributions by, or in respect of, these workers are not paid in more than one jurisdiction simultaneously. In addition, the State has a number of reciprocal agreements governing liability to PRSI/National Insurance/ Social Security with several non-EU countries. These reciprocal agreements provide that contributions are paid in one jurisdiction but not in both at the same time.

6.4 Deduction of PRSI

In the absence of an E101 certificate, certificate of coverage under a reciprocal arrangement or a PRSI exemption certificate from the Department of Social & Family Affairs, employers are required to make PRSI deductions and should note that PRSI is payable from the 1st day of insurable employment for duties performed in the State. In cases of doubt, employers should contact the Department of Social & Family Affairs.

6.5 Contacting the Department of Social & Family Affairs

The Department of Social & Family Affairs contact point for foreign employers and PRSI queries is –

Special Collections Unit
Department of Social & Family Affairs
Government Buildings
Cork Road
Waterford
Phone: 00 353 51 356019
00 353 51 356016
Fax: 00 353 51 8778383
E-mail: e101esp@welfare.ie

6.6 Health Contribution

6.6.1 Deduction of the Health Contribution where the employer qualifies for release from the obligation to operate PAYE

Where, in accordance with Chapter 4, an employer qualifies for release from the obligation to operate the Irish PAYE system in respect of emoluments paid to temporary assignees, health contributions need not be deducted from such emoluments.

6.6.2 Deduction of the Health Contribution in other cases US Certificate of Coverage

As Article 2 of the Social Security Agreement between Ireland and the United States of America ([SI 243/1993](#)) covers both Social Security and the Health Contribution, an employer is released from the obligation to deduct the Health Contribution in respect of an employee who holds a US Certificate of Coverage.

Other Social Security agreements

Pursuant to Regulation (EC) 1408/71, persons temporarily posted to Ireland by their employer but who continue to be subject to the Social Security legislation of another EEA Member State (as evidenced by a Form E101 or Form E106) are exempted from the payment of Health Contribution for the duration of the posting in Ireland. In addition, Ireland has Social Security agreements with Australia, Austria, Canada (including Quebec), New Zealand and Switzerland. While these agreements cover PRSI, none of them covers the Health Contribution. Accordingly, the employer is obliged to deduct the Health Contribution in respect of emoluments paid to temporary assignees unless: o paragraph 6.6.1 applies; or o the employee holds a US Certificate of Coverage; or o the employee holds a Form E101 or Form E106.

Appendix C

Frequently asked questions

(1) Does this new legislation apply only to Irish resident employees who are on my payroll at present?

The new legislation applies to all employees who have income attributable to the performance in the State of the duties of a foreign employment who are at present on a payroll which is operated outside of the Republic of Ireland, not only to Irish resident individuals who may be included on this payroll.

(2) Does the 60 working days refer to 60 consecutive working days?

No. The 60 working days refers to any 60 working days within the tax year and not a 60 consecutive day period. Also, the 60 days do not refer to each contract entered into but to all contracts in any single tax year.

(3) Does the 183 days refer to 183 consecutive days?

No. The 183 days refers to any 183 days within the tax year and not a 183 consecutive day period. Also, the 183 days do not refer to each contract entered into but to all contracts in any single tax year.

(4) What should I do if I am not certain if any of my employees will be on site in the Republic of Ireland for 60 working days or not, and the employees do not suffer withholding taxes at source in the "home" country on the income attributable to the performance of the duties of the foreign employment in the State?

The Revenue Commissioners would advise that you register as an employer and make the appropriate deductions under the PAYE system if there is any possibility of one or more of your employees being on site for 60 working days in the Republic of Ireland.

(5) How do I calculate the tax due to be returned to the Irish Revenue Commissioners?

Generally, the employee will be taxed on a 'week one' basis and allowed single-tax credits, if he/she has received a PPS number from the Dept. of Social and Family Affairs and a tax certificate from the Revenue Commissioners.

Each weeks pay and tax is calculated independently without reference to the previous week.

No refunds are made.

Week 1 Basis cases are subject to review after the end of the tax year.

The single weekly tax credit for 2009 is €35.19 [2008 - €35.19]

The weekly standard rate cut-off-point (SRCOP) for 2009 is €700.00 [2008- €680.77]

Note: the standard rate cut-off point relates to the amount of income that is taxed at the lower rate 20%. Anything above this amount is liable at the higher rate of tax 41%

(6) What happens in the situation where I have not operated PAYE/PRSI on the income of an employee and the 60 days rule is broken, in circumstances where

the employee does not suffer withholding taxes at source in the "home" country on the income attributable to the performance of the duties of the foreign employment in the State.

In this situation the employer will have a liability in respect of any payments made to the employee where tax has not been deducted. Please see the following example for illustration:

Up to the week ending 30/07/2009, the employee was on site for 59 working days in the RoI and was not taxed on any of his Irish sourced income, which amounted to €4,800.

By the week ending 06/08/2009, the employee was on site for 61 working days and has earned €5,000.

The employer is liable to account for the appropriate deductions under the PAYE system on all the employee's earnings of €5,000.

(7) If my employee does not have a PPS number or a tax credit certificate, how will I tax the income?

Where an employee does not supply his/her employer with his/her PPS number, the employer is obliged to calculate the tax due on the employee's earnings at the higher rate with no tax credit.

Example as above:

No PPS Number: €5000 x 41% = €2,050

(8) If my employee has a PPS number but has not received/requested a tax credit certificate from the Irish Revenue Commissioners, how will I tax the income?

Where the employee provides a PPS number the normal emergency basis will apply to the income in that and subsequent weeks until a tax-credit certificate is issued.

Weeks of Employment	Tax Credit	Standard Rate Cut-off Point Tax Rate	Tax Rate
Week 1 to 4	1/52 single personal tax credit	1/52 single personal SRCOP	Lowest Rate of Tax
Week 5 to 8	Nil tax credit	1/52 single personal SRCOP	Lowest Rate of Tax
Week 9 onwards	Nil tax credit	Nil SRCOP	Highest Rate of Tax

(9) If PRSI is being deducted in the country of origin, do I need to deduct PRSI on the Irish payroll?

The employer must deduct PRSI unless he/she has been authorised not to deduct. You must contact The Department of Social & Family Affairs (contact details are in appendix B) in order to obtain this authorisation.

(10) If my employees are not resident in the Republic of Ireland, is there a need to deduct PAYE/PRSI?

Yes. If it transpires the employee is not resident in Ireland, subject to certain criteria, the employee can claim a full refund from the Revenue Commissioners at the end of the tax-year.

(11) How does the Irish payroll run in conjunction with my domestic payroll?

You should contact the tax office in your country of residence to enquire how the operation of the Irish payroll will affect your domestic payroll.

(12) Income Levy

The income levy, which came into effect on 1 January 2009, is a levy payable on gross income before any relief for any capital allowances, losses or pension contributions further information is available at www.revenue.ie under business & Self Assessment or by clicking on the attached link [Income Levy](#)