

Guidance Notes for Government Payments

Information Management
Account General's and Strategic Planning Division,
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The information in this document is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive or that it provides a definitive answer in every case.

General Information

Q. Who is covered by the Regulations?

The relevant legislation includes "any Minister of the Government, any body established by or under Statute, or any other body, which undertakes the disbursement of public funds".

This includes:

- Government Departments
- Agencies/Bodies established under a Government Department
- County, City and Urban Council
- County and City Enterprise Boards
- Education Support Centres
- Companies and Bodies set up under Statute. At the present time this does not extend to Commercial State Bodies. If you are unsure as to whether or not you are obliged to make a return please email 3rdpartyreturns@revenue.ie for clarification. **Q. What are relevant payments?**

All payments made by the specified person (Dept/Agency/Body) during the calendar year – with the exception of certain payments.

The excluded payments are:

- Aggregate payments of less than €1,000 in the accounting period to a single person;
- Payments paid on behalf of employees e.g. subscriptions to trade unions, professional bodies etc;
- Refunds made to employees e.g. educational fees refunds, refunds for eye tests, membership fees; and
- Payments which are not held on your accounts payable system for reasons of confidentiality.

Note: Payments that are subject to Relevant Contracts Tax and that are submitted by you through the ROS RCT system must be excluded from your government payments return as they are identifiable by your payment notifications and payment summaries. You should be aware that payments to employees that are subject to PAYE or paid through the department's employee travel and subsistence scheme must also be excluded. Employee payroll details are included on your P35L annual return **Q. What information is required?**

Required Details of Payer (i.e. department, agency etc.):

- Record Type *
- Report Year *
- Department/Body Tax Reference Number *

- Department/Body Name *
- Department/Body Address*

- Contact Name *
- Contact Phone Number *
- Contact Email Address *
- Creation Date *

Required details of payee:

- Record Type *
- First Name
- Surname *
- Address *
- Business Address
- Tax Reference Number
- Year of Return *
- Total Gross Payment – excluding VAT *
- Total Professional Services Withholding Tax deducted
- VAT Gross / Net Indicator *
- Number of Transactions *

*** Mandatory Field**

Please see the [file specification](#)  (PDF, 313KB) for further information. **Q.**

Is there a payment threshold?

Yes – total payments in a year of less than €1,000 do not need to be reported. However, if it is easier for you to include all payments they can be included in the report.

Q. Should I report on behalf of agencies that I’m responsible for?

That will depend on your administrative systems. If the payment information is held centrally then you can report. The key is to ensure that a payment is only reported ONCE. If you are an agency/body and your parent department wants to make the return on your behalf, they may do so – we would ask that you make us aware of any such arrangements. Also, if you are closely connected with other agencies/bodies, and it would be convenient for you to group together to make one return you may do so, again we would ask that you make us aware of any such arrangements.

Q. I can report what grants-in-aid I pay but will be unable to provide information on what payments the grants-in-aid have made to suppliers etc from their own bank accounts.

If the payments by the grants-in-aid are not made via your Financial Management System then there is no requirement to report any further detail other than the initial payment.

Payments

Q. Are there any payments that can be excluded?

Yes the following payments can be excluded:

- Aggregate payments of less than €1,000 in the accounting period to a single person
- Payments paid on behalf of employees e.g. subscriptions to trade unions, professional bodies etc;
- Refunds made to employees e.g. educational fees refunds, refunds for eye tests, membership fees; and
- Payments which are not held on your accounts payable system for reasons of confidentiality.

Note: Payments that are subject to Relevant Contracts Tax and that are submitted by you through the ROS RCT system must be excluded from your government payments return as they are identifiable by your payment notifications and payment summaries. You should be aware that payments to employees that are subject to PAYE or paid through the department's employee travel and subsistence scheme must also be excluded. Employee payroll details are included on your P35L annual return.

Q. We pay over the proceeds of confiscation awards to the Department of Finance, should these be reported?

Yes - if they are over the threshold.

Q. Are education grants and grants paid to local business/residents associations etc. to be reported?

Yes – if they are over the threshold.

Q. Are payments made to returning officers managing elections, referendums etc. to be reported?

Yes – if they are over the threshold.

Q. Are payments to Irish Embassy workers overseas to be reported?

No – these fall within the category of PAYE.

Q. Are payments of a sensitive nature to be reported?

It depends on the nature of the payment and you should contact 3rdpartyreturns@revenue.ie for further guidance. As a general rule, payments should be included if they are over the threshold, are not explicitly excluded e.g. PAYE etc. and if details are stored electronically. Revenue deals with confidential and sensitive information on an ongoing basis and has systems in place to ensure that information will be adequately protected. However there are certain sensitive payments e.g. payments by the Redress Board or by the Inquiry into Child Abuse, that need not be reported.

Q. Are payments to charities to be reported? Even if of a once-off nature?

Yes – payments to charities should be included if they are over the threshold.

Q. Do payments to other state organisations need to be included on the return e.g. Revenue & Local Authorities?

Yes – payments to other departments, agencies etc. should be reported.

Tax Reference Numbers

Q. What if I don't have a tax reference number for a payee?

Under the Regulations, all departments / bodies making payments should obtain tax reference numbers from suppliers which should be included on the government payments return. All departments / bodies must ensure, before engaging with suppliers, that each supplier has a valid tax clearance certificate and therefore must provide their tax reference number and tax clearance access number in advance of any engagement. See below under ‘Miscellaneous Q. - How do I identify a supplier’s tax reference number and tax clearance access number’.

Q. If payments are made to an individual / a company who has a VAT number and an IT/CT number which number will we use for the report?

You should use the number provided on their invoice.

Q. What verification / checking should be done on a tax reference number?

The current format of the number is 1234567T. Where possible modulus 23 checking should be done on the check character to ensure that a valid number had been provided.

Old VAT numbers should have a modern format customer number which the company should be supplying instead.

Q. Can an "old" style VAT number be converted to the new format? For example I have a VAT number on file for a supplier, which is 1F23456T.

Your suppliers that are still using their “old” VAT number should have a new number they can supply to you. However the number can also be converted to a new number as follows:

1. Put the first number to the end of the numbers
2. Drop the first letter
3. Put a zero in front of the first number.

So the above number would change to 0234561T.

Filing

Q. How do I file the return?

Returns must be filed electronically via Revenue Online Services (ROS) through a Secure File Transfer Protocol. To enable electronic secure file transfer you must:

- Register for a ROS Digital Certificate or use an existing certificate
- Confirm to Revenue 3rd Party team your ROS registered Tax Reference Number (3rdpartyreturns@revenue.ie)

Q. If I am already registered for ROS do I need to register again to make this return?

No, all that is required is that you confirm to 3rdpartyreturns@revenue.ie the Tax Reference Number that was used to register for ROS and that you will be able to file your return on a PC that has a ROS certificate for this number.

Q. When am I required to file the return by?

Government payments returns are due by the 20th June annually and must include details of payments made in the previous calendar year e.g. Return made by 30th June 2016 will include details of all payments made from January – December 2015.

Q. What if we have no relevant payments – do we need to file a nil return?

There is no necessity to file a nil report, unless you have been requested to do so by the Revenue Commissioners. However, Revenue request that you let us know via e-mail to 3rdpartyreturns@revenue.ie.

Miscellaneous

Q. Will I still be required to file a 46G return?

No, if you file a return under s.891b there is no need to file a form 46G.

Q. Are there any Data Protection Consequences I should be aware of from collecting and storing tax reference numbers?

The regulations give you the authority to collect and store tax reference numbers for suppliers. As long as the numbers are used **only** for the purpose outlined by the regulations there are no issues around data protection.

Q. Do we have to notify our suppliers of the regulations?

No, there is no obligation on you to notify them, however you may wish to do so.

Q. We are an agency who is not registered for VAT and we have been inputting invoices gross to date. Do we now need to separate out the VAT element?

No, fill in the amount paid and use the check box indicator to show whether or not VAT has been deducted.

Q. What is the position with foreign suppliers? Are we required to get a tax reference number from them?

Payments to foreign suppliers i.e. Non Residents are to be included and if they have an Irish Tax Reference number then this can be provided. However if they do not have a Tax Reference Number, this will not cause any difficulty as long as their address is provided.

Q. What should we do if payment information is stored in a different format to what we have specified, e.g. forename and surname are stored in one field, yet Revenue has specified that each should be reported separately?

We will accept them as they are recorded on your system. In this example the name and forename should be reported in the surname field.

Q. How do I identify a supplier's tax reference number and tax clearance access number?

Dept. Finance circulars on tax clearance procedures when awarding public sector contracts stipulate that the awarding of the contract and all payments under that contract are conditional on the contractor having a valid tax clearance certificate at all stages of the award and payment. In fulfilment of this condition the service provider must give their tax reference number and tax clearance access number.

Q. Will Section 891B have an impact on my obligation to file Professional Service Withholding Tax (PSWT) returns?

Under Professional Services Withholding Tax legislation you are required to file:

- Form F30 on a monthly basis
- Form F35 on an annual basis in February
- F35 Schedule annually

Under the terms of the Section 891B regulations you are required to file details of all payments made in each calendar year, subject to certain exceptions.

To reduce the burden of reporting we are proposing that you:

- Continue to file Form F30's and F35
- No longer file the F35 Schedule

In order to facilitate this however, the threshold of €1,000 per payee which applies under Section 891B will not apply to payees from whose payments you deducted PSWT. This means that you should report details of these payees even if total payment in the year is less than €1000.

Q. Should I include details of refunds made to customers for example planning permission refunds, refunds of rates etc?

No, you do not need to include details of refunds of any nature in your return

Q. I am a County/City Council that makes home loans (mortgages) to individuals in my area. Should I include these payments in my return?

No, you do not need to include details of mortgages or loans made in your return.