PAYE Modernisation
CAI External Design Workshop
29th March 2017
## Overview of the morning

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.30 – 9.45</td>
<td>Registration/coffee</td>
</tr>
<tr>
<td>9.45 – 10.15</td>
<td>Introduction/overview of project</td>
</tr>
<tr>
<td>10.15 – 11.30</td>
<td>Breakout session</td>
</tr>
<tr>
<td>11.30 – 11.45</td>
<td>Tea/coffee</td>
</tr>
<tr>
<td>11.45 – 12.30</td>
<td>Breakout session</td>
</tr>
<tr>
<td>12.30 – 1.00</td>
<td>Q&amp;A/feedback</td>
</tr>
</tbody>
</table>
PAYE Modernisation: context
Why modernise PAYE?

Changing nature of:

- Employments
- Payroll
- Information and communications technology
- Expectations
SMART PAYE

**S**eamless integration into payroll

**M**inimize employer cost to comply

**A**bolition of P30s, P45s, P46s, P60, End of Year Returns

**R**ight tax paid on current due dates

**T**ime savings
SMART PAYE

Simplified online services
Maximise use of entitlements
Automatic end of year review
Real time accurate data
Transparency
SMART PAYE

Statutory in-year employer return
Making compliance easier
Accurate up to date income details
Reduced customer contacts
Timely targeted interventions
Employer Statistics

- 208,000 employers
- 110,000 employers with ≤ 5 employees
  - 98% filed through ROS
  - 45% use a software package to file
  - Additional 8% using ROS Offline
Employee Statistics

• 2.5m active employments in 2015 (includes pensions)
• 200,000 employees >1 live employment
• Multiple employments with same employer
### Forms Statistics

<table>
<thead>
<tr>
<th>Forms</th>
<th>Number received 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>P45</td>
<td>705,936</td>
</tr>
<tr>
<td>P46</td>
<td>305,241</td>
</tr>
<tr>
<td>P30</td>
<td>1.3m</td>
</tr>
<tr>
<td>P35</td>
<td>221,620</td>
</tr>
<tr>
<td>Total</td>
<td>2.6m</td>
</tr>
</tbody>
</table>

- 5m forms generated to fulfil employer PREM reporting obligations (including 2.5m P60s)
**Jobs and Pensions service**

<table>
<thead>
<tr>
<th>Jobs and Pensions</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of jobs and pensions added since September</td>
<td>54,424</td>
</tr>
<tr>
<td>New customers (Form 12A)</td>
<td>29,516</td>
</tr>
<tr>
<td>Existing customers</td>
<td>24,908</td>
</tr>
</tbody>
</table>
High Level Design and Process Flows
Seamless integration of reporting into the payroll process
Abolition of P30s, P45s, P46s, P60, End of Year Returns

• P30
  – Total tax due calculated from aggregate of all reports in the month / quarter.
  – Employer payment made in line with current payment dates.
  – Debt management for underpayments in year.
  – Non filer interventions for non reporting in year.
  – In year interventions based on risk analysis of reporting.
Abolition of P30s, P45s, P46s, P60, End of Year Returns

- **P45 and P46s**
  - Replaced by payroll submissions by employer with commencement and cessation dates or by the employee managing their employment record via the Jobs and Pensions service.
Abolition of P30s, P45s, P46s, P60, End of Year Returns

• **P60s**
  – During the year employee can view up to date pay and deductions on PAYE Services
  – Once final report for year processed employee can see final pay and deductions for that employment on PAYE Services
Abolition of P30s, P45s, P46s, P60, End of Year Returns

- End of Year Returns
  - Final payroll run for the year marked by employer.
  - Total tax due calculated based on final report plus previous month / quarter.
  - Debt management for underpayments.
  - Non filer interventions for non reporting of final report.
High level plan
2017

Design Input
- Consultation Review and Report
- Revenue Design Workshops
- Stakeholder Design Workshops

Foundation Work
- ROS 2020 P1
- Data Alignment P1
- Submission and Rates
- Jobs and Pensions P2
- Returns and Payments
- Core PAYE
- Data Alignment P2

Architecture
- Submission Architecture and Storage
- Proof of Concept
- Evaluation and Decision
- Core Compliance Architecture
- Proof of Concept
- Evaluation and Decision
- Core PAYE Architecture
- Proof of Concept
- Evaluation and Decision
- Procurement

Legislation
- Current TCA
- Current PAYE Regulations
- Current USC Regulations
- Draft new TCA, PAYE regulations and USC regulations
Workshops
Purpose of workshops

• Gain insight into customers’ business processes
• Gain greater knowledge of current pain points
• Identify and resolve any potential design issues from the outset
• Provide transparency to the design process for all
• Gain buy-in
• Optimise design, implementation and success of the programme by learning from your expertise
<table>
<thead>
<tr>
<th>Group 1</th>
<th>Group 2</th>
<th>Group 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Emily Bourke</em></td>
<td><em>Ciara Bergin</em></td>
<td><em>Sinead Cahill</em></td>
</tr>
<tr>
<td><em>Ruth Hayes</em></td>
<td><em>Ann Marie Corbally</em></td>
<td><em>Sandra Fallon</em></td>
</tr>
<tr>
<td><em>Rose Cullen</em></td>
<td><em>Sam Beattie</em></td>
<td><em>Nadia Hadi</em></td>
</tr>
<tr>
<td><em>Sinead McKeany</em></td>
<td><em>Elizabeth Kelly</em></td>
<td><em>Antoinette McGough</em></td>
</tr>
<tr>
<td><em>Leoni Spearing</em></td>
<td><em>Miranda Humphries</em></td>
<td><em>Crona Brady</em></td>
</tr>
<tr>
<td><em>Rachel Dillon</em></td>
<td><em>Geraldine Flynn</em></td>
<td><em>Ray Kilty</em></td>
</tr>
</tbody>
</table>
## Workshop schedule & topics

<table>
<thead>
<tr>
<th>Time</th>
<th>10.00</th>
<th>10.30</th>
<th>11.30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>Employer submission (Brid Reddan)</td>
<td>Global Workforce &amp; Notional Pay and Benefits (Sinead Sweeney)</td>
<td>Agent requirements (Niamh Craven)</td>
</tr>
<tr>
<td>Group 2</td>
<td>Agent requirements (Niamh Craven)</td>
<td>Employer submission (Brid Reddan)</td>
<td>Global Workforce &amp; Notional Pay and Benefits (Sinead Sweeney)</td>
</tr>
<tr>
<td>Group 3</td>
<td>Global Workforce &amp; Notional Pay and Benefits (Sinead Sweeney)</td>
<td>Agent requirements (Niamh Craven)</td>
<td>Employer submission (Brid Reddan)</td>
</tr>
</tbody>
</table>
Next Steps
Next Steps

- Circulate summary of discussions
- Further feedback: payemodernisation@revenue.ie
- Design workshops with other stakeholders
- Please complete feedback form
- Any questions?