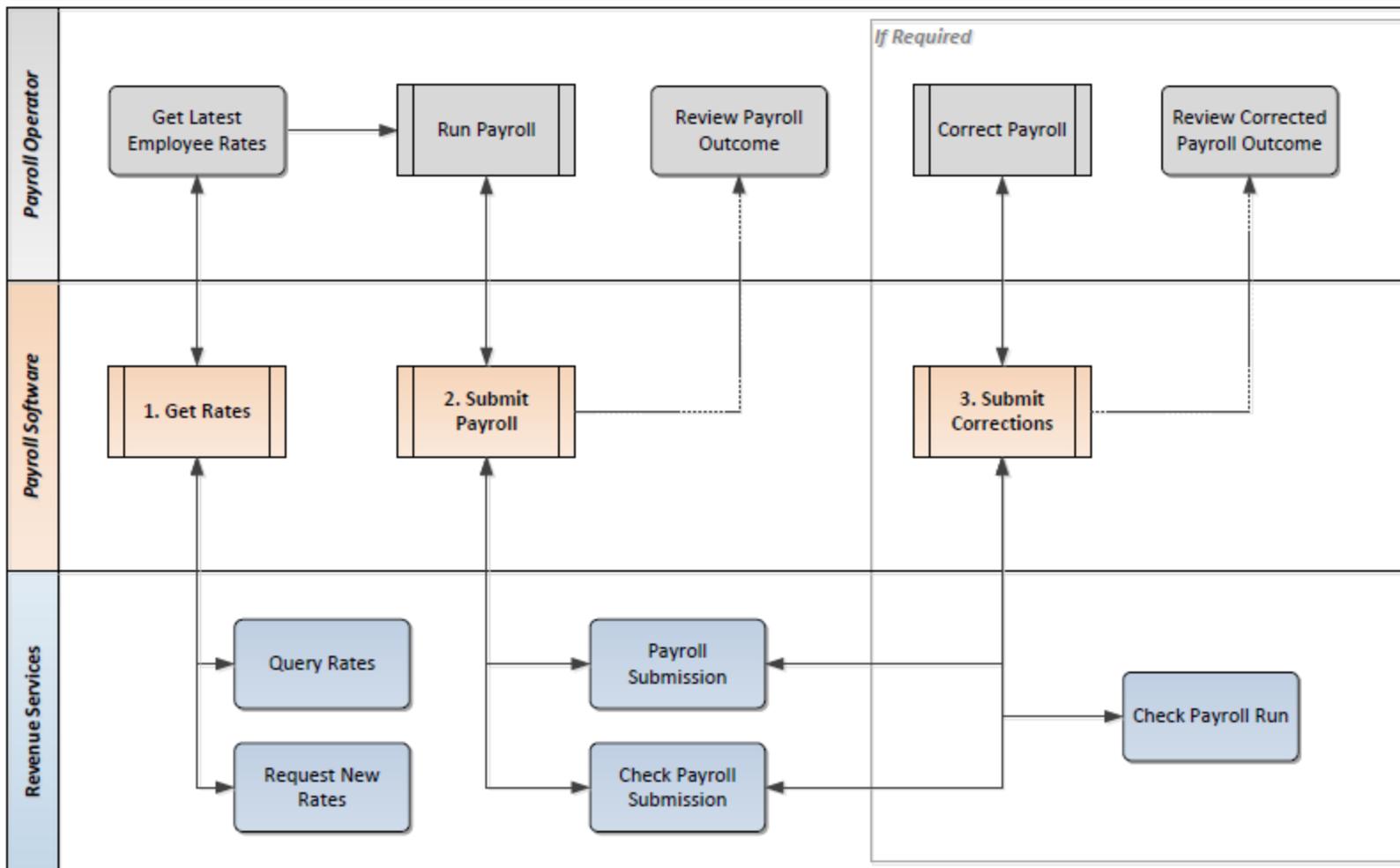


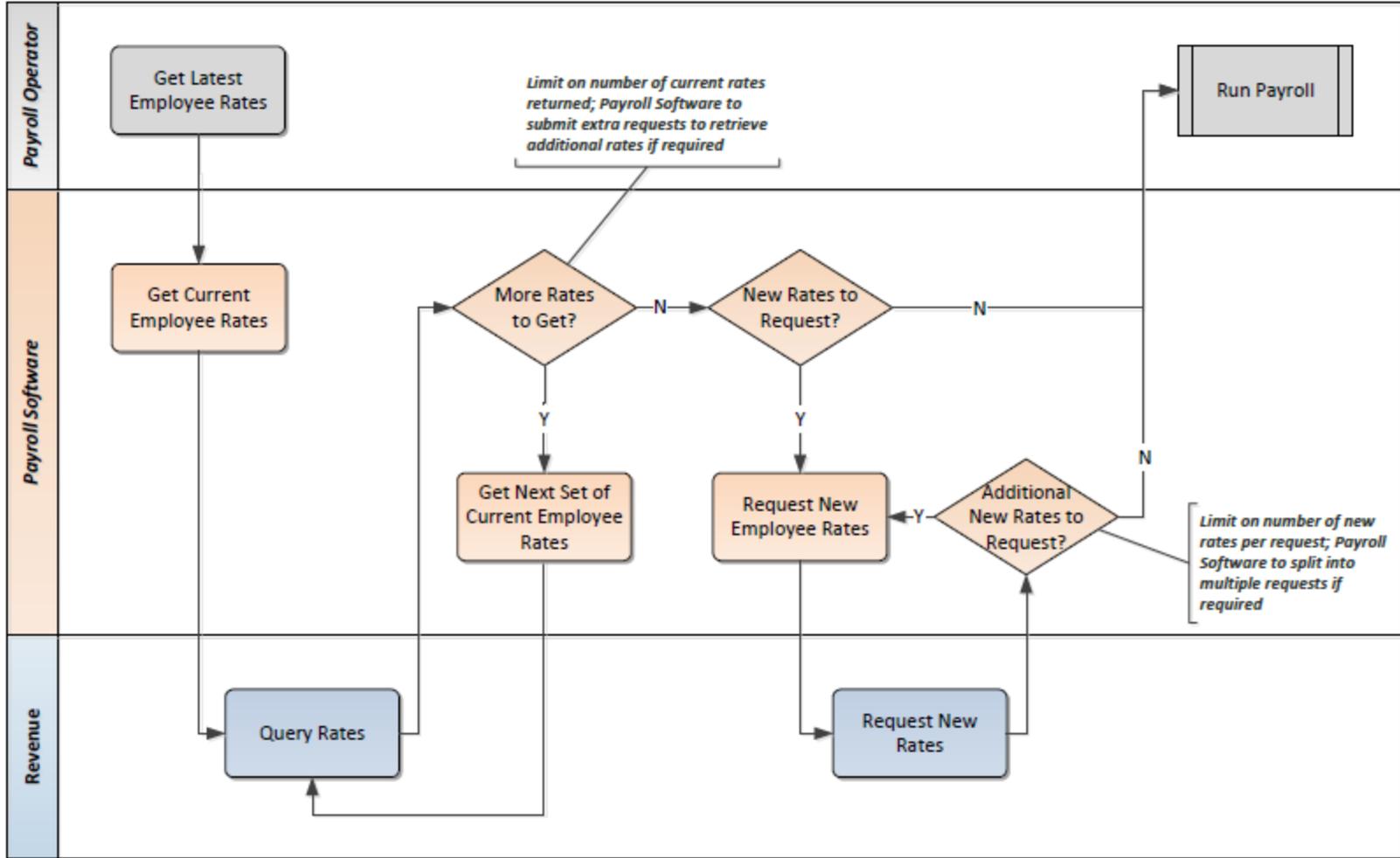
# **PAYE Modernisation Insurance Association update June 2017**

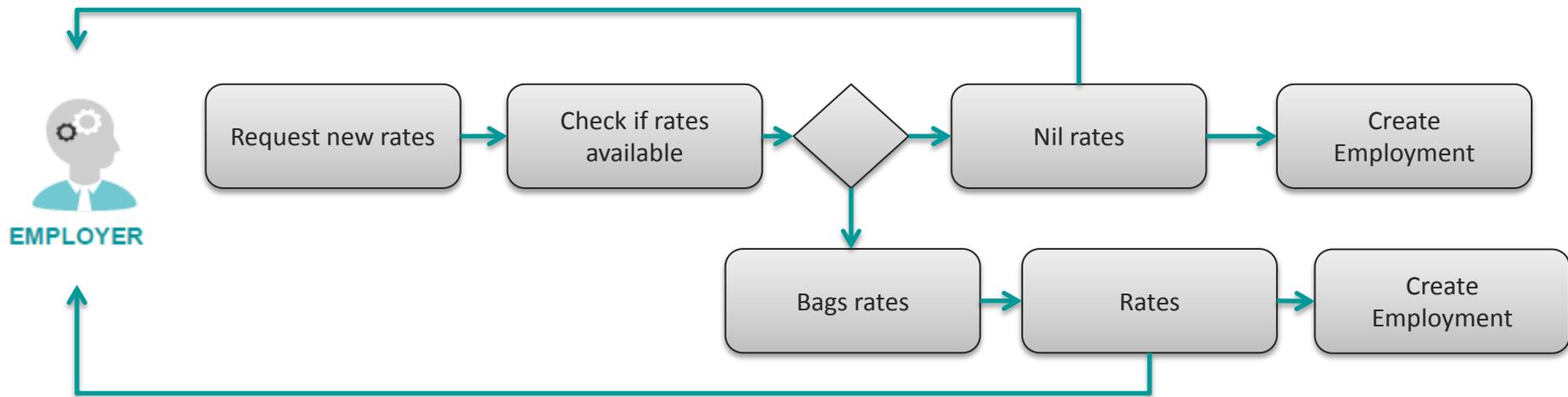
# Progress Update

# Updates

- Payroll process overview
- Data Submission update
- P2C (Revenue Payroll Instruction)





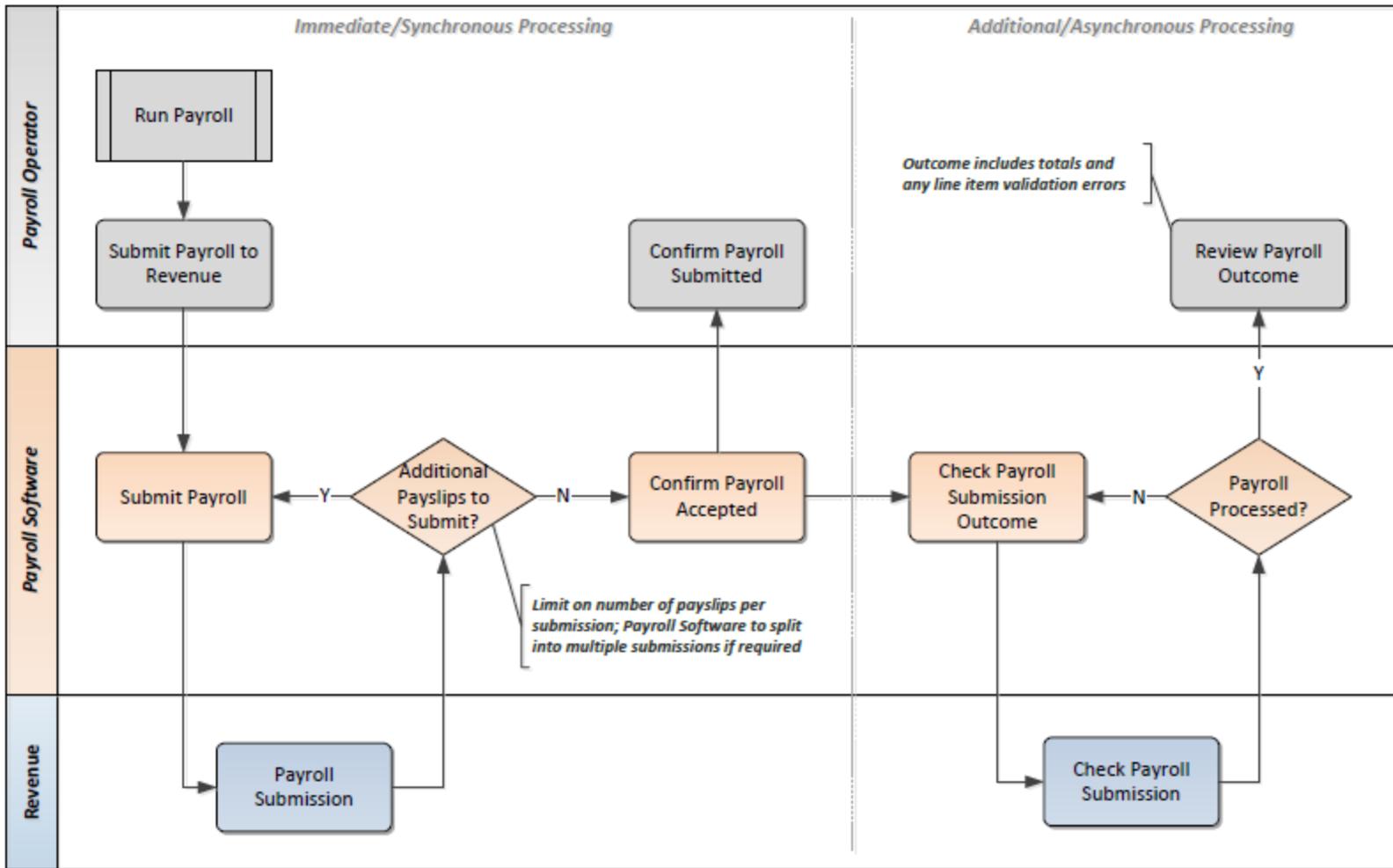


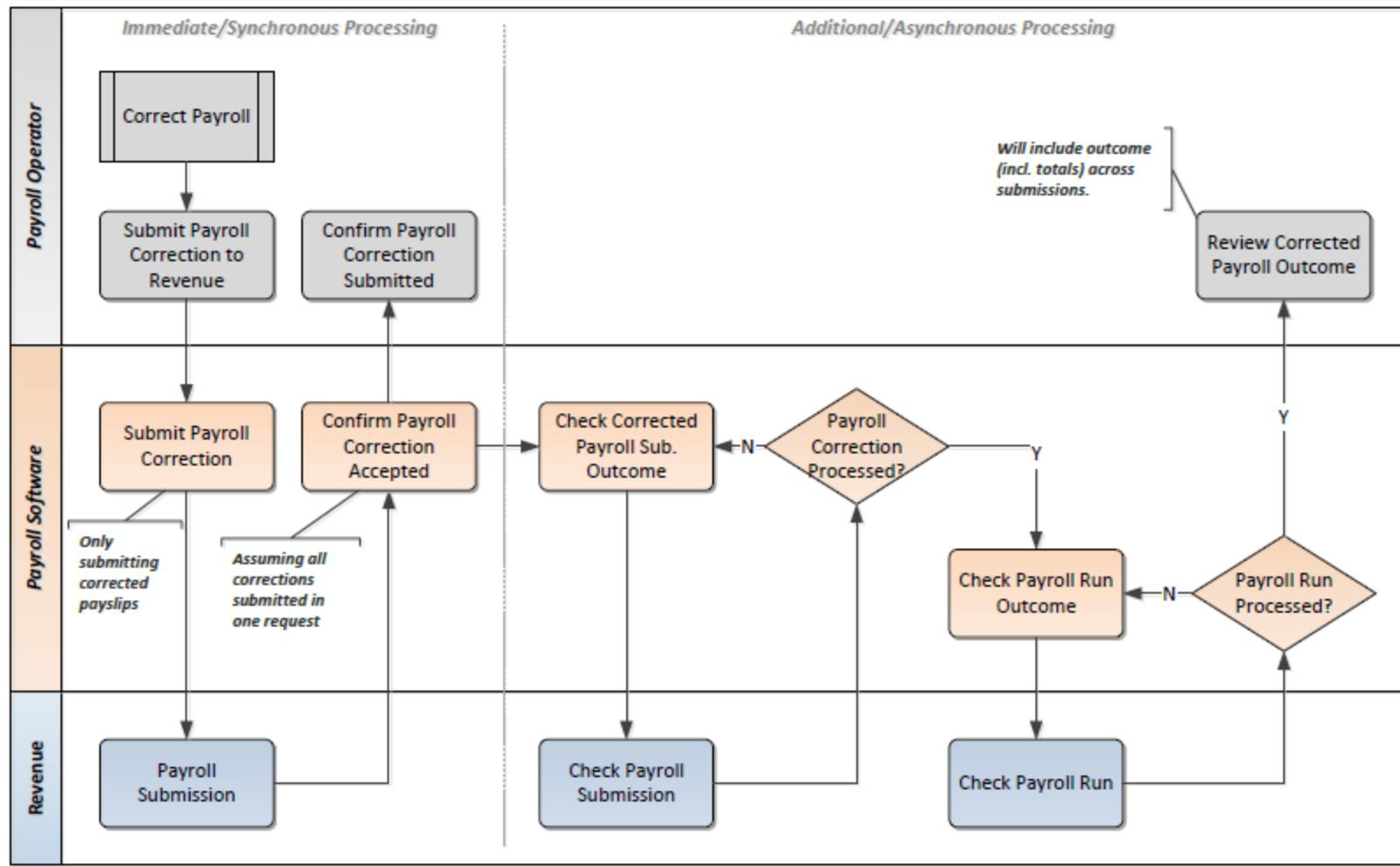
Employee	Employer	Credits	Rate Band	Available
John	Dunnes	3300	29400	N
Mary	Tesco	1650	18000	Y
Jack	Super Valu	200	5000	N
Jack	Lidl	1500	7000	Y

Helps with:

1. Leavers / Starters
2. Once off payments (state examination, ARFs etc)
3. M&As

Emergency basis would only apply for non PAYE registered employees or for technical fall back.





# Data Submission

# Submission Header

Data Item	Condition	Description and validation	Context
<b>Employer Number</b>	Mandatory	The registration of the employer (up to 9 chars). Must be valid Employer Registered number. Format is 7 digits (including leading zeros) followed by either 1 or 2 letters	Used to identify employer to which the submission relates. Will be used in pre-population of employer return.
<b>Agent Tain</b>	Conditional	Mandatory if the Payroll is being run by an Agent on behalf of an Employer	Use to identify the agent submitting on behalf of the employer and to ensure that an agent link exists for this employer agent relationship for the period that the payroll submission relates to.
<b>Submission Type</b>	Mandatory	Original Correction	Original - used to indicate a new submission.  Correction - used to indicate a correction to line item/s in a previous submission. This would also include deleting a line item that shouldn't have been included and adding a line item that should have been included).

# Submission Header

<b>Run reference</b>	<b>Mandatory</b>	<b>The Payroll reference</b>	<b>Used to identify the Payroll event that the submission refers to e.g. 'Site 1 Week 1'. Allows employers to get summary totals for payroll runs even if there have been corrections or multiple submissions for that logical payroll run.</b>
<b>Tax Year</b> <b>4 digit year value, format YYYY.</b> <b>Minimum value 2019</b>	Mandatory	Tax Year to which the submission relates.	Used to identify the tax year to which the submission refers. This is generally the tax year in which the individual is paid. However, where there is "unpaid remuneration" (as defined in S996 TCA 1997), the relevant year may be an earlier year. Note - Any payments that may be deemed to be paid in 2018 will require the re-opening of the P35 for 2018.
<b>Software Used</b>	Mandatory	Third party software product identifier.	Helpdesk support
<b>Software Version</b>	Mandatory	Third party software product identifier.	Helpdesk support

# Submission Line Item

Data Item	Condition	Description and validation	Context
PPSN	Conditional	The registration of the employee (up to 9 chars). Must be valid PPS number. Format is 7 digits (including leading zeros) followed by either 1 or 2 letters. This field will be mandatory unless the Employee doesn't have a PPSN when making the payment. If submissions continue to be received with no PPSN, relevant compliance interventions will be triggered.	Used to identify employee to which the submission relates. In conjunction with employer number and employment unique identifier. Will be used to see if employment record exists.
First Name	Mandatory	The First name of the employee.  No validation	Where there are errors/ mix ups, the name will help the employer helpdesk when correcting a record.
Family Name	Mandatory	The Family name of the employee.  No validation.	Where there are errors/ mix ups, the name will help the employer helpdesk when correcting a record.

# Submission Line Item

Address	Conditional	The address of the employee. This will be Mandatory if the PPSN isn't available.	Where there are errors/ mix ups, the address will help the employer helpdesk when correcting a record.
Date of Birth (DOB)	Conditional	The date of birth of the employee. This will be Mandatory if the PPSN isn't available.	Where there are errors/ mix ups, the DOB will help the employer helpdesk when correcting a record.
Employer Reference	Conditional	Employee internal staff identifier.  This will be Mandatory if the PPSN isn't available and must remain unchanged in all submissions received until the PPSN is available.	Used to uniquely identify the employment of an employee with an Employer where a PPSN is not included.
Employment ID	Conditional	This is numeric unique identifier for each separate employment for an employee. It will be provided by the Employer. It will be used to distinguish between multiple employments for an employee with the same Employer. It will also be used to distinguish between the different employments where an Employee ceases and recommences employment with the same Employer.  It is Mandatory if the PPSN is available.	Used to uniquely identify each employment for the employee. Will be used in conjunction with the Employer number and the PPSN to see if employment record exists.

# Submission Line Item

<b>Employment Start Date</b>	<b>Conditional</b>	<b>Only fill this in the first time you pay a new employee or if there is a correction being made to the Employment Start date in a subsequent payroll run</b>	<b>Establishes the start date for the employment. Will be used in conjunction with other employment details held by Revenue to determine if credits and rate bands need to be reallocated to this new employment.</b>
Date of leaving	Conditional	Report this date when an employee is leaving (date contract terminates) or if employer ceases trading.	Establishes the leaving date for an employee. Will be used in conjunction with other employment details held by Revenue to determine if credits and rate bands need to be reallocated from this employment.

<b>Pay Date</b>	<b>Mandatory</b>	<p><b>Date Employee is being paid (DD/MM/YYYY).</b></p> <p>In the case of an individual paid by cash, it is the date the cash is given to the employee. Where payment is made by bank transfer, it is the date on which the funds are scheduled to be made available in the individual's bank account. In the case of a cheque, it will be the date on the cheque.</p> <p>Where payday falls on a bank holiday and an employee is due to be paid by funds transfer on that day, we would regard the payday as that bank holiday where the funds are made available to the employee in his or her bank account on the previous day.</p>	<p>Used to determine which remittance period the submission belongs to and for pre population of the employer return.</p>
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<b>Pay Frequency</b>	<b>Mandatory</b>	<b>Weekly, Fortnightly, Monthly, Four-Weekly, Twice-Monthly, Quarterly, Bi-Annual, Week-based Monthly, Annual, Other</b>	<b>Used for employee in-year reconciliations and to determine the payment against which, for example, Local Property Tax and illness benefit should be applied. 'Other' should only be used where the payment frequency does not fall into one of the categories listed or the frequency of payment is unpredictable e.g. ARFs and income continuance payments.</b>
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RPI number	Conditional	The number of the Revenue Payroll Instruction (RPI) used to calculate deductions. This is mandatory when the RPI is used	Used to determine that the correct instructions are being operated.
Standard Rate Cut Off Point this period	Conditional	<p>Amount of Standard Rate Cut Off Point available for use in the PAYE calculation. Where the employee is taxed on a week 1 basis, this will be the standard rate cut off point for the pay period. If the employee is taxed on the cumulative basis, this will be the cumulative standard rate cut off point for the pay period.</p> <p>This is mandatory when the RPI is not used.</p>	Used to determine that the correct instructions are being operated.
Tax Credits this period	Conditional	<p>Amount of tax credits available for use in the PAYE calculation. Where the employee is taxed on a week 1 basis, this will be the tax credits available for the pay period. If the employee is taxed on the cumulative basis, this will be the cumulative amount of tax credits for the pay period.</p> <p>This is mandatory when the RPI is not used.</p>	Used to determine that the correct instructions are being operated.
PAYE Calculation Basis	Conditional	<p>Options include:</p> <ul style="list-style-type: none"> <li>Cumulative</li> <li>Week 1</li> <li>Emergency</li> </ul> <p>This is mandatory when the RPI is not used.</p>	Used to determine that the correct instructions are being operated.

Exclusion order	Mandatory	This indicates that the Employer does not have to deduct Income Tax for the Employee. This will be either 'True' or 'False'	Used to determine that the correct instructions are being operated.
Gross Pay	Mandatory	<p>Employee Gross Pay. Gross pay is the employee's pay of any kind, including notional pay and share based remuneration and before any pension contributions or salary sacrifice deductions are made. The following Employers' guide to PAYE details the different types of pay that would be included.</p> <p><a href="http://www.revenue.ie/en/business/pay/guide/employers-guide-pay-definition.html#section5">http://www.revenue.ie/en/business/pay/guide/employers-guide-pay-definition.html#section5</a></p>	<p>Displayed to employee through PAYE Services.</p> <p>Used for the generation of the employee end of year statement.</p>
Pay for Income Tax	Mandatory	<p>Gross pay reduced by allowable superannuation contributions, income continuance contributions, relevant reliefs such as SARP and approved salary sacrifice. Euro and Cent required.</p>	<p>Displayed to employee through PAYE Services.</p> <p>Used for the generation of the employee end of year statement</p>
Income Tax Paid	Mandatory	<p>Employee Tax deducted or refunded in this employment. Negative if tax refunded.</p> <p>Euro and Cent required</p>	<p>Displayed to employee through PAYE Services.</p> <p>Used for the generation of the employee end of year statement and for the pre-population of the employer</p>

<b>Pay for Employee PRSI</b>	<b>Mandatory</b>	<b>Pay subject to employee PRSI. Euro and Cent required</b>	<b>Displayed to employee through PAYE Services.  Used for the generation of the employee end of year statement</b>
Pay for Employer PRSI	Mandatory	Pay subject to employer PRSI. Euro and Cent required	Used by Department of Social Protection.
Employee is exempt from PRSI in Ireland	Mandatory	This field allows for the filing of returns for employees who are exempt from paying PRSI in Ireland. This will be either 'True' or 'False'	Used for the generation of the employee end of year statement
PRSI Class and Subclass	Conditional	PRSI Class. Weeks required where class is provided.  This is Mandatory if not PRSI exempt.  Can occur more than once per payslip	Used by Department of Social Protection.

Insurable Weeks	Conditional	Number of insurable weeks for each PRSI class accrued in this pay period. This is Mandatory if not PRSI exempt.  Can occur more than once per payslip	Used by Department of Social Protection.
Employee PRSI Paid	Conditional	Employee PRSI deducted.  This is Mandatory if not PRSI exempt.	Displayed to employee through PAYE Services.  Used for the generation of the employee end of year statement and for the pre-population of the employer return.
Employer PRSI Paid	Conditional	Employer PRSI Paid.  This is Mandatory if not PRSI exempt.	Used for the pre-population of the employer return.
Pay for USC	Mandatory	Includes notional pay and all Superannuation and Income Continuance Scheme Contributions. Excludes DSP payments, Illness Benefit and payments of a similar nature under certain approved schemes.	Displayed to employee through PAYE Services.  Used for the generation of the employee end of year statement.
USC Status	Mandatory	Ordinary  Exempt	Displayed to employee through PAYE Services.  Used for the generation of the employee end of year statement.

USC Paid	Conditional	USC deducted or refunded in this employment. Negative if USC refunded. Mandatory if not USC exempt.	Displayed to employee through PAYE Services.  Used for the generation of the employee end of year statement and for the pre-population of the employer return.
Gross Medical Insurance paid by Employer	Conditional	Gross Medical Insurance paid by Employer for the Employee. This is mandatory if applicable.	Used to cross-check amount paid when the Employee applies for medical insurance relief credit.
Pension Tracing Number	Conditional	<p>Pension Tracing Number.</p> <p>The format of the pension tracing number is “PBXXXXXX”, where XXXXXX is a number with up to 6 digits. E.g. PB1234.</p> <p>This is mandatory if applicable. Should only be provided when the Employee joins a pension or changes pension.</p> <p>Can occur more than once per payslip</p>	Required by Pensions Authority. Statutory reporting requirement. .
Amount contributed by Employer to retirement benefit scheme	Conditional	Amount contributed by Employer to retirement benefit scheme for the Employee. This is mandatory if applicable.	Statutory reporting requirement.

<b>Amount contributed by Employee to retirement benefit scheme</b>	<b>Conditional</b>	<b>Amount contributed by Employee to retirement benefit scheme. This is mandatory if applicable.</b>	<b>Statutory reporting requirement. Also required when calculating tax relief due when an individual submits a claim for tax relief on contributions not relieved by the employer under the net pay arrangement.</b>
Amount contributed by Employer to PRSA scheme	Conditional	Amount contributed by Employer to PRSA scheme for the Employee. This is mandatory if applicable.	Statutory reporting requirement.
Amount contributed by Employee to PRSA scheme	Conditional	Amount contributed by Employee to PRSA scheme. This is mandatory if applicable.	Statutory reporting requirement. Also required when calculating tax relief due when an individual submits a claim for tax relief on contributions not relieved by the employer under the net pay arrangement.
Amount contributed by Employee to RAC scheme	Conditional	Amount contributed by Employee to RAC scheme. This is mandatory if applicable.	Statutory reporting requirement. Also required when calculating tax relief due when an individual submits a claim for tax relief on contributions not relieved by the employer under the net pay arrangement.

Amount contributed by Employee to AVC scheme	Conditional	Amount contributed by Employee to AVC scheme. This is mandatory if applicable.	Statutory reporting requirement. Also required when calculating tax relief due when an individual submits a claim for tax relief on contributions not relieved by the employer under the net pay arrangement.
Share Based Remuneration	Conditional	<p>This is share-based remuneration consisting of shares in the employer company or a company that controls the employer company <u>that is included in 'Gross Pay'</u>.</p> <p>This is mandatory if applicable.</p>	Statutory reporting requirement.
Taxable Benefits	Conditional	<p>Taxable value of benefits provided to the employee. This is the amount of non-cash benefits (for example, private use of a company car, free or subsidised accommodation, preferential loans), other than company Share-based Remuneration (but including shares in companies that are not the employer company or a company that controls the employer company), <u>that is included in 'Gross Pay'</u>.</p> <p>This is mandatory if applicable.</p>	Statutory reporting requirement.

Taxable Lump sum	Conditional	Amount of taxable lump sum payment included in 'Pay for Income Tax'. This is mandatory if applicable.	Statutory reporting requirement.
Non-Taxable Lump sum	Conditional	Amount of lump sum payment not included in 'Pay for Income Tax', excluding statutory redundancy payments. This is mandatory if applicable.	Statutory reporting requirement. Used to ensure that the lifetime limit has not been reached.
LPT Deducted	Conditional	Local Property Tax amount paid. This is mandatory if applicable.	<p>Displayed to employee through PAYE Services and LPT account.</p> <p>Used for the generation of the employee end of year statement and for the pre-population of the employer return</p>
Director	Conditional	<p>Proprietary Director,</p> <p>Non Proprietary Director</p> <p>This should be included at start of Employment or if there is any change</p> <p>Proprietary director is the company's beneficial owner or director who can control directly or indirectly more than 15% of the company's ordinary share capital.</p>	Used to indicate that out of year and one off payments may occur

Shadow Payroll Indicator	Conditional	Set to True for Shadow payment	Used to indicate increased likelihood of corrections and delayed submission
Expected number of pay periods in a full year	Mandatory	Options: 13 14 26 27 52 53 Other	Used to determine whether a week 1 or cumulative RPI should be provided when an employee moves jobs or pay frequencies.

# **P2C (now RPI – Revenue Payroll Submission)**

# Response Header

Data Item	Description and Format	Context
<b>Tax Year</b>	4 digit year format.  Min year 2019.	Used to identify the tax year to which the Revenue Payroll Instruction (RPI) relates.
<b>Employer Name</b>	The Official Name of the employer.	
<b>Employer Registered Number</b>	The registration number of the employer. Format is 7 digits (including leading zeros) followed by either 1 or 2 letters.	Used to identify employer to which the RPI relates.

# Response Line Items

Data Item	Description and Format	Context
<b>RPI Number</b>	The number of the RPI issued to the employer in respect of an employee.	Used to uniquely identify the instruction issued.
<b>Date of Certificate</b>	Date format dd/mm/yyyy	The date the RPI issued.
<b>Employee Forename</b>	Forename of the employee.  Max length 20	
<b>Employee Surname</b>	Surname of the employee.  Max length 35	

PPSN	Format is 7 digits (including leading zeros) followed by either 1 or 2 letters.	Used to identify employee to which the RPI relates.
Previous PPSN	<p>Must be valid PPS number (up to 9 chars).            Format is 7 digits (including leading zeros) followed by either 1 or 2 letters.</p>	<p>Used to identify employees previous PPS number if applicable e.g. W PPS number.</p> <p>Should only appear if changed since previous submission</p> <p>This will appear until Revenue knows that the payroll operator has updated the PPSN in their own system i.e. until Revenue receives a submission with the new PPSN</p>
Employment ID	<p>The value of this field will be the Employment ID provided to Revenue by the employer when setting up then employment.</p> <p>If the RPI is being triggered as a result of the employee setting up the employment via Jobs and Pension or contacting Revenue, the value of this field will be set to null.</p> <p>Min value 1</p> <p>Max value 999999</p>	<p>Used to uniquely identify each employment for the employee.</p>

<b>Employer Reference</b>	<b>Employee internal staff identifier.</b> <b>Max length 20</b>	<b>Used to uniquely identify the unique employment for the employer and employee.</b>
<b>PAYE Calculation Basis</b>	Cumulative Week 1	Used to indicate the correct tax basis to be applied.
<b>Exclusion Order</b>	Set to “true” if an exclusion order is on file for the employee.  This field is not included if an exclusion order is not on file for the employee.	Used to indicate if there is an exclusion order on file for the employee for the specified period.
<b>Date Certificate Begins</b>	1 <sup>st</sup> January if cumulative basis applies. Date the cert issued if Week 1 basis applies. The date can be in the future.  Date format dd/mm/yyyy  Min date 01/01/2019	The cert can be used from this date until updated again.
<b>Date Certificate Ends</b>	The date the RPI ends.  Date format dd/mm/yyyy  Min date 01/01/2019	Applicable to Tax Basis Week 1. For Cumulative certs the date will be the 31/12/XXXX.  This will appear if applicable.

<p><b>Total Pay for Income Tax to Date</b></p>	<p><b>This will include total income liable to Income Tax to date – including previous employment income. In the case of recommencements, this includes previous pay from that employer in the same tax year.</b></p> <p><b>This number will contain two decimal places.</b></p> <p><b>This field will be populated where the PAYE Calculation Basis is cumulative.</b></p>	<p><b>When multiple employments exist, RPI must include correct previous employment income. This will include only the previous Pay and Tax that should be applied.</b></p>
<p><b>Total Income Tax Deducted to Date</b></p>	<p>Total amount of employee’s Income Tax deducted to date. In the case of recommencements, this includes previous tax from that employer in the same tax year.</p> <p>This number will contain two decimal places.</p> <p>This field will be populated where the PAYE Calculation Basis is cumulative.</p>	<p>Total Income Tax paid to date. Taking into account any PAYE refunded through any unemployment repayment claim(s).</p>

<b>Yearly Tax Credit</b>	<p>Amount of tax credits available to the employee for the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only</p>	<p>Net Tax Credits. Breakdown is displayed to employee through PAYE Services.</p>
<b>Tax Rate 1</b>	<p>The lower rate of tax for the year the RPI relates to.</p> <p>Positive number only</p>	<p>Rate to be applied for any income below Rate Band 1.</p>
<b>Yearly Rate 1 Cut Off</b>	<p>Rate 1 cut off for the year the RPI relates.</p> <p>Positive number only</p>	<p>Breakdown is displayed to employee through PAYE Services.</p>
<b>Tax Rate 2</b>	<p>The higher rate of tax for the year the RPI relates to.</p> <p>Positive number only</p>	<p>Rate to be applied for any income between Rate Band 1 and Rate Band 2.</p>
<b>Yearly Rate 2 Cut Off</b>	<p>Positive number only</p>	<p>In case introduced in a future budget.</p>

<b>Tax Rate 3</b>	<b>Positive number only</b>	<b>In case introduced in a future budget.</b>
<b>Yearly Rate 3 Cut Off</b>	Positive number only	In case introduced in a future budget.
<b>Tax Rate 4</b>	Positive number only	In case introduced in a future budget.
<b>Yearly Rate 4 Cut Off</b>	Positive number only	In case introduced in a future budget.
<b>Tax Rate 5</b>	Positive number only	In case introduced in a future budget.
<b>PRSI Exemption</b>	Set to “True” if employee has been granted an exemption from paying PRSI in Ireland.  This field is not included if employee is not exempt from paying PRSI.	True if an individual is exempt from paying PRSI in Ireland. This must not to be confused with PRSI exempt income.
<b>PRSI Class and Subclass</b>	PRSI Class and Subclass that the employee should be updated to.	This will appear only where DSP updates the class or where DSP knows the individual is on the wrong class (i.e. where a review has been carried out by DSP)  Will only appear where available.

USC Status	Ordinary Exempt	Used to deduct correct amount of USC.
USC Rate 1	<p>USC rate 1 applicable to USC Status Ordinary in the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	Current rate 0.5%.
Yearly USC Rate 1 Cut Off	<p>Yearly USC rate 1 cut off applicable to USC Status Ordinary in the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	
USC Rate 2	<p>USC rate 2 applicable to USC Status Ordinary in the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	Current rate 2.5%.

<p><b>Yearly USC Rate 2 Cut Off</b></p>	<p><b>Yearly USC rate 2 cut off applicable to USC Status Ordinary in the year the RPI relates to.</b></p> <p><b>This number will contain two decimal places.</b></p> <p><b>Positive number only.</b></p>	
<p><b>USC Rate 3</b></p>	<p>USC rate 3 applicable to USC Status Ordinary in the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	<p>Current rate 5%.</p>
<p><b>Yearly USC Rate 3 Cut Off</b></p>	<p>Yearly USC rate 3 cut off applicable to USC Status Ordinary in the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	
<p><b>USC Rate 4</b></p>	<p>USC rate 4 applicable to USC Status Ordinary in the year the RPI relates to.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	<p>Current rate 8%.</p>

<b>Yearly USC Rate 4 Cut Off</b>	<p>Yearly USC rate 4 applicable to USC Status Ordinary in the year the RPI relates to.</p> <p><b>This number will contain two decimal places.</b></p> <p><b>Positive number only.</b></p>	
<b>USC Rate 5</b>	<p>This number will contain two decimal places.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	In case introduced in a future budget.
<b>Yearly USC Rate 5 Cut Off</b>	<p>This number will contain two decimal places.</p> <p>This number will contain two decimal places.</p> <p>Positive number only.</p>	In case introduced in a future budget.

<p><b>Previous Pay for USC to Date</b></p>	<p><b>Net pay subject to USC.</b></p> <p>This number will contain two decimal places.</p> <p>This field will be populated where the PAYE Calculation Basis is cumulative.</p>	<p>This will include total income liable to USC to date – including previous employment income and any additional declared income liable to USC e.g. Rental Income.</p> <p>This will appear if available.</p>
<p><b>Previous USC Paid to Date</b></p>	<p>Total amount of employee’s USC deducted to date.</p> <p>This number will contain two decimal places.</p> <p>This field will be populated where the PAYE Calculation Basis is cumulative.</p> <p>Positive number only</p>	<p>Total USC paid to date. Taking into account any USC refunded through any unemployment repayment claim(s).</p> <p>This will appear if available.</p>
<p><b>LPT to be deducted</b></p>	<p>Local Property Tax amount due.</p> <p>Positive number only</p>	<p>Amount of LPT to be deducted through payroll.</p>

# Preparing for PAYE Modernisation

# Getting Ready

- Have you the right Personal Public Service (PPS) number for all your employees?
- Have you registered your employees with Revenue?
- Have you an up-to-date tax credit certificate for all your employees?
- Have you completed the P45 process for any employees who have stopped working for you?
- Have you adequate controls in place to ensure that benefits/notional pay are being accurately calculated during the year?
- Are you aware of your duties as an employer at the end of the year?

# Next Steps

# Next Steps

- Publish regular project updates, workshop feedback and draft requirements on [www.revenue.ie](http://www.revenue.ie)
- Publish employer submission data requirements and business rules by end of June
- Further feedback: [payemodernisation@revenue.ie](mailto:payemodernisation@revenue.ie)