

PAYE Modernisation
ITI External Design Workshop
27th March 2017

Overview of the morning

Time	
9.15 – 9.30	Registration/coffee
9.30 – 10.00	Introduction/overview of project
10.00 – 11.15	Breakout session
11.15 – 11.30	Tea/coffee
11.30 – 12.00	Breakout session
12.00 – 12.30	Q&A/feedback

PAYE Modernisation: context

Why modernise PAYE?

Changing nature of:

- Employments
- Payroll
- Information and communications technology
- Expectations

SMART PAYE



Seamless integration into payroll

Minimize employer cost to comply

Abolition of P30s, P45s, P46s, P60,
End of Year Returns

Right tax paid on current due dates

Time 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

Forms	Number received 2015
P45	705,936
P46	305,241
P30	1.3m
P35	221,620
Total	2.6m

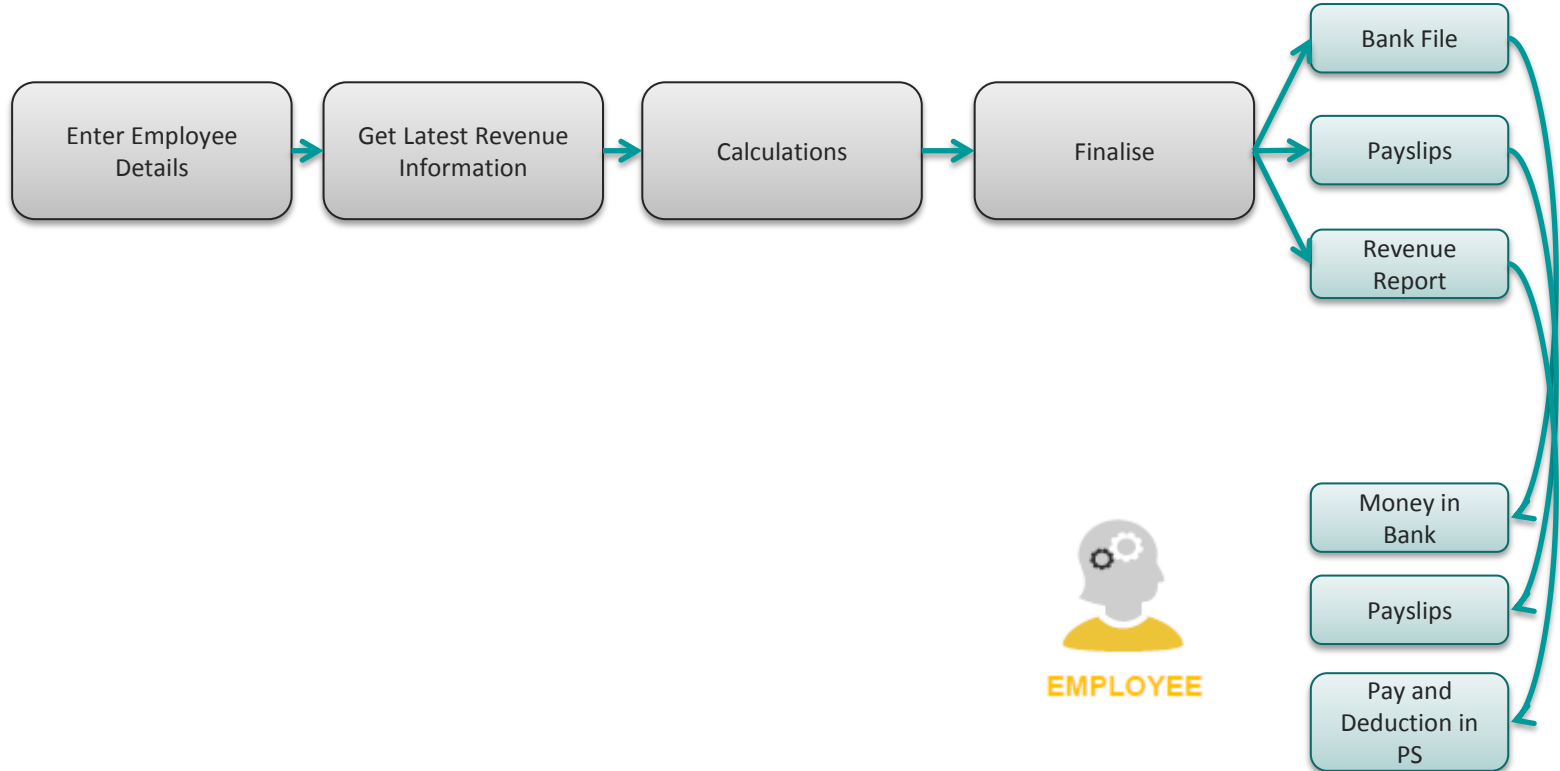
- 5m forms generated to fulfil employer PREM reporting obligations (including 2.5m P60s)

Jobs and Pensions service

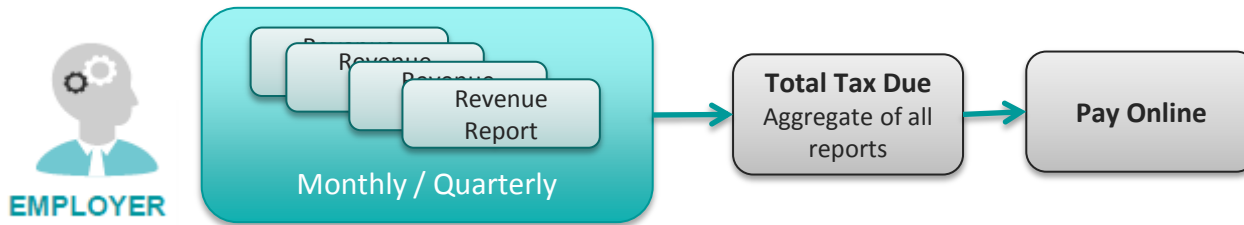
Jobs and Pensions	Number
No. of jobs and pensions added since September	54,424
New customers (Form 12A)	29,516
Existing customers	24,908

High Level Design and Process Flows

Seamless integration of reporting into the payroll process

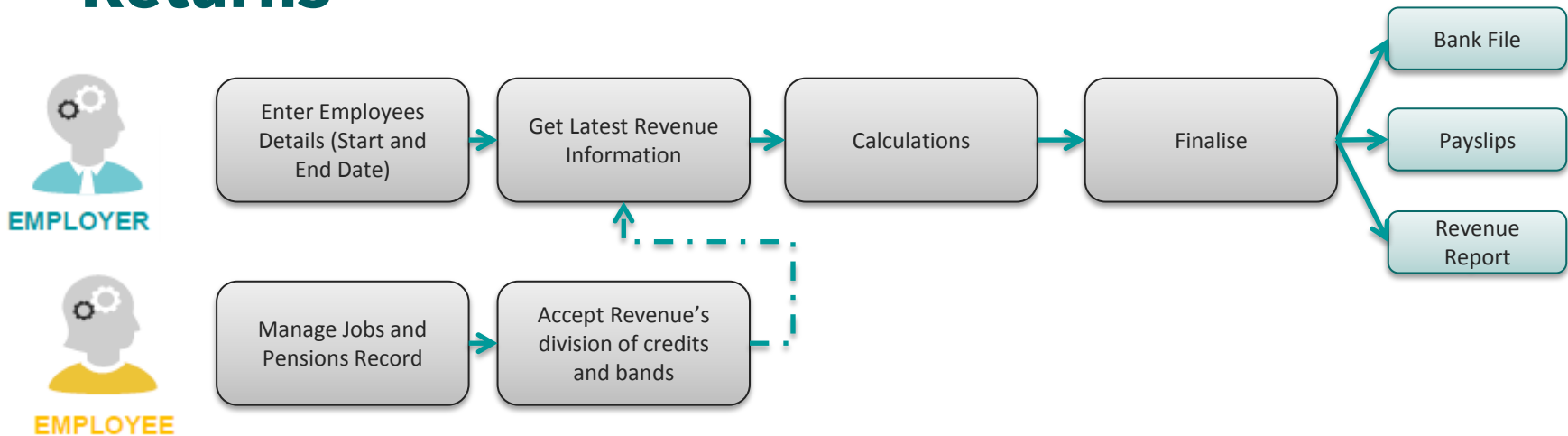


Abolition of P30s, P45s, P46s, P60, End of Year Returns



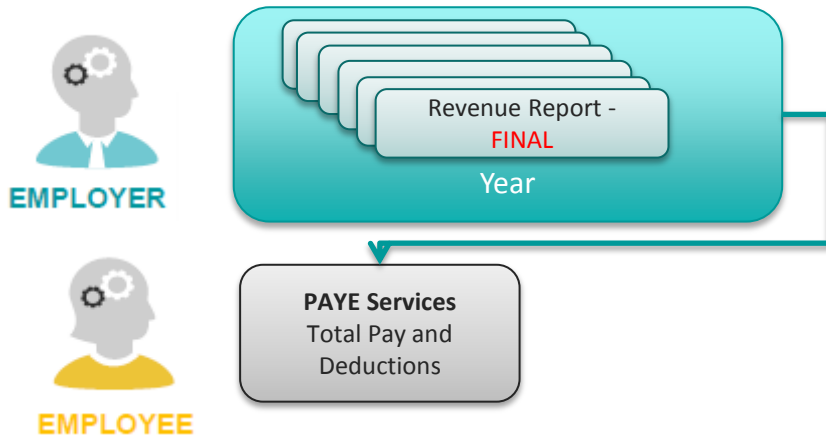
- P30
 - Total tax due calculated from aggregate of all reports in the month / quarter.
 - Employer payment made in line with current payment dates.
 - Debt management for underpayments in year.
 - Non filer interventions for non reporting in year.
 - In year interventions based on risk analysis of reporting.

Abolition of P30s, P45s, P46s, P60, End of Year Returns



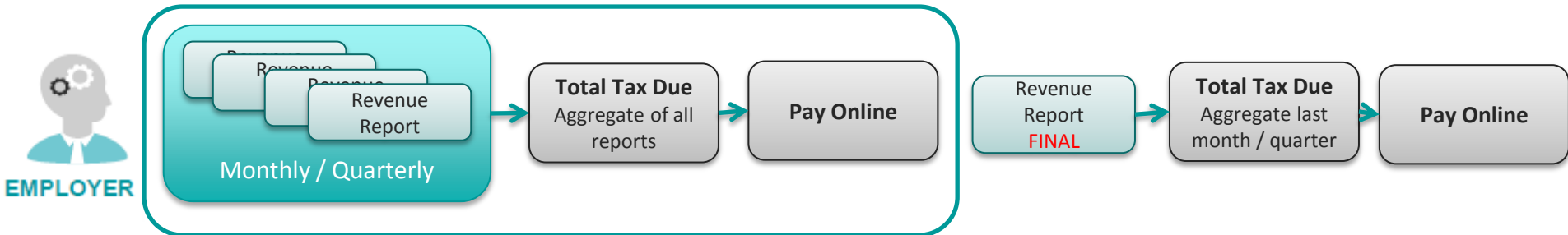
- P45 and P46s
 - Replaced by payroll submissions by employer with commencement and cessation dates or by the employee managing their employment record via the Jobs and Pensions service.

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

J

F

M

A

M

J

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

Schema



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

Workshop schedule & topics

Time	10.00	10.30	11.30
Group 1	Employer submission (Brid Reddan)	Global Workforce & Notional Pay and Benefits (Sinead Sweeney)	Agent requirements (Niamh Craven)
Group 2	Agent requirements (Niamh Craven)	Employer submission (Brid Reddan)	Global Workforce & Notional Pay and Benefits (Sinead Sweeney)
Group 3	Global Workforce & Notional Pay and Benefits (Sinead Sweeney)	Agent requirements (Niamh Craven)	Employer submission (Brid Reddan)

Next Steps

Next Steps

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