PAYE Modernisation
External Design Workshop
25 January 2017
# Overview of the morning

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.00 – 9.15</td>
<td>Registration/coffee</td>
</tr>
<tr>
<td>9.15 – 9.45</td>
<td>Introduction/overview of project</td>
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<tr>
<td>9.45 – 11.00</td>
<td>Breakout session</td>
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<tr>
<td>11.00 – 11.20</td>
<td>Tea/coffee</td>
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<tr>
<td>11.30 – 12.45</td>
<td>Breakout session</td>
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<tr>
<td>12.45 – 1.15</td>
<td>Q&amp;A/feedback</td>
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</table>
Why modernise PAYE?

Changing nature of:

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

S - Seamless integration into payroll
M - Minimize employer cost to comply
A - Abolition of P30s, P45s, P46s, P60, End of Year Returns
R - Right tax paid on current due dates
T - 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

<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 employee use of Jobs and Pensions and PAYE Services
  - Employer reporting on payroll event based on emergency tax rules if reallocation has not occurred before payroll run.
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.
  - Nonfiler interventions for non-reporting of final report.
High level plan
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

<table>
<thead>
<tr>
<th>Time</th>
<th>9.45</th>
<th>10.20</th>
<th>11.30</th>
<th>12.05</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group 1</strong></td>
<td>Technical Architecture (Conor McDonough)</td>
<td>Employer submission (Brid Reddan)</td>
<td>Corrections (Sinead Sweeney)</td>
<td>Dual/Casual employments (Michelle Carroll)</td>
</tr>
<tr>
<td><strong>Group 2</strong></td>
<td>Dual/Casual employments (Michelle Carroll)</td>
<td>Technical Architecture (Conor McDonough)</td>
<td>Employer submission (Brid Reddan)</td>
<td>Corrections (Sinead Sweeney)</td>
</tr>
<tr>
<td><strong>Group 3</strong></td>
<td>Corrections (Sinead Sweeney)</td>
<td>Dual/Casual employments (Michelle Carroll)</td>
<td>Technical Architecture (Conor McDonough)</td>
<td>Employer submission (Brid Reddan)</td>
</tr>
<tr>
<td><strong>Group 4</strong></td>
<td>Employer submission (Brid Reddan)</td>
<td>Corrections (Sinead Sweeney)</td>
<td>Dual/Casual employments (Michelle Carroll)</td>
<td>Technical Architecture (Conor McDonough)</td>
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Next Steps
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- Circulate summary of discussions
- Further feedback: payemodernisation@revenue.ie
- Design workshops with other stakeholders
- More detailed PSDA workshop w/c 20 March
- Please complete feedback form
- Any questions?