

PAYE Modernisation

Service User Group 20th June 2019

Agenda

- Live Update
- PIT Update
- Data Quality
- RPN Schema
- Potential CAB
- End of Year Statement

Live Update

Live Update (as at 5pm, 19/06/19)

- Total Submissions - > 2,901,000
- Direct Payroll Reporting 90%
 - ROS Payroll Reporting 1%
 - ROS Manual Input 9%
- Submitting Employers - > 167,000
- Submitting Employer for June - > 110,000

Total Line Items	Invalid Line Items	Deleted Line Items	Corrected Line Items
38,299,000	430,000	1,155,000	238,000
	1.1% was 1.3%	3.0% was 3.1%	0.6%

Matching Rules for no PPSN

- Matching on:
 - Employer Reference
 - First Name
 - Surname
- Needs to be an exact match
- Currently ~180,000 payslips unlinked
- Currently matching ~2000 payslips a night
- Identified issues with employer not using employer reference correctly
- Putting team in place to contact employers and manually match where required.

Live release 15 June

- Unemployment repayments facility
- Upload support documentation
- 50:50 split of credits/rate bands
- Civil status update
- Additional credits/reliefs:
 - PRSAs, AVCs, RACs
 - Employer paid medical insurance relief
 - Assistance dog allowance
- Inclusion of PPS numbers for customers where no RPN returned on CSV RPN response

PIT Update

PIT Update

- PIT3 has been down since 18/06/19 due to space issues – expected to be resolved on 20/06/19
- Documentation updates published on Friday 31/05/2019
- Payroll and RPN services were updated in PIT on Wednesday 05/06/2019
- PIT 3 will be upgraded to live levels following weekend release next week.

Updated documentation – validation rules

- 2 validation rules both returned 3002.
 - rule reference #112 “Return Request Period start date cannot be in the future”, was incorrectly marked as validation error 3002 instead of 5005.
- Fix implemented in March but PIT code and documentation was not updated correctly
- Documentation now updated and PIT Code being updated.

PIT upcoming changes – Self Service updates

- ‘Employee Creation’ request screen will be updated to allow users to choose the type of RPN an employee will receive, and specify pay and tax from previous employment.
- ‘Employee Overview’ screen will be added which will provides a simple overview of each employee’s current position.
- ‘Employee Modification’ screen will be added which will enable users to change the RPN Profile of a particular employee, and modify pay and tax from previous employment.
- Richer variety of RPNs
- Changes release target date – 12 July

PIT 4 – Future PIT

- Plan to have PIT4 available in August.
- This PIT will be where changes for 2020 will be developed and tested.
- First release will be for CAB items on RPNs.
- RPNs for 2019 and 2020 will be available in PIT4.
- 2020 RPNs will use the 2019 values until after any Budget changes are announced in October.

Data Quality

Challenges

- The move of PAYE reporting from the current yearly basis to a real time basis is a fundamental change, in both philosophy and practical application, for Revenue and employers and brings significant challenges for both parties.
- Revenue will need to respond in real time to employer reporting and underlying PAYE compliance issues.

Challenges

- For employers the introduction of real time reporting will necessitate changes in their current salary payment practices which are based on an end of year reporting obligation.
- Employers will need to focus on the quality and accuracy of the data they will provide to Revenue on each pay day.

Data Quality and Accuracy

- Central Team carrying out data quality checks on payroll submissions.
- Reviewing ~24 criteria for employers as part of these checks.
- Customer service visits to employers to review the outcomes of these checks.
- Where necessary employers must correct incorrect data submitted.
- Revenue looking for errors to be corrected for future submissions as soon as possible and employer must provide a plan for correction of previously submitted data based on their assessment of work required to perform this correction.

Data Quality and Accuracy Tests

Current Tests

Emergency tax basis but no Income Tax paid

Emergency tax but with RPN

Invalid pay dates

Future Pay dates

Gross pay is less than pay for income tax and pay for income tax is equal to taxable benefits

Gross pay < pay for income tax

Gross pay is less than pay for USC

USC exempt but USC paid

Pay for USC is less than pay for Income tax

No PPSN and less than 40% Income Tax paid.

No PPSN and less than 8% USC paid.

Duplicate Pay Items. Valid items.

ER PRSI is double EE PRSI

Data Quality and Accuracy Tests

Current Tests

Invalid line items for each month.

Pay date before submission date

Gross Pay over 3k and no income tax paid

Pay over 1k and negative income tax paid

Pay over 1K and negative USC paid

Pay for USC zero but USC paid is negative

Share based remuneration less than zero

Taxable benefits less than zero

Taxable lump sum is less than zero

Gross pay over 500 and no USC paid

RPN Schema

RPN Schema

- Based on the published [schema](#) the payForIncomeTaxToDate and the incomeTaxDeductedToDate and required fields.
- This means we always populate them and will send these back with a 0 if there is no previous pay and tax to report.
- However the payForUSCToDate and uscDeductedToDate are not required fields so if there is nothing to report then these elements are not returned.

RPN Schema

- Issues have been raised by employers where an employee with previous pay and tax moves to a week 1 cert.
- Previous tax is being overwritten to zero correctly as there is zeroes on the RPN but the USC is remaining on the payroll system as the attribute is no on the RPN.
- Based on current schema software needs logic to determine previous USC is not in the response and in that instance remove previous value from the employee record that is used to do the calculations.
- If the schema needs to be changed, need to do that through a CAB.

Potential CAB

Potential CAB: report week number

- To assist with the accuracy of the in-year reconciliation, we would like to bring the inclusion of the week number used in calculations on the payroll submission from 2020 onwards to the CAB.
- Regardless of whether a week 1 or cumulative RPN is being used, report the week number that payroll is operating on for each employee.
- This is being asked for in week 1 as well as cumulative cases so we can accurately determine if week 1 can be removed.

End of year statement

Preliminary end of year statement

- No P60s in respect of 2019 onwards. Pay, tax and PRSI details for each employment will instead be available in PAYE Services – screen will be printable.
- In addition, an automatic preliminary end of year statement will be available for all employees:
 - Available from 15 January 2020 (may need to make it available in tranches for customer service purposes).
 - Will include any third party data we have on record e.g. agricultural payments.
 - If the information reported by your employer is incorrect, employer will need to correct it. Link to report this to Revenue will be embedded on screen.
 - Statement will be made available for all PAYE customers with a live employment at any point in 2019.

Preliminary end of year statement

- Information included on the statement will be similar to P21
- Will need to complete a Form 12 if you have an additional income to declare or credits/reliefs to claim.
- Under and overpayments will not be automatically coded forward or refunded based on the preliminary statement.
- If action is not taken by the employee, Revenue will follow-up.

Preliminary end of year statement

- Workshop for PSDA members – 10/11 July?
- Potential topics for discussion:
 - Customers for inclusion/exclusion
 - Information to be included on the statement
 - How best to present calculations to ensure customers understand
 - When/how to issue.

AOB

AOB

- Next Meeting
 - Service User Representative Group?
 - Service User Group?