

TALC AUDIT Sub-Committee Meeting Minutes

Tuesday 23 June 2020 – 10.00
Virtual Meeting through Skype for Business

Attendees:

Practitioners:	Gerry Higgins (Chair)	CCAB-I
	Norah Collender	CCAB-I
	Maud Clear	CCAB-I
	Julie Burke	Irish Tax Institute
	Jim Kelly	Irish Tax Institute
	Aidan Lucey	Irish Tax Institute
	Mary Healy	Irish Tax Institute
	Liam Grimes	Irish Tax Institute
	Sandra Brennan	Irish Tax Institute
	Ruth Higgins	Law Society
	Tom Martyn	Law Society
Revenue:	Brian Boyle	Revenue
	Padraigh Donnelly	Revenue
	Fay Kearney	Revenue
	Miriam Scahill	Revenue
	Bernadette Davis	Revenue
	Emma Murphy (Secretary)	Revenue
Apologies:	Paul Dillon	CCAB-I
	Stephen Flynn	Revenue

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Item 1 – Opening Comments and Review of Minutes of Meeting held on 18 February 2020

The Chair opened the meeting by acknowledging the contribution of Kathleen Redmond and Kimberley Rowan who had recently left the committee. The Chair welcomed Maud Clear and Norah Collender to the committee. Revenue advised that a competition was in progress to fill the vacancy arising from Kathleen Redmond's transfer.

The previous minutes were agreed with no amendments.

Item 2 – Matters arising from minutes

Revenue thanked the ITI for their submission regarding Covid 19 issues and the review of Code of Practice for Revenue Audit and other Compliance Interventions (CoP).

It was noted that the issue of the treatment of proprietary directors' in PMOD is now being addressed at Main TALC.

Revenue confirmed the extension of the self-correction period for PAYE (Employer) returns made during 2020 to the relevant IT or CT return date. This will be reflected in an update to the CoP to be published shortly.

Item 3 – Temporary Wage Subsidy Scheme (TWSS) Compliance Check Programme

Revenue gave an update to the practitioners regarding the TWSS Compliance Check Programme. The objectives of this programme will be to ensure that only eligible employers are claiming TWSS in respect of their employees, that TWSS amounts are being properly paid to employees and that payslips clearly showing the TWSS amounts are being issued. Revenue advised that this compliance programme is separate to the necessary reconciliation exercise in relation to TWSS payments that will take place later in the year. Employers will all be contacted through MyEnquiries and the following information will be sought:

- 1) A summary of the basis on which each employer considered they were eligible for TWSS i.e. the basis for their projection of a 25% turnover/orders in Q2 of this year;
- 2) A statement of their ultimate turnover during the relevant period; and
- 3) Selected payslips from a sample of TWSS employees (to be selected by Revenue)

Practitioners expressed concern that this would put businesses struggling to reopen under pressure. Revenue advised that in view of the significant expenditure of public monies on TWSS (currently at almost €2bn) it considered it both necessary and appropriate to run compliance checks to ensure that these monies were being directed appropriately. Revenue acknowledged the challenges faced by business but also stated that providing the documentation being requested should not impose a significant burden on employers. In relation to the qualifying reduction in turnover Revenue advised that any business that had to cease to trade for the relevant period due to the nature of its business need only set out these facts.

Revenue has a standard form of letter for these enquiries and it was agreed a copy of the letter would be circulated to the committee members. This letter is a general approach and may be modified by different parts of Revenue to suit the circumstances of their particular casebase or of particular cases.

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These interventions are not Revenue Compliance Interventions as set out in the CoP. Revenue advised that employers who applied for TWSS in good faith on the basis of a reasonable projection of a 25% reduction in turnover but where that reduction did not materialise will be removed from the scheme on a prospective basis only. Revenue also advised that while its approach to employers availing of TWSS will be supportive, it will vigorously pursue any identified cases of abuse or fraud.

Finally, Revenue also advised all TWSS recipients were being moved to a week one basis to avoid underpayments accumulating. Practitioners welcomed this change.

Item 4 – Work Plan 2020

2.1 Code of Practice for Revenue Audit and other Compliance Interventions

There was then a general discussion about the conduct of Revenue interventions in the context of Covid-19 prevention. Revenue confirmed that, to the greatest extent possible, interventions will continue to be conducted remotely. Revenue agreed to prepare a document setting out guidelines for interventions in these circumstances for discussion at a future meeting.

In relation to the wider review of the CoP Revenue advised that its work in this area had been delayed due to the Covid-19 emergency but it hoped to be in a position to share its general thinking on development of the Code by the next meeting.

2.2 National/Divisional Projects

Revenue gave an update on the current projects that are being undertaken by the Divisions as follows: -

Foreign Income and Assets Disclosures

The last update had 67 open cases; 9 cases have been closed leaving 58 open cases. The estimated yield from the project was €98m and so far the closed cases have generated €84m.

Short-Term Letting Project

This is still a pilot project and 51 cases have been opened.

Medical Locums

An additional 18 audits have been opened bringing the total to 246 cases.

Legacy Cases

As of 9 June 2020, there were 229 cases remaining open, a reduction of 77.5% since the start of the project.

Non-Filer Programme

The CT Non-Filer Programme is currently being finalised. It will focus on cases that should have filed by the end of March 2020. A copy of the letter will be circulated to committee members.

AEOI Programme

It was agreed to invite a member of the AEOI project team to give a presentation on the project at a future meeting.

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Item 6 – AOB

Skype Meetings: Practitioners queried whether they could avail of Skype meetings to discuss urgent case specific issues with Revenue Staff. Revenue confirmed that most staff are set up for Skype and welcome engagement via this medium to advance cases. It was also confirmed that Skype calls are not recorded by Revenue staff.

Debt Warehousing: Revenue took the opportunity to remind practitioners that in order to avail of tax debt warehousing, returns have to be up to date.

The Chair ended the meeting by thanking everybody for attending.

Action Points from this meeting	Responsible	Deadline
Practitioners invited to submit comments/proposals in relation to the Code of Practice.	Practitioners	ongoing
Non-filer programmes 2020 – Revenue will circulate the CT non-filer letter	Revenue	June 2020
Presentation on AEOI based intervention programme	Revenue	Next Meeting (September 22 2020)
Revenue to circulate TWSS Compliance Check sample letter	Revenue	June 2020
Revenue to develop intervention guidelines to reflect Covid 19 restrictions	Revenue	ongoing

The next meeting of the TALC Audit Sub-Committee is on September 22 2020 at 10.00.

Submitted for approval by Secretary

Approved by TALC Audit Sub-Committee