

Minutes

TALC Audit Sub-Committee Meeting

Tuesday 26th September 2017 – 10.00am

Revenue Commissioners, Planning Division, Bishops Square, Dublin 2.

Attendees:

Practitioners: <i>Tom Martyn</i>	<i>Law Society (Chairman TALC Audit Sub-committee)</i>
<i>Ruth Higgins</i>	<i>Law Society</i>
<i>Norah Collender</i>	<i>CCABI</i>
<i>Paul Dillon</i>	<i>CCABI</i>
<i>Mary Healy</i>	<i>Irish Tax Institute</i>
<i>Jim Kelly</i>	<i>Irish Tax Institute</i>
<i>Julie Burke</i>	<i>Irish Tax Institute</i>
<i>Colm Browne</i>	<i>Irish Tax Institute</i>

Revenue:

Paddy Faughnan
Stephen Flynn
Padraigh Donnelly
Conor Kennedy
Mary Deeley
Katie Ryan (Secretary)
Amy Reville

Apologies: <i>Declan Rigney</i>	<i>Revenue</i>
<i>Gerry Higgins</i>	<i>CCABI</i>
<i>Aidan Lucey</i>	<i>Irish Tax Institute</i>

Item 1 – Membership

The Sub-Committee Chairman welcomed Ruth Higgins (Law Society) and Colm Browne (Irish Tax Institute) to the Group and confirmed Katie Ryan as the new Secretary of the Sub-Committee.

Item 2 – Minutes of meetings held on 13 June 2017

The minutes of the meeting of 13 June 2017 were agreed.

Matters Arising:

Actions points from that meeting were reviewed.

Foreign Income and Asset Disclosure Regime – FAQs

The FAQs were re-instated to the Revenue website immediately after the last meeting of the Sub-Committee.

Delays in Closing IVs

Revenue stated that the focus is to bring cases opened for a pro-longed period to a conclusion. Should practitioners encounter any particular issues in relation to delays in cases, Revenue asked to be made aware of these issues.

Item 3 – Work Plan 2017

Foreign Income & Assets Disclosure Regime

Revenue stated that the disclosures received under this Regime are being processed by the Offshore Asset

Group (OAG) in IPD. The OAG has, at this stage, issued acknowledgements in respect of almost all of the disclosures received, and is also dealing with the large number of queries received. The practitioners queried the expected timeline for the working/closure of these disclosure cases. The ITI stated that it had received Revenue correspondence acknowledging delays in issuing acknowledgements due to the volume of responses required. Revenue stated that on finalisation of any intervention, a closure letter would issue and until then, the case remains open.

Code of Practice for Revenue Audit and other Compliance Interventions (Code of Practice)

Practitioners queried the restriction of the 60 day period in which to make a qualifying disclosure. Revenue confirmed that the restriction to one 60 day period applies only in cases where the taxpayer has already availed of a 60 day period in respect of the same issue or period. In the event that an intervention is escalated to audit for other matters not included within the first intervention, the taxpayer can avail of a second 60 day extension.

Revenue confirmed that a tour of the Districts with presentations on the revised Code of Practice is underway. Revenue and Practitioners agreed that it would be useful to hear issues from caseworkers “on the ground” so that they could be discussed by the Sub-Committee. In particular, issues surrounding the scheduling and rescheduling of interventions could be covered.

Practitioners queried as to when the Code of Practice will be updated next and Revenue stated that it is unlikely that the Code would be updated before the end of 2017. Suggested updates are being compiled and will be brought before this Committee before any changes are undertaken.

Real-time Compliance Interventions

No issues were identified by Revenue or practitioners.

National/ Regional Projects

Shadow Economy

Revenue is focusing resources on identifying those individuals who operate either in whole or in part in the shadow economy. Revenue has a range of 3rd party data available and uses all of this data in risk analysis.

Revenue undertakes a number of targeted Streetscapes and engages in operations with other organisations including the Work Place Relations Committee and the Department of Employment Affairs and Social Protection.

Revenue has an online facility on which citizens can report potential instances of Tax Evasion. Revenue has received reports through this mechanism across the socio-economic divide. These reports are risk-rated and worked in their geographic location.

Construction

Revenue confirmed that the project is ongoing. Revenue continues to explore and research areas of risk within the Sector.

eAudit

Revenue continues to meet with industry members and software providers. These meetings will continue into 2018.

CAT & Stamp Duty

No updates from Revenue or practitioners.

Audit of R&D Claims

The R&D expert Group met on 7th June and 9th August. Revenue is awaiting feedback before publishing guidelines on the food and beverage industry. TALC Technical will take place on 27th September and R&D is on the agenda.

Item 4 AOB

Revenue Correspondence

Practitioners reported that at various CPD and other events, members and taxpayers had indicated that they had received non-audit intervention letters from Revenue requesting information/documentation. Following the submission of same documentation, no acknowledgement letters, response or closure letters have been received from Revenue.

Revenue stated that it is Revenue practice to issue closure letters in all non-audit interventions where written correspondence has issued to a taxpayer by Revenue, or has been received from a taxpayer. Revenue agreed that the Code of Practice tour of the Districts would be a good opportunity to remind Districts of the practice of issuing closure letters where appropriate for non-audit interventions.

Practitioners also indicated that a number non-audit intervention letters received by their members did not include valid phone or email contact details for the caseworker dealing with the case. Practitioners to provide sample letter and Revenue to follow up on this to ensure valid contact details are available on correspondence.

Income Categorisation

Practitioners raised the issue of assessing the same income for the same year under two different Schedules and requested that, before that takes place, Revenue and the relevant taxpayer should reach agreement on the matter.

Revenue outlined that the assessing the same income for the same year under two different Schedules is not unusual with the Appeal Commissioners or, as appropriate, the courts determining which is the correct Schedule of charge. Practitioners to provide more detail of cases that are arising in practice and, on receipt of such details, Revenue will examine the matter.

Action Point	Responsible	Timeframe
<i>Delays in Closing IVs/ Repeat IVs –</i> Practitioners and Revenue to monitor and provide updates	Revenue & Practitioners	Next meeting
<i>Revenue Correspondence</i> Practitioners to provide sample of letter without valid contact details. Revenue to review contact details on correspondence issued.	Revenue & Practitioners	Next meeting
<i>Assessments</i> Practitioners to provide further details on cases in which the same income is being taxed twice under two schedules. Revenue to review this issue.	Revenue & Practitioners	Next meeting

The next meeting of the TALC Audit Sub-Committee is scheduled to take place on **Tuesday 28th November 2017 at 10.00am.**

Submitted for approval by Secretary – 7 November 2017

Approved by **TALC Audit Sub-Committee Members – 28th November 2017**