

Minutes of TALC Sub-Committee on Collection Issues

DATE: 25 February 2025
Via Microsoft Teams

The Chair welcomed the sub-committee to the first meeting of 2025.

Agenda Item 1: Minutes of meeting held on 27 November 2024 and matters arising therefrom

The minutes of the meeting held on 27 November 2024 were agreed for publication.

A number of matters arising from this meeting were discussed:

- **Issue with CT1 due dates:** Based on current feedback, practitioners understand that the issue of incorrect CT1 due dates appearing in cases where companies have been deregistered for corporation tax may be case-specific and not a wider ROS or systemic issue. It was agreed to remove this item from the agenda.
- **Tax and Duty Manual (TDM) 'CAT Manual Part 2 - Statement of Affairs (Probate) Form SA.2':** Revenue confirmed this TDM will be updated shortly to reflect that requests for clearance must be made separately for each individual beneficiary of an estate.
- **Adjusting tax credits for jointly assessed couples where one individual is in receipt of a social welfare pension:** Revenue confirmed the changes to the coding system will adjust the tax credits for jointly assessed couples where one individual has a social welfare pension paid by the Department of Social Protection (DSP) and where there is a PAYE employment.

Agenda Item 2: Agree Work Plan 2025

The work plan for 2025 was agreed.

Agenda Item 3: Local Property Tax

Revenue published updated Property Tax Statistics for Local Property Tax (LPT) and Vacant Homes Tax (VHT) in February. The statistics show there were 26,907 newly liable properties registered for LPT in 2024.

Almost 27,000 properties were added to the LPT Register in 2024 as new properties become liable for the first time. Of those, almost 30% were valued in the first Valuation Band <€200,000.

2025 is due to be a revaluation year for LPT and Revenue will be undertaking a significant amount of work as part of this process. Revenue also reminded that Revenue cannot engage with an agent about LPT unless the Agent Link Notification - Local Property Tax (LPT) is supplied.

Revenue also noted a small number of property owners continue to pay LPT based on the Revenue estimate and have yet to file an LPT return. Many of this cohort may not engage a tax agent. Revenue will write to property owners who are not up to date with their LPT obligations.

Where LPT is unpaid, mandatory deduction at source applies to collect LPT from PAYE taxpayers and Revenue will write to this group first. A compliance campaign focused on other cohorts, including self-assessed taxpayers will follow. This activity will commence by the end of H1 of 2025.

Agenda Item 4: Vacant Homes Tax

According to the latest figures on Vacant Homes Tax (VHT), in the second chargeable period (1 November 2023 to 31 October 2024), a total of 3,049 properties were declared vacant. Of these, 2,142 were liable for VHT with 907 being exempt. A register of vacant homes has been established by Revenue and will be continually updated as necessary.

Agenda Item 5: ROS

Practitioners raised several queries in relation to the Form CT1, Form 11 and VAT OSS Return.

- **Form CT1 – update on resolved print preview/ RPF upload issue:** ITI requested whether Revenue could provide an update on recent issues experienced with the Print Preview function on the Form CT1 and in uploading the Return Preparation Facility (RPF) CT1, which are now resolved. Revenue confirmed the issue for ROS online was resolved on 20 January and RPF issue was resolved on 26 January. Practitioners queried scope to include information in the ROS

help content of ROS Login page to flag known issues with ROS and reduce contact with the ROS Helpdesk. Revenue acknowledged the value of communication of known issues and will consider the possible options for the future.

- **CT1 Filing Issues:** CCAB-I queried ongoing issues uploading Forms CT1, communications to taxpayers and queried when system updates are expected. Revenue intends to review its communications going forward. The issue with CT1 2024 has been resolved. Revenue had agreed to remove any late surcharge imposed on RPF CT1 filed on Monday 27 January for the year ended 30 April 2024 (which were due for submission on 23 January 2025) considering the RPF fix was released on 25 January. No RPF CT1 returns for that period were filed on 27 January.
- **Reducing the frequency of updates to Form CT1 and communication in advance of changes:** ITI raised concerns surrounding the frequency of updates to the Form CT1 and provided examples to Revenue. A key main concern is that a new requirement may be overlooked and returns prepared and sent to clients for signing may not match the filed CT1s. Submitting accurate and complete returns is immensely important to tax agents. Revenue noted there were a number of releases in CT1 2024 which stemmed from Finance Act amendments – such as changes to the R&D Tax Credit and Digital Games Tax Credit which were complex and had a knock-on impact for other ROS updates, including the Form 11. Revenue confirmed Form CT1 2025 is expected to be a single release which is scheduled for April.
- **Avoiding scheduling downtime in September 2025:** ITI sought cancellation of scheduled ROS downtime in September considering the work underway by tax teams filing Forms CT1 for December year ends. Revenue acknowledged it is a very busy period for practitioners. A main ROS release is scheduled for Saturday, 6 September which will result in some downtime. This release impacts on a number of taxheads and cannot be rescheduled. However, scheduled maintenance on the 22nd of September has been cancelled and every effort will be made to minimise downtime on the 15th of September.
- **ROS requests in respect of CT1:** ITI highlighted other requests in respect of the Form CT1 developments such as, the CT1 summary document should include all aspects of the Form CT1; whether Form CT1 panels could be extended beyond 10 figures (to accommodate amounts in excess of €10 billion); and whether the date of receipt on the Form CT1 acknowledgement letter could be reinstated. Revenue requested practitioners prioritise these requests to note the most important. This would allow Revenue to consider these requests after the mandatory updates are made to the Form CT1.
- **ROS Form 11 - Residential Premises Rental Income Relief (RPRIR):** ITI and CCAB-I sought an update on a fix for the issue with the calculation of Residential Premises Rental Income Relief (RPRIR) on the ROS Form 11 2024, including the PRSI calculation. Revenue confirmed work on the fix is underway with a release scheduled for 24 March. Once the fix is released, Forms 11 submitted in the interim with the relief will be reviewed and updated by Revenue. Revenue confirmed that the Form 12 is not impacted by this issue. The release on 24 March will also include other enhancements to the Form 11 2024 e.g. section 667B (Young Trained Farmer Stock Relief), section 667D (Succession Farm Partnerships Stock Relief), section 667C (Registered Farm Partnerships Stock Relief), section 266 Leases Agreed with Individual Lessees.
- **OSS Return:** ITI noted that feedback from members indicated that the IT issue tabled in relation to the the VAT One-Stop Shop (OSS) return is resolved. However, additional feedback was received in advance of the meeting on other operational/technical issues, suggestions on OSS filings, and uncertainty on the contact point for delayed refunds. ITI submitted a list of queries to Revenue to share with the OSS Team. These issues would be dealt with offline after the meeting. Revenue confirmed issues with delayed refunds should be directed to the OSS Team in the Collector General's Division. However, if the refund is due from another Member State the agent/taxpayer will need to deal directly with the Member State.

Practitioners thanked Revenue for the update and the focus on delivering a single release of Form CT1 2025. Frequent revisions to returns, similar to that experienced with Form 11 last year, can result in practitioners querying the robustness of the return. Revenue is keenly focused on streamlining delivery of developments that are within its control. A number of mandatory updates must be made to the Form CT1 each year, the timing of which is dependent on updates from the EU and the Department of Finance. Revenue must also prioritise developments to manage constrained resources. For example, investment in IT developments such as the Auto Enrolment Scheme platform for the Department of Social Protection must also be delivered. Practitioners acknowledged the demands on resources and noted its willingness to support Revenue, where possible, in delivering developments to ROS.

The practitioner bodies will consider what support they can provide, for example, highlight to the Department of Public Expenditure and Reform (DEPR) support for resourcing IT developments. As part of Revenue service delivery, ROS will form of the discussions at Main TALC in 2025.

ACTION POINTS

Revenue to confirm the release date for Form CT1 2025.

ITI to prioritise the ROS requests listed in respect of Form CT1.

Agenda Item 6: PAYE

ITI requested a general update on the high-profile media campaign by Revenue to encourage PAYE taxpayers to use myAccount and claim their entitlements. Revenue confirmed it has identified an uptick in engagement, and as of Friday, 21 February 2025, an additional 20,000 returns had been filed compared to the prior year.

Considering the PAYE A2 authorisation is being eliminated, ITI queried whether PAYE A1 forms will continue to have to be renewed every 4 years. Revenue confirmed the PAYE A1 form will not need to be updated every 4 years. It will be replaced by the new Agent e-Linking process (discussed under Item 8). The relevant Tax and Duty Manual (TDM) will clarify the point when it is next updated.

Regarding the wind down of PAYE A2 currently in place, Personal Division has held three meetings of the working group with PAYE agents since November 2024. Revenue noted positive engagement to date. Updates will be provided to agents throughout 2025 on relevant changes.

ITI queried the need to upload an AVC certificate or a document with details of the AVC payment when filing a Form 12 and claiming relief for an AVC. An AVC can be back dated to the prior year provided the payment is made by the filing deadline. Therefore, the detailed information sought may not be available in time to be supplied with the return. Revenue confirmed the Form 12 requires supporting documentation to be uploaded. This helps expedite the processing of tax refunds and supports compliance. Revenue has identified instances where taxpayers have attempted to claim relief for AVC payments which had not been made. Revenue acknowledges there can be delays in obtaining documentation from the pension providers in advance of the filing deadline. The legislation does not deny claims where the supporting documentation is not supplied by the deadline. However, it is essential that the AVC payment and the election to Revenue to back-date the relief claim is made by the filing deadline. If there is a delay in obtaining the relevant paperwork from the pension provider, the taxpayer/agent should contact Revenue via MyEnquiries in advance of filing the Form 12 to note their election to back-date the payment to the prior year. Some evidence of the payment made should also be provided to Revenue.

Agenda Item 7: Debt Management Services

Revenue has scheduled an IT development to notify agents about final demands issued to their clients. Once released, an agent-notification will issue to the ROS Inbox listing all clients that have been issued with a final demand, with the agent notification expected to issue each Monday following the issue of final demands to taxpayers earlier in the day.

Final demands are preceded by an initial request for payment, providing the taxpayer with 7 days to make a payment. Revenue invited practitioners' views on whether their members would find value in receiving a list of these notifications of payment requests. Practitioners agreed to solicit the views of their members on the perceived usefulness of this potential development.

ACTION POINTS

Practitioners to gather views of members on value of an IT development to notify agents of payment notifications.

Agenda Item 8: Agent e-Linking

A special TALC meeting was held on 12 February to discuss the new Agent e-Linking process, and the sub-committee was updated on the discussions. The new e-Linking process is scheduled for release from 24 March. Revenue plans to issue a ROS inbox notification to agents on the e-linking system. The notification will include a QR code to link to a new dedicated webpage with further information for taxpayers on how to accept agent-link requests through myAccount and ROS, together with contact details for the ROS Helpdesk. This information is included should agents wish to provide this letter to clients. Revenue confirmed the new webpage will provide further detail on the e-linking system and the ROS login page will be updated to link to this new e-linking webpage. Practitioners requested Revenue share a copy of the ROS inbox notification.

Practitioners queried the application of the process to scenarios, such as, executor agent-links in death/estate cases; whether the new process applied to Phased Payment Arrangements (PPA); whether the appointment of 'secondary agents' e.g. solely to deal with a VAT transaction would still be possible. Revenue confirmed PPAs agent-links are separate to the e-linking system. Further details on the other issues raised would be welcome. It was agreed open communications on e-linking between meeting would be useful as the new process becomes established.

ACTION POINTS

ITI to submit queries to Revenue in relation to agent e-linking.

Agenda Item 9: Modernisation Programmes

Phase 1 of the Banking Modernisation Project to update backend systems is underway. New screens for managing direct debits, bank accounts, and payments will be displayed on the ROS landing page from the end of June and will be enhanced iteratively as part of the multi phased project.

As part of Phase 1, Revenue is also undertaking a Direct Debit Modernisation project and ceasing the option to pay by Fixed Direct Debit (FDD) which is no longer industry standard. This started with FDD for Employer Income Tax/PRSI/USC/LPT (PREM). Commencing in November 2024, a number of notifications issued to employers paying PREM by FDD advising that the last collection on their FDD mandate would be in January 2025 and provided information on how to set up a Variable Direct Debit (VDD) by 31 January 2025. Employers were issued with reminders of the automatic cancellation of their PREM FDD after the January 2025 collection of PREM for 2024. All FDD for PREM have now been cancelled with the majority switching to VDD. Revenue's next focus is FDD for VAT with first communications issuing in March, which will be followed by more tailored customer notices detailing the exact actions required both by Revenue and the customer to change over to VDD.

The ITI raised several issues for consideration as part of Revenue's multi-phase payments and banking modernisation process. Revenue agreed to consider the following points raised:

- The facility to open/access a corporation tax period earlier in order to set up the payment of preliminary tax for the upcoming accounting period.
- Scope to execute an offset for corporation tax against preliminary tax.
- Whether ROS could display the date that tax refunds are paid out so that taxpayers can track more easier if / when a refund was received.
- Whether ROS could display refunds arising from R&D tax credit claims.
- Scope for Revenue to pay tax refunds to non-SEPA bank accounts, replacing the issue and cashing of cheques in these cases.

CCAB-I queried whether the digital enhancements proposed would be made by updates to ROS which is an older system. Revenue confirmed the payments hub will be a separate payment service application using real time updates and APIs to interface with internal and external systems. Access to the Payments Hub will continue to be through ROS.

ACTION POINTS

Revenue to consider ROS enhancements raised as part of the multi-phase payments and banking modernisation process.

Agenda Item 10: iXBRL

Revenue outlined an upcoming change to its acceptance of draft iXBRL financial statements. It intends to withdraw the concession which allows the filing of draft iXBRL financial statements in limited circumstances. Revenue proposes to remove this concession from the end of May and will update the TDM accordingly. An eBrief will issue on the matter.

Revenue has observed an ongoing pattern of non-compliance with the procedure outlined in the Tax and Duty Manual (TDM) *Submission of iXBRL Financial Statements as part of Corporation Tax Returns* regarding the filing of draft iXBRL financial statements. Permission to submit draft iXBRL financial statements is not required if the only issue outstanding is that the financial statements have not been signed by the directors. In any other circumstances, a request for permission to submit draft financial statements must be made to the relevant operational branch outlining the reasons for the request. Should the taxpayer obtain permission to submit the draft version, fully tagged final iXBRL financial statements must subsequently be filed. Revenue has also observed increasing instances of non-compliance with the iXBRL filing requirements more generally, including, the absence of full tagging in line with the iXBRL requirements.

Revenue considers that companies which can fulfil their obligations with the Companies Registration Office (CRO) should be able to comply fully with the iXBRL filing requirements. Once the concession is withdrawn, the upload of iXBRL financial statements in draft format will not be permitted under any circumstances. The Revenue concession which permits the filing of iXBRL financial statements within 3 months of the CT1 deadline remains.

Practitioners sought clarity on the process for filers experiencing genuine difficulty in uploading fully tagged final financial statements by the iXBRL deadline, which is often due to factors outside of the filer's control. If a Form CT1 is deemed to be filed late due to non-compliance with the iXBRL filing requirements this can have serious consequences for the taxpayer.

Revenue considered that where genuine difficulties arise, contact should be made with the operational branch in advance of the deadline and supporting evidence of the difficulty experienced should be provided. If the Form CT1 is deemed late because signed final statutory financial statements, as required under the Companies Act 2014 (or other legislation), cannot be filed by the iXBRL deadline, the operational branch will review whether the circumstances giving rise to the late submission merit the waiver of surcharges and relief restrictions that may arise.

Agenda Item 11: Death Cases

CCAB-I requested an update regarding the processing of Capital Gains Tax (CGT) returns in the year of death. In some cases, practitioners are informed the returns cannot be processed until after the end of the tax year and this is delaying the closure of estate cases.

Revenue confirmed a response had been sent directly to CCAB-I. Submitting 2023 versions of CGT returns in respect of 2024 before the 2024 form has been published and prescribed is not correct. Revenue has a process to follow before a form becomes a 'prescribed form' and is an authorised form. When customer submit a form using a previous tax year form these need to be reviewed on a case by case basis with attention to the individual aspects of the case and this is more resource intensive. Revenue reviewed the cases highlighted and noted some inconsistencies which caused delays in those cases.

Revenue plans to centralise CGT in 2025 with the formation of a national CGT function in Revenue. As part of this change, Revenue will carry out a review of communications to agents and taxpayers and procedures for dealing with CGT in certain cases, including death cases. A central unit will also assist in ensuring consistency in case-handling.

Practitioners noted that the use of the prior year form, as adjusted, when the current year form is not available has been common practice in death cases. An individual may die early in a tax year. Consequently, there may be a considerable delay before the prescribed return becomes available. A practical approach by Revenue to such cases is appreciated.

Agenda Item 11: Stamp Duty

The Law Society raised the following stamp duty queries with feedback received from the Stamp Duty Unit conveyed by Revenue in response:

- Practitioners queried whether there had been a change in the process for obtaining an e-stamping number for a foreign body corporate/ unincorporated entity e.g. a requirement to apply via MyEnquiries. Revenue confirmed correspondence via MyEnquiries is the preferred communication channel. However, a foreign company that is registered can continue to contact Revenue through email or via post.
- Practitioners requested clarity on the correct process to request the e-stamping number given agents have 44 days to file a return and instances had arisen where practitioners had experienced delays. Revenue noted 90% of cases are dealt with on a timely basis and requested examples where there are delays.
- Difficulties also arise with applications for stamp duty numbers for foreign companies when Revenue seek certified translations of documentary evidence of the company's name, address and date of incorporation. This request seems excessive to practitioners. Revenue noted the requirement for documentation to be provided in English, however, practitioners are invited to provide examples of cases where this difficulty arose.
- Practitioners raised an issue where members are experiencing technical issues with the ROS system for filing stamp duty returns where returns are prepared offline and uploaded through ROS. Revenue requested examples to assist consideration of the issue noting that filers must use ROS Online or the RPF to prepare a stamp duty return.

ACTION POINTS

Law Society to provide examples of the issues raised above to assist Revenue's consideration of the matters raised and possible solutions.

Agenda Item 13: Form CG50A

The Law Society requested whether the TDM could be updated to confirm that where the date of disposal per the Form CG50A and the final signed contract differ by a number of days (e.g. five working days), the Form CG50A issued can continue to be relied upon provided the assets, consideration and parties in question remain unchanged (i.e. the only difference is the date of disposal).

The Law Society also noted difficulties for solicitors providing an unqualified undertaking as, in exceptional cases, it may not be possible for a solicitor to provide a copy of the signed contract within two weeks because either (i) the contract has not been signed; or (ii) the solicitor does not have a copy of the signed contract. A request was made if consideration could be given to updating the TDM to allow the solicitor's undertaking to be qualified in this regard, provided that the solicitor undertakes to notify Revenue that either (i) or (ii) has arisen as soon as reasonably practicable after the expiry of such 2-week period.

Revenue confirmed the requests have been passed to Revenue Legislation Services (RLS) for opinion and a response will be provided once an update is available from RLS.

ACTION POINTS

Revenue to update practitioners on response from RLS.

Agenda Item 14: AOB RPRIR & Tax Clearance

Section 480C TCA 1997 includes a requirement for the landlord to have been issued '*on the specified date in that year... a tax clearance certificate in accordance with section 1095*'. This subsection also requires that '*such tax clearance certificate has not been rescinded under subsection (3A) of that section.*' The "specified date" is 31 December in the year of assessment.

ITI noted that landlords with residential property may have been tax compliant on 31 December 2024 but would not necessarily have held a clearance certificate on that date (unless clearance was needed for another purpose). These taxpayers may only be considering the relief now when filing 2024 returns

as it is the first year for claims. Practitioners queried whether there is scope on an administrative basis to recognise that these landlords would have qualified for tax clearance on 31 December and permit relief for 2024.

Revenue noted this issue impacts the Form 11 and Form 12 and Revenue will need conduct more work on system dependencies before reverting.

ACTION POINTS

Revenue to revert to query regarding tax clearance for RPRIR claims in income tax returns for 2024.

AI misdirection of queries in MyEnquiries

ITI noted some feedback from members in recent months of AI in MyEnquiries misdirecting queries, leading to delayed response times. The feedback indicates that Revenue teams who incorrectly receive the queries advise the agents to send it to the correct section when it appears to be AI that is the source of the misdirection, and it is not possible to bypass the AI selected option. Practitioners queried whether Revenue has received feedback of patterns of misdirection of queries by AI, when applied to the sub thread 'Income Tax Query not covered above' or 'other' query sub threads and had explored ways to minimise this occurrence.

Revenue was not aware of issues with the misdirection of queries by AI and welcomed specific case examples to help identify whether some refinement is required. Revenue reviews AI performance on an ongoing basis.

ACTION POINTS

ITI to provide examples of specific cases where AI has misdirected a query in MyEnquiries.

Agent Notifications

Revenue noted that reminders to file notices have issued to IT and CT registered customers with outstanding Form 11 or Forms CT1 returns. Approximately 25% of these customers have agents appointed. Revenue requested that attention be given to addressing this compliance issue. An agent notification including a list of TAIN-linked clients with outstanding returns has issued to agents.

Assessments

CCAB-I raised concerns about assessments being raised by Revenue in late December. This means that the opportunity to prepare and submit an appeal is greatly reduced as tax agents and taxpayers may be on leave during the Christmas period. Revenue requested examples of assessments raised.

ACTION POINTS

CCAB-I to provide examples of assessments being raised by Revenue in late December.

Discretionary Trust Tax return forms

CCAB-I noted that only paper returns for Discretionary Trust Tax are available and queried whether any development is planned to allow these returns be submitted online. Revenue agreed to consider this for the list of enhancements to ROS, subject to the need to prioritise developments.

The meeting concluded.

In attendance:

Revenue

Geraldine Hegarty
Alan Greaney
Maureen Marray
Diarmuid Farrelly
Dan Oosthuizen
Katie Clair
Paul Brady
James Fagan

Law Society:

Deirdre Barnicle
Cian O'Rourke

CCAB-I

Grainne McDermott
Gerry Higgins
Carla Manning

ITI

Stephen Gahan (Chair)
Paul Wallace
Sophie Ellis
Mary Healy
Lorraine Sheegar (Minutes Coordinator)