

(S.I. No. 761 of 2004)

REGULATIONS

entitled

Income Tax (Relevant Contracts) Regulations 2004

Made by the

Revenue Commissioners

The Revenue Commissioners, in exercise of the powers conferred on them by section 531 (as amended by section 20 of the Finance Act 2004 (No. 8 of 2004)) of the Taxes Consolidation Act 1997 (No. 39 of 1997), make the following regulations:

1. (1) These Regulations may be cited as the Income Tax (Relevant Contracts) Regulations 2004.

(2) These Regulations, other than Regulation 2(c), come into operation on 1 January 2005.

(3) Regulation 2(c) is to be taken to have come into operation on 6 April 2000.

2. The Income Tax (Relevant Contracts) Regulations 2000 (S.I. No. 71 of 2000) (as amended by the Income Tax (Relevant Contracts) Regulations 2001 (S.I. No. 131 of 2001)) are amended as follows -

(a) in Regulation 2, by inserting the following after the definition of “period of account”:

“ ‘PPS number’ means a personal public service number within the meaning of section 223 (as amended by section 12(1)(a) of the Social

Welfare (Miscellaneous Provisions) Act 2002 (No. 8 of 2002)) of the Social Welfare (Consolidation) Act 1993;”,

- (b) in Regulation 6, by substituting “including the sub-contractor’s PPS number or tax reference number as the case may be, and if the sub-contractor is an individual, his or her date of birth” for “including the sub-contractor’s date of birth and identifying number, known as the Revenue and Social Insurance (RSI) number;”,
- (c) in Regulation 16(3)(c)(ii), by substituting “paragraph (c)(ii) of subsection (5)” for “paragraph (c)(iii) of subsection (5)”,
- (d) in Regulation 18(1), by substituting “paragraph (a) of subsection 12” for “paragraphs (a), (b) and (c) of subsection 12”,
- (e) in Regulation 20, by substituting -
 - (i) in paragraph (1), “including the sub-contractor’s PPS number or tax reference number as the case may be, and if the sub-contractor is an individual, his or her date of birth ,” for “including the sub-contractor’s date of birth and identifying number, known as the Revenue and Social Insurance (RSI) number;”, and

(ii) in paragraphs (2)(a) and (3)(a)(i), “which shall include the sub-contractor’s PPS number or tax reference number as the case may be, and if the sub-contractor is an individual, his or her date of birth,” for “which shall include the sub-contractor’s date of birth and identifying number, known as the Revenue and Social Insurance (RSI) number, and

(f) by inserting the following after Regulation 7:

“PART 1A

Registration as a Principal

Operative Date

7A. For the purposes of Regulation 7C of these Regulations, “operative date” means 1 January 2005.

Keeping and Maintaining the Register

7B. The Revenue Commissioners shall keep and maintain a register in which shall be included, in respect of each principal, such of the relevant details as they consider necessary for that purpose, in respect of that principal as have been provided, or are taken to have been provided, to them under this Part.

Registration and Time for Registration

- 7C. (1) (a) Subject to paragraph (3) of this Regulation, a person who is a principal on the operative date shall notify the Revenue Commissioners of that fact not later than 21 days after the operative date.
- (b) A person who is not a principal on the operative date and who enters into a relevant contract, being the first such relevant contract entered into by that person as a principal after the operative date, shall notify the Revenue Commissioners that he or she is a principal not later than 21 days after entering into the relevant contract.
- (c) The Revenue Commissioners shall give notice to each person to whom subparagraph (a) or (b) of this paragraph applies that he or she is registered as a principal.
- (2) In order to notify the Revenue Commissioners in accordance with subparagraph (a) or (b) of paragraph (1) of this Regulation, a person to whom either of those subparagraphs applies shall -
- (a) complete any form furnished by the Revenue Commissioners for that purpose, and

- (b) provide relevant details required by the Revenue Commissioners as may be indicated on the form.

- (3)
 - (a) A person who is a principal on the operative date and had indicated this to the Revenue Commissioners before that date is to be taken to have complied with the requirements of paragraphs (1)(a) and (2) of this Regulation.

 - (b) The Revenue Commissioners shall give notice to a person to whom subparagraph (a) of this paragraph applies that he or she is registered as a principal.

- (4) A person who receives a notice pursuant to paragraph (3)(b) of this Regulation and who has ceased to be a principal shall notify the Revenue Commissioners in writing of such cessation within 21 days of the receipt of the notice and shall specify the date of such cessation.

Notification of Change in relevant Details

7D. (1) Where a change occurs in any of the relevant details provided, or taken to have been provided, under Regulation 7C of these Regulations, then the following shall notify the Revenue Commissioners in writing of the change -

- (a) the registered person,
- (b) if the registered person has died, his or her personal representative, or
- (c) if the registered person is a body of persons which is in liquidation or is otherwise being wound up, the liquidator or any other person who is carrying on business during such liquidation or, as the case may be, winding up.

(2) The notification referred to in paragraph (1) of this Regulation shall be made -

- (i) within 21 days of the change, or
- (ii) within 21 days of the date of a notice under paragraph (3)(b) of Regulation 7C of these Regulations, if the change occurred prior to the issue of the notice.

Notification of Cessation

7E. A person who is registered as a principal in accordance with Regulation 7C of these Regulations and who ceases to be a principal shall notify the Revenue Commissioners in

writing of such cessation by the end of the month following the month in which the cessation takes place and such notification shall specify the date of cessation.

Cancellation of Registration

7F. Where, in the opinion of the Revenue Commissioners, a person has ceased to be a principal, they may notify that person in writing of their intention to cancel the registration and such cancellation shall be effected as on and from 21 days from the date of the notification unless, within that period the person notifies the Revenue Commissioners in writing that he or she is still a principal and provides such details as may be required by the Revenue Commissioners for the purposes of this Part.”.

GIVEN this 1st day of December 2004

Josephine Feehily
Revenue Commissioner.

EXPLANATORY NOTE

(This note is not part of the instrument and does not purport to be a legal interpretation)

These Regulations amend the Income Tax (Relevant Contracts) Regulations 2000 (as amended by the Income Tax (Relevant Contracts) Regulations 2001), which govern the deduction of tax from payments made by principal contractors to subcontractors in the construction, forestry and meat processing industries.

These Regulations allow the Revenue Commissioners to keep and maintain a register of persons who are principal contractors within the meaning of Chapter 2 of Part 18 of the Taxes Consolidation Act 1997. A person who becomes a principal after the operative date of the Regulations i.e. 1 January 2005, (or who is a principal on that date but has not yet indicated this to the Revenue Commissioners) must formally notify the Revenue Commissioners of that fact on the appropriate form and within certain time limits. The Revenue Commissioners will subsequently give notice to such a person that he or she has been registered. A person who is a principal on the operative date and who has previously indicated this to the Revenue Commissioners, is taken to have met the notification requirements and will be formally registered as a principal and the Revenue Commissioners will again give notice to this effect. However, if at the time such notice is given a person has ceased to be a principal, the Revenue Commissioners must be informed in writing of that fact within specified time limits.

Where a change occurs in any of the registration details provided, or taken to have been provided, the Regulations make provision for the Revenue Commissioners to be informed of the change. The Regulations also require a person who ceases to be a principal to inform the Revenue Commissioners accordingly. In addition, to allow for the ongoing maintenance of the register, the Regulations allow the Revenue Commissioners to cancel a person's registration where in their opinion that person has ceased to be a principal. Persons affected will get 21 days notice of the intention to cancel the registration and will have the opportunity, within that period, to inform the Revenue Commissioners in writing where they are still principals for Relevant Contracts Tax purposes.

The opportunity is also being taken to make some minor amendments to the original Regulations to update certain references and to bring them into line with the primary legislation.

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