

Value Added Tax (VAT) Repayment Offset

Document created November 2019.



1 VAT Repayment Offset Changes

With effect from 25 November 2019, when in the ROS offset screen, customers will be asked if they would like to offset the repayment to another period/tax-head and to indicate so by ticking the tick box provided on screen, the current free text box for the offset instruction will be removed and replaced with functionality that will allow the customer to 'select' the tax-head, period and the amount they wish to offset. It will be possible for the customer to specify a maximum of two offset instructions from a dropdown menu for the current and/or future periods only for Income Tax/Corporation Tax/ VAT/Employer Income Tax/PRSI/Local Property Tax/Universal Social Charge. On the ROS screen, when selecting offset instructions, the customer will be informed that, where there is outstanding debt, the VAT Claim will be automatically used to offset those liabilities ahead of the offset instruction(s) provided.

If there are outstanding taxes prior to the periods identified in the offset instruction, these periods will be paid by the VAT Claim first, to ensure that older available debt is satisfied before current or future debt is considered in accordance with the instruction. The customer will be clearly made aware of this fact on the ROS screen at the time of inputting their VAT3 Claim/offset instruction.

If there is no outstanding liability other than that specified in the instruction, the claim will be offset in accordance with the instruction automatically.

The customer will be informed as to how their VAT3 Claim was offset, whether that is exactly in accordance with the instructions given or not, through the generation and issue of a Statement of Account outlining to where their VAT3 Credit was offset.

The development to automate VAT Repayment offsets, where a customer selects and provides a specific offset instruction, should speed up the processing of VAT Repayments. It will mean that the VAT Claim offset will happen automatically. This enhancement takes effect from 25 November 2019.