Value Added Tax (VAT) Repayment Offset

Document updated July 2023



The information in this document is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive or that it provides a definitive answer in every case.

Table of Contents

| 1 VA | T Repayment Offset Changes | 3 |
|------|----------------------------------|---|
| 1.1 | General Offset | 3 |
| 1 2 | Offset to Debt Warehouse Periods | 6 |

1 VAT Repayment Offset Changes

1.1 General Offset

Where a customer files a VAT3 return via ROS, the customer will have the opportunity to offset any resulting VAT repayment (T4 amount) to another period or tax-head by marking the tick box provided on the ROS offset screen.

The free text box for any offset instruction is no longer available.

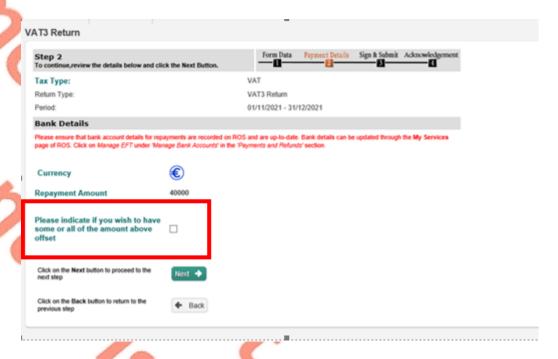


Figure 1: Screenshot showing the Offset request tick-box on ROS

Where the Customer checks the offset box, the Customer can 'select' the taxhead, period and the amount they wish to offset in the offset instruction boxes which will be presented. The Customer can specify a maximum of two offset instructions from a dropdown menu for the current and/or future periods only.

The offsets will be determined by the Customer's registrations and are limited to the following Tax-heads and Periods.

| | The second secon |
|--------------------------|--|
| Tax-Head | Periods Available for Offset |
| Employer IT/PRSI/USC/LPT | Current Period and Current Period -1 |
| VAT | Current Period and Current Period +1 |
| IT | Current Period and Current Period -1 |
| СТ | Current Period and Current Period -1 |
| RCT | Current Period and Current Period -1 |

Please note, a CT return will need to have issued at some stage for any CT periods to appear. If the person is newly registered for CT and no return has ever issued to them, then no period will appear.

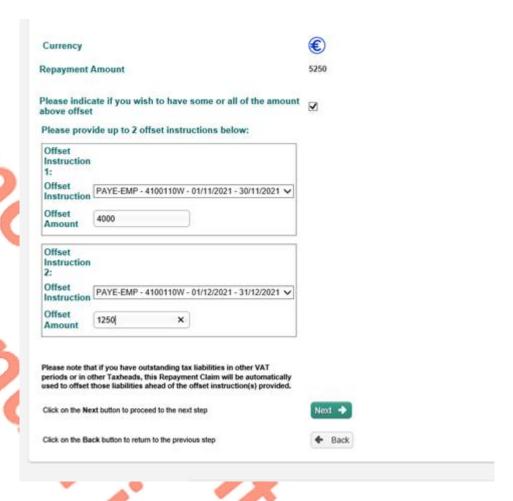


Figure 2: Screenshot showing offset instruction screen on ROS

The Employer IT and VAT offset list includes registration numbers to assist allocate off-sets in cases with multiple VAT/Employer IT registrations e.g. a Customer with 2 Employer IT numbers will display 4 periods available for off-set with 2 distinctive Reg Numbers and the same for VAT.

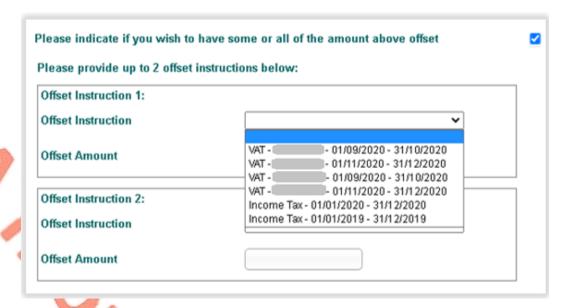


Figure 3: Ros Offset Screen displaying Offset options for Multi registered VAT customer

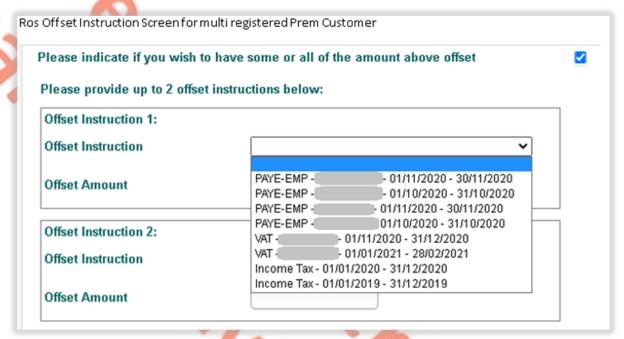


Figure 4: ROS Offset Screen displaying offset options for Multi registered Employer IT Customer

As displayed in the ROS screenshot in Figure 2, the Customer will be informed that, where there is outstanding debt, the VAT Claim will be automatically used to offset those liabilities ahead of any offset instruction(s) provided.

Where there is no outstanding liability other than that specified in the instruction, the claim will be offset in accordance with the instruction automatically, once the VAT claim has been validated.

The customer is informed as to how their VAT3 Claim was offset through the generation and issue of a Statement of Account which outlines details of the offset.

1.2 Offset to Debt Warehouse Periods

Customers who have warehoused Employer's PAYE, VAT or IT will also be presented with an option to allow them to offset the repayment amount to tax periods within the debt warehouse. A maximum of 2 debt warehoused periods can be selected for offset.

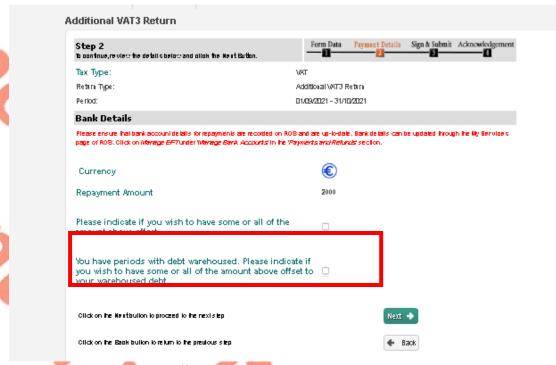


Figure 5: Screenshot showing Offset to Debt Warehouse request tick-box on ROS

By clicking the 'offset to warehouse debt' checkbox, a dropdown will appear which contains a list of the available Employer PAYE/PRSI/USC/LPT, VAT and IT debt warehoused periods with outstanding balances will display. The user can then select one or two of these periods and enter an amount to offset for that period.

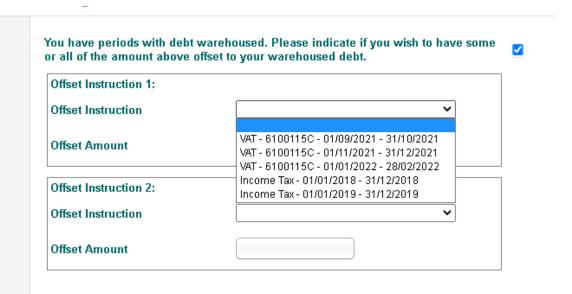


Figure 6: Screenshot showing Offset instruction to Warehouse Debt screen on ROS

The Debt Warehousing offset will be the final instruction carried out when offsetting in circumstances where there are other tax periods with liabilities.

Any Debt Warehousing offset instructions entered by the customer will be included in the Offset Instructions section of the VAT3 Inbox document alongside any other offset instructions submitted.

The following material is either exempt from or not required to be published under the Freedom of Information Act 2014.

[...]