Guidelines for Caseworking

Foreign Cases
(Outgoing Cases)

Updated: October 2015
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1. **Introduction**

This guideline advises caseworkers on how to:

1. Initiate enforcement for taxpayers not based in this jurisdiction i.e. foreign cases
2. Refer taxpayers based in this jurisdiction to enforcement where assets are based in another EU Member State.

A foreign case is a taxpayer that has a liability to Irish taxes but has **no** assets in this jurisdiction.

A taxpayer with a base of operations in Ireland is not a foreign case.

Where a taxpayer has a base of operations in this jurisdiction the GCD should be listed as the district where the base of operations is situated.

Where a taxpayer has no base of operations and is not resident in this jurisdiction then the GCD should be 01, to indicate a foreign case.

The GCD on the record should only be changed by the local district after they have established, (in consultation with the Dublin City Centre), that the taxpayer has no assets in the State and that the taxpayer is non-resident.

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Before referring a case to Mutual Assistance the caseworker should ask the following questions:

Has the taxpayer a base of operations/business address* in this jurisdiction?

Has the taxpayer assets in this jurisdiction?

If the answer to both questions is **no** then after referral to Byrne Wallace the case is suitable to refer to Mutual Assistance.

If the answer is **yes** to either question then the caseworker should ensure that all other options within the jurisdiction have been exhausted before referring the case to Mutual Assistance for collection.

*Please note that being a director of a company in the State or owning property in the State is actually considered as having a base of operations in the State and therefore would not be considered a foreign case.
2. **Working a foreign case**

2.1 If this is the first intervention the caseworker should issue a final demand to the taxpayer and/or any agent on file.

2.2 If there is no response to the final demand, the agent on record should be contacted to ascertain the current whereabouts and trading status of their client – they often have addresses/phone numbers that differ from our contact details.

2.3 Additional information regarding address, phone number and trading status can be obtained from various websites throughout the EU. See [appendix 1](#) for a list.

2.4 International Claims Unit in Nenagh deal with Relevant Contracts Tax claims for foreign sub-contractors who are not registered in Ireland for Income Tax or Corporation Tax.

2.5 Every foreign sub-contractor working in Ireland must provide International Claims Unit, Nenagh with a Certificate of Residency from the Tax Authority in their country of residence, as part of the refund process. The form is called an IC1 for Individuals and IC3 for Companies and is valid for a period of 3 years from the date of certification. It confirms that the relevant Tax Authority is aware that the sub-contractor is operating in Ireland and paying their taxes in their own tax jurisdiction. It will also show their foreign tax reference number which is very useful information to provide to the foreign Tax Authority in the event of a debt recovery request.

2.6 Dublin City Centre deal with Relevant Contracts Tax claims for foreign sub-contractors who are registered in Ireland for Income Tax or Corporation Tax. Under eRCT, refunds for cases registered for Income Tax or Corporation Tax are dealt with when the liability for the year in question has been satisfied.

2.7 If you are contacting International Claims, Nenagh/Dublin City Centre to check if they are holding any credits, ask if they have any taxpayer contact details which are not on our records. All details should be recorded in notes.

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3. **Response Received to Demand**

3.1 In many cases, the taxpayer will respond to a final demand. Taxpayers whose records show no response to the final demand and when contacted, state that they have already submitted the return and/or payment, should be asked to fax in proof that the relevant returns and/or details of the payments have been made.

3.2 It may be that GIRO/EFT payments have not been allocated to a taxpayer’s record as a result of the bank not including the relevant PPS number with the payment transfer.
3.3 Taxpayers who contact the caseworker requesting a Phased Payment/Instalment arrangement to discharge the outstanding liability by Instalments/Direct Debit, must be advised that they are required to have an Irish bank account.

4. Mutual Assistance

Please note that Member States can take up to six months to respond to a request for Mutual Assistance.

4.1 Mutual Assistance is an option available to countries within the European Union under EU Directive 2010/24/EU. It involves the cross-border collection of outstanding taxes between tax administrations to detect and prevent tax evasion and to ensure, among other things, the correct application of a country’s domestic tax legislation.

4.2 Under the directive Mutual Assistance may also request information on a taxpayer from another Member State. If an up-to-date address cannot be found then an information request can be made to the relevant EU Member State.

4.3 There may be an issue concerning pursuit of debt, which is more than 5 years old at the date the final demand issued as some EU Member States may be precluded from pursuing debt older than that by their own legislation. This issue can be clarified on a case-by-case basis if necessary.

4.7 The collection of PRSI is specifically excluded from the provisions for collection under Mutual Assistance. Therefore, in any case where there is an outstanding liability for PAYE/PRSI, only the PAYE element can be referred for collection under these provisions.

4.8 Debt Management Unit 5 in the Collector-General’s Division will e-mail the caseworker with updates of any information received from the EU Member State regarding their case.
5. **Role of Debt Management Unit 5(DMU5) in Mutual Assistance Referrals**

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6. **Outside the EU**

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7. **What happens if an EU Member State collects the outstanding liability?**

Payments collected by EU Member States on our behalf are remitted to Revenue via Electronic Fund Transfer. The EU Member State will also advise this office by secure mail of payments transmitted so they can be assigned appropriately.
Appendix 1 – EU information

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Appendix 2 - Mutual Assistance Referral

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