

Income Tax and Corporation Tax non-filer Programme

Interventions and Selection Criteria

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1. Introduction

The contents of this manual represent the significant changes made to the Income Tax and Corporation Tax non-filer Programme following its relaunch in 2016 and places the Income Tax and Corporation Tax Non-Filer Programme as an integral part of the overall Revenue compliance programme. All interventions conducted as part of the non-filer programme will be conducted in accordance with the [Code of Practice for Revenue Audit and other Compliance Interventions](#).

The following standardised approach and selection criteria for assessments and/or prosecution should be adopted across all Revenue Districts in dealing with non-filers for Income Tax (IT) and Corporation Tax (CT). The manual sets out the steps that should be taken to ensure the interventions that take place for non-filers are cost effective and deliver behavioural change from taxpayers who have been non-compliant with regard to their return filing obligations.

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

[...]

1.1. Objective of the Manual

The objective of the Manual is to change behaviour of non-filers by implementing a compliance programme that targets high risk non-filers through a range of interventions and sanctions including aspect query, profile interview, Revenue audit, investigation, the raising of assessments, referral for prosecution, collection of interest on late payment and the imposition of surcharges. The programme will also contribute to the maintenance of a good quality case base for Income Tax and Corporation Tax.

1.2. Who is this Manual aimed at?

This Manual is aimed at managers of compliance units and caseworkers involved in compliance interventions.

2. Case Base Clean Up

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[...]

3. Bulk Reminders

3.1. IT Bulk Reminder Issue – early February each year

The Bulk Reminder issue for IT non-filers begins in early February each year for returns due in the previous October/November period. The reminder letter will clearly outline the full consequences of not engaging with Revenue.

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[...]

3.2. CT Bulk Reminder Issue

The Bulk Reminder issue for CT non-filers will issue twice a year for accounting periods ending twelve months prior to the “reminder run” date. The reminder letter will deal with the totality of the case e.g. a Form 46G outstanding and will clearly outline the full consequences of not engaging with Revenue.

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[...]

4. Selecting cases for early intervention

4.1. IT/CT Non-Filers for intervention

Four to six weeks after the Bulk Reminder issue, Districts will select those IT/CT non-filers suitable for further intervention.

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[...]

5. Call Outs

A local “call out” may be required in a small number of IT/CT cases to establish if a business still exists and the extent of the business activity. This will be a matter for local management to consider.

6. Selecting Non-Filer Cases for Audit

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[...]

7. Criteria for Assessments

7.1. IT/CT Assessment

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[...]

8. IT/CT Prosecution

8.1. Selection Criteria

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

[...]

8.2. Taking a Whole Case Approach to Prosecution

In taking a prosecution for IT/CT non-filing, a whole case management approach must be adopted. The 21-Day Warning Notice will include any other returns outstanding for VAT, Employer's PAYE/PRSI etc., where appropriate.

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[...]

9. Penalties, Late filing Surcharge and Interest

Where a Revenue audit or investigation is initiated by a District, interest and penalties should be calculated and pursued in accordance with the [Code of Practice for Revenue Audit and other Compliance Interventions](#).

The application of tax geared penalties in non-filer cases is specifically dealt with by the [Tax Geared Penalties for Non Submission of Returns](#) manual. All staff dealing with non-filer cases should familiarise themselves with this manual.

Late filing surcharges are applied automatically on all late returns.

Interest will also be due on any tax liability arising. Where a return is received as a result of an intervention, the customer must be advised of the interest due to date. A letter must issue requesting payment of this interest together with any balance outstanding prior to closing the case. A copy of the letter issued advising the taxpayer of interest due should be included in RCM.

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[...]

10. Referring cases for Prosecution

10.1. Refer IT/CT cases for Prosecution

Where there is no engagement from taxpayers/companies following the issue of the 21-Day Warning Letter, the case can be prepared for prosecution.

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[...]

Where a person is convicted by the Courts for failure to make a return, the Revenue Solicitor's Office pursue an Order under section 1078 (3A) (Order by the Courts to demand that the non-filer files all outstanding returns that are the subject of the prosecution) in all non-filer prosecutions. However, the State Solicitor must be specifically requested to pursue this Order for referrals outside of the Dublin Region and should be so advised in all non-filer cases.

10.2. Returns Filed subsequent to summons being served on individual/company

Once a summons has issued to a person (including a company), that person is entered on the 'Court list' for a prosecution hearing. In some instances, the outstanding tax returns may be submitted in the period between the date of issue of the summons and the date of the Court hearing.

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[...]

11. Refer Assessment for Enforcement

Where there has been no engagement from the non-filer after the assessment has been raised, the assessment should be referred for enforcement after a period of six weeks. Further guidance on raising assessments can be found in the [Revenue Assessment in the Absence of a Return](#) manual.

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[...]

12. File Maintenance where Returns are not to be pursued

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[...]

13. Non-Filer Compliance Team

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

[...]

14. Filing Nil Returns

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[...]

15. Recording yield in RCM

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

[...]

16. Annual Instructions

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[...]

Appendix 1 – REAP Rules

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[...]

Appendix 1 - REAP Rules cont'd

Appendix 2 -Template for completion by Compliance Districts prior to the transfer of cases to the Collector- General's Office for the collection of tax debts arising from Estimated Assessments.

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