

Tax treatment of payments to Veterinary Surgeons engaged in schemes for disease eradication

Part 04-01-09

Document last reviewed July 2023

Revenue

Cáin agus Custaim na hÉireann
Irish Tax and Customs



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. Introduction	3
2. Case II of Schedule D	3
3. PAYE	4
4. Other fees	4

Note: This manual is currently subject to review and may not reflect up-to-date position.

Most recent version.

1. Introduction

This manual outlines which payments made to Veterinary Surgeons engaged in disease eradication schemes should be chargeable to tax under Case II of Schedule D or Schedule E.

The Department of Agriculture, Food and the Marine ('DAFM') implements disease eradication programmes, the principal elements regarding Veterinary Surgeons are as follows:-

1. Any Veterinary Surgeon may apply to carry out testing work.
2. The herd keeper/farmer nominates the Veterinary Surgeon who conducts veterinary work for the herd and DAFM has due regard to that nomination when scheduling and listing testing that is to be paid for by the herd keeper/farmer. DAFM reserves the right to have the testing conducted by a Veterinary Surgeon of DAFM's choosing.
3. A Veterinary Surgeon carrying out such testing work must clear his proposed itinerary in advance with DAFM.
4. The person who carries out the test will be held accountable for any deficient or unsatisfactory testing.
5. The overall performance of a Veterinary Surgeon will have a strong bearing on the amount of testing to be allocated to him in the future.
6. The person who carries out the test will be paid the appropriate fee. DAFM pays over the fee earned by a Veterinary Surgeon to the practice in which he or she is employed or self-employed.

2. Case II of Schedule D

Any Veterinary Surgeon who engages in testing on the basis set out at (1) - (6) above is chargeable to tax under Case II of Schedule D in respect of those earnings.

3. PAYE

However, it may be found that a Veterinary Surgeon who is already employed by a principal Vet to do other non-testing work, will have their payment of the testing fee paid to the practice in which they are employed. In those circumstances, the testing Veterinary Surgeon will be regarded as an employee of the principal Vet and his/her income from testing and non-testing work will be dealt with under PAYE.

4. Other fees

Where a Veterinary Surgeon is being taxed under the PAYE system, an officer should bear in mind that she or he may be in receipt of other fees from DAFM which do not form part of his or her emoluments chargeable to tax under Schedule E. Depending on the amount involved, these fees should be dealt with either by restriction of tax credits or under self-assessment.

Where there is any doubt about the proper operation of PAYE, arrangements should be made for a visit to the employer by the relevant PAYE Unit.