

Relevant Contracts Tax for Principal Contractors

Part 18-02-04

This document should be read in conjunction with sections 530 to 530V of the Taxes Consolidation Act 1997

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1. Introduction

This manual explains how Relevant Contracts Tax (RCT) operates for principal contractors. Section 20 Finance Act 2011 provided for the introduction of an electronic RCT System, these changes were incorporated into sections 530A to 530V of the Taxes Consolidation Act 1997 (TCA).

Since 1 January 2012, RCT operates as an electronic system and all interaction between the principal contractor and Revenue is through Revenue's Online Service (ROS). Subcontractors may also use the online system but it is not mandatory for them.

The key features of the RCT system are:

- **Contract Notification:** When a principal contractor enters into a relevant contract with a subcontractor, he is obliged to provide Revenue with details of the contract. This will include details regarding the subcontractor who has been engaged and will also include a declaration that the contract being entered into is not a contract of employment; this process is known as "contract notification". Before notifying a contract, principal contractors must satisfy themselves as to the identity of the subcontractor.
- **Payment Notification:** A principal contractor must notify Revenue of all relevant payments immediately before payment is made. The gross payment (VAT exclusive amount if the VAT reverse charge applies) is advised to Revenue. A contract notification must be submitted to Revenue before any relevant payments under that contract can be notified.
- **Deduction Authorisation:** Revenue will respond to the payment notification with a deduction authorisation setting out how much tax, if any, must be withheld from the payment. The rates of tax are currently set at zero, 20% or 35%. The principal contractor must provide a copy, or details, of the deduction authorisation to the subcontractor if tax has been deducted. If payments are made to subcontractors, without a deduction authorisation, penalties may apply.
- **Deduction Summary/Return:** At the end of the filing period a deduction summary is made available to a principal contractor detailing all the payments notified to Revenue during the filing period. The principal contractor should check the deduction summary for accuracy and amend or add to it if necessary. Otherwise the deduction summary is deemed to be the return on the return filing date.
- **Payment of RCT due:** The principal contractor must pay any RCT deducted before the due date.

Section 530A TCA 1997 defines who is regarded as a principal contractor for the purposes of RCT and detailed information is available on this in [Part 18-02-02](#).

2. Registration Procedures for RCT for Principal Contractors

Section 530J TCA 1997 includes a provision allowing Revenue, by way of regulations, to set up and maintain a register of principal contractors in the construction, forestry and meat processing industries and to require all principal contractors in those industries to formally register as principals.

The [Income Tax \(Relevant Contracts\) Regulations 2004 \(S.I No 761 of 2004\)](#) provided that the registration procedures came into effect from 1 January 2005.

2.1 Obligation to Register

A person who becomes a principal must formally notify the Revenue Commissioners of that fact within 21 days of entering into their first relevant contract as a principal.

Registration may be done online through Revenue's eRegistration facility, which is available in ROS and in myAccount. Alternatively, registration may be done using the registration forms for individuals (TR1) and companies (TR2), these contain an application for registration as a principal. These forms are available on the Revenue website. Revenue will subsequently confirm to principals that they have been registered.

If a principal fails to register with Revenue and makes payments without deduction of tax, they may be liable for penalties.

2.2 Changes to registration details/Duty to inform of Cessation

Where a change occurs in any of the details provided to Revenue, or where a person ceases to be a principal, Revenue must be informed within 21 days of the change or by the end of the month following the month in which the cessation takes place.

2.3 Cancellation of a Registration

In addition, to allow for the ongoing maintenance of the register, the Regulations allow Revenue to cancel a person's registration where in its opinion that person has ceased to be a principal. Persons affected will get 21 days' notice of the intention to cancel the registration and will have the opportunity, within that period, to inform Revenue in writing that they are still principals for RCT purposes and that they wish to retain their registration as a principal.

2.4 Non-Resident Principal Contractors

All non-resident principal contractors who do not have a "permanent establishment" in the State, who engage a contractor to carry out relevant operations under a relevant contract in the State are obliged to register as principals with Revenue and operate RCT.

The term "permanent establishment" includes a building or construction site or an installation project, which lasts for more than 6 months or longer. This also includes a place of management, a branch, an office/site office, a factory or workshop.

Any principal contractors deemed to have a permanent establishment in the State, will be liable for income tax as a sole trader or as a partner, or for corporation tax as a company, on the profits arising from the permanent establishment. All such principals will have to register for income tax or corporation tax and RCT and other relevant taxes.

2.5 Registration for other Taxes

When processing applications for RCT registrations, officers should consider if registration for other taxheads, in particular Value Added Tax (VAT) and employers PAYE is required.

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

[...]

Up to date information on the VAT obligations of principal contractors (including thresholds for VAT registration) are available in the VAT Section of the Revenue website.

3. Deducting RCT in Liquidation, Receivership or Examinership cases

Tax law provides no exemption from the operation of RCT in the case of liquidation, receivership (including mortgagees in possession) or examinership. Revenue takes the view that all aspects of RCT law – including deduction by the principal contractor and offset by Revenue of RCT against outstanding taxes – must be applied as normal, notwithstanding the fact that a liquidator, receiver or examiner has been appointed.

4. Contract Notifications

Upon entering into a contract with a subcontractor, under the provisions of Section 530B, a principal contractor is obliged to provide electronically the following information regarding the contract to Revenue:

1. Where the tax reference number of the subcontractor is provided the following details are required:
 - Declaration check box – confirm that the contract is not a contract of employment.
 - Subcontractor's tax reference number.
 - Subcontractor's name.
 - Confirmation as to whether the subcontractor has a fixed place of business to take orders, bookings for contracts, store materials and equipment, etc,

- Provide details of the contract:
 - sector (construction, forestry or meat processing),
 - nature of work,
 - project name and address or Site Identification Number,
 - start date of work,
 - end date of work,
 - estimated value of contract.
- Answer the question: “Are you satisfied that the contract is NOT a labour only contract?”
 - if the answer is “Yes” to this question, no further information will be required,
 - if the answer is “No” to this question, they will be required to answer additional questions relating to the employment status of the subcontractor (see below):

will the subcontractor:

- supply materials?
- provide plant and machinery necessary for the job other than hand tools?
- engage other people to work on the contract at his/her own expense?
- receive an agreed contract payment(s) without entitlement to pay for overtime, holidays, country money, travel and subsistence or other expenses payment?
- be excluded from the industry pension and sick pay schemes, if a sole trader?
- organise his/her own transport to and from sites?

does the subcontractor:

- cost and agree prices for jobs?
- provide his/her own insurance cover as appropriate e.g. public liability, etc?

is the subcontractor:

- free to choose the method to be employed in carrying out the work without the direction or control of the site foreman/overseer?

(Note: In the construction sector, for health and safety reasons, all individuals are under the direction of the site foreman/overseer.)

- in business on his/her own account and able to provide the same services concurrently to others?
 - exposed to financial risk including bearing the cost of making good faulty/substandard work and overruns?
2. Where the tax reference for the subcontractor is unknown, the following details are required in addition to the information provided above:
- The principal is required to indicate if the tax reference number is not available (checkbox) and provide the following information on the subcontractor:
 - subcontractor's address,
 - country (select country from a drop-down box),
 - subcontractor's phone number,
 - subcontractor's mobile number,
 - subcontractor's email address,
 - Subcontractor Foreign Details:
 - tax registration number in that country.
 - if the subcontractor is registered for tax outside Ireland, state the country in which registered.
 - Type of contractor:
 - individual,
 - company,
 - partnership,
 - Date of birth (if individual),
 - Company Registration Office number (if company),
 - Precedent partner's date of birth (if a partnership),

Where a principal contractor is unsure as to the correct employment status of a subcontractor, he or she should examine the criteria to be taken into account in the [Code of Practice for Determining Employment or Self-Employment Status of Individuals](#).

Before providing the above information to Revenue, a principal must be satisfied as to the identity of the subcontractor concerned and must get documentary evidence which proves the identity of the subcontractor. The principal must make and retain a copy of the documentary evidence provided or record and retain relevant details from the documentary evidence given.

Where the Revenue Commissioners are unable to verify the identity of a subcontractor by reference to the name and tax reference number supplied by a principal, the RCT

service will require the principal to inform the subcontractor in writing within 7 days, or before making a relevant payment to the subcontractor, whichever is the earlier, that-

- The Revenue Commissioners were unable to verify the identity of the subcontractor.
- Tax at 35% will be deducted from payments to the subcontractor.
- The subcontractor should contact Revenue with a view to clarifying their identity.

On receipt of a contract notification from a principal the RCT service will provide an acknowledgement to the principal. The acknowledgement will include, for information purposes only, the rate of tax last notified to the subcontractor concerned under section 530I of the Act. This rate must not be taken as the rate of RCT applicable to payments to be made under the contract concerned. A similar acknowledgement will issue to the subcontractor.

Up to 10 contracts can be input in one transaction by the principal. This limit applies whether the principal uses the ROS online, offline or web based service.

4.1 Amending Contract Notifications

Where the information referred to in a contract, which has previously been notified to Revenue changes in relation to:

- the estimated contract value,
- the contract duration, or
- the location or locations at which relevant operations under the contract are to take place.

The principal must notify Revenue of each such change to the contract. This can be done via the RCT Homepage screen in ROS where a principal should select "Search Existing RCT Contracts". A list of all contracts for the principal is returned on the screen. To make it easier to find the contract that is being looked for, the first line of the list allows a search of contracts by:

- contract id number,
- subcontractor rate,
- subcontractor tax reference,
- subcontractor name,
- contract status.

When the required contract is found, it can be selected by clicking on it and the following options are then made available at the bottom of the screen View, Cancel or Amend the contract.

Details of amendments made to contract notifications by principals will be notified to the subcontractor by Revenue.

It is important to note that a contract cannot be cancelled where a payment notification has already been made under the contract.

4.2 Rolling Contracts

Where there is an ongoing contractual relationship (also known as a rolling contract) between the parties a single contract notification will normally suffice. This includes situations where the jobs do not succeed each other immediately. An ongoing contract can also cover work to be carried out on a number of sites provided that the parties to the contract do not change. However, a new contract notification must be submitted if any of the following apply:

- The subcontractor has to compete (e.g. tender) for new work.
- The contractual relationship between the parties has changed e.g. the principal sets up a new entity (e.g. a limited company) for each site.
- The contractual terms have changed significantly e.g. the payment arrangements have changed from fixed price to piece work.
- No payments were made in the preceding year to the subcontractor.

5. Payment Notifications

Section 530C TCA 1997 provides that, immediately before a principal makes a relevant payment to a subcontractor, the principal must notify Revenue of their intention to make such a payment.

The following information is required in the payment notification:

- The identity of the subcontractor, including name and tax reference number.
- Identification of the contract to which the payment relates.
- The gross payment amount.

Where a principal has entered into more than one relevant contract with a subcontractor the principal must associate the payment notification with any current contract with the subcontractor, or else the principal may:

- (a) where the payment is to be made in respect of a single contract, identify the contract in respect of which the payment will be made, or
- (b) where the payment to be made is in respect of more than one contract with that subcontractor, give separate payment notifications each identifying only that part of the payment that refers to each contract.

Where a principal anticipates that a relevant payment is not going to be made before the end of the return period in which the payment notification was given, the principal should, before the end of the return period, cancel the payment notification previously submitted.

A principal cannot amend a payment notification that has been submitted to Revenue. In instances where the details of the payment for some reason differ from the payment notification submitted, the principal should cancel the original payment notification and submit a new one with the correct details.

Where a principal cancels a payment notification, the Revenue Commissioners may, by electronic or other means, notify the subcontractor of the cancellation of the payment notification by the principal.

When a principal submits a payment notification, a copy of the submitted payment notification is available to them in ROS. Where a batch of payment notifications is input by the principal, a single item will be available in ROS which will include details of each submitted payment notification in the batch. When the item is opened the principal will notice that the document is titled "Payment Notification Acknowledgement". When the principal clicks on a line item this will expand the line item, showing the details included on the deduction authorisation. The principal can print this line item to obtain a paper copy of the deduction authorisation. To print all deduction authorisations, the principal should select the "Print All" option which is located at the top left-hand side of the inbox document.

The principal can also choose to view/download all line items in either CSV or XML format (this option is located at the top right-hand side of the item) which will allow the principal to upload the information to their in-house accounting software system.

RCT applies to payments in kind in the same way as it applies to payments of money. The value of the payment in kind is the market value.

6. Deduction Authorisations

There are three rates of tax that can apply to subcontractors:

- Zero
- 20% (standard rate)
- 35%

Sections 530E, 530G, 530H and 530I TCA 1997 outline the provisions in regard to the rates of RCT and how the appropriate rate is to be determined for subcontractors. Detailed information on this is included in Part 18-02-05 (RCT for subcontractors).

On submission by a principal of a payment notification, a deduction authorisation is immediately issued by Revenue to the principal. The deduction authorisation specifies the rate of tax (including as appropriate zero) to be deducted from the payment and authorises the principal to deduct a specified amount of tax from the relevant payment.

The deduction authorisation is valid until the earliest of:

- The making of the payment by the principal.
- The due date relating to the return period within which the deduction authorisation was issued.
- The making of the return by the principal for the return period within which the deduction authorisation was issued.
- The cancellation of the payment notification by the principal.

The deduction authorisation is only valid for the subcontractor and the relevant payment to which it relates and there is an obligation on the part of the principal to ensure that the subcontractor named on the deduction authorisation is a party to the relevant contract to which it relates.

When a principal makes a payment to a subcontractor from which tax is deducted the principal must provide to the subcontractor a copy of the deduction authorisation. Alternatively, the principal may arrange for the following details from the deduction authorisation to be given to the subcontractor by written or electronic means:

- The name and tax reference number of the principal.
- The name and tax reference number of the subcontractor.
- The gross amount of the payment.
- The amount of tax deducted.
- The rate at which tax was deducted.

- The date of the payment.
- The unique reference number included by Revenue on the deduction authorisation.

The details contained on a deduction authorisation may also be made available to the subcontractor by Revenue, either electronically (if they are registered for ROS) or by other means.

7. Failure to Operate RCT

A principal is obliged under section 530F to deduct tax from payments to subcontractors in accordance with the deduction authorisation which has issued. Section 17 of Finance Act 2014 introduced a revised sanction, effective from 1 January 2015, where principals fail to operate RCT on relevant payments to subcontractors. The penalty that a principal will be liable for will be proportionate to the amount of the tax that should have been deducted and will be based on the deduction rate of the subcontractor. The principal will be liable for a penalty for each instance of non-operation of RCT.

- Where the subcontractor is registered with Revenue and is tax compliant and therefore qualifies for the RCT deduction rate of zero - the principal will be liable to a civil penalty of 3% of the relevant payment.
- Where the subcontractor is registered with Revenue and is substantially tax compliant and therefore qualifies for the RCT deduction rate of 20% - the principal will be liable to a civil penalty of 10% of the relevant payment.
- Where the subcontractor is registered with Revenue and is not compliant and is therefore liable to the RCT deduction rate of 35% - the principal will be liable to a civil penalty of 20% of the relevant payment.
- Where the subcontractor to whom the payment was made is not known to Revenue – the principal will be liable to a civil penalty of 35% of the relevant payment.

In all the above instances the principal will be required to submit an unreported payment notification to Revenue.

Prior to 2015 where a principal failed to deduct RCT in accordance with the deduction authorisation, the principal was:

- (a) Liable to pay a penalty tax at the rate of 35% on the amount of the relevant payment and
- (b) Without prejudice to any other penalty or Section 1078 be liable to a penalty of €5,000 or the amount of tax payable under (a) above, whichever is the lesser.

Where the aforementioned penalty applied and the principal submitted details of the relevant payment in a return for the relevant period, and if necessary provided Revenue with details of the relevant contract, Revenue would establish the amount of tax that would have been due using the appropriate rate for the subcontractor concerned and notwithstanding (a) above, the tax due from the principal was the amount established by Revenue. In strictness, for payments made prior to the passing of Finance (No.2) Act 2013, the position was that Revenue would only establish the appropriate rate for the subcontractor where the return for a relevant period was made by the due date, however in practice Revenue established the appropriate rate, regardless of the date of filing of the return. Revenue notified the principal of any adjustments to his liability as a result of this process. As this is a penalty imposed on the principal, it is not available as a credit against the liability of the subcontractor.

If a principal makes a payment to a subcontractor without the principal having previously submitted a payment notification in respect of the payment then it follows that no deduction authorisation will have been issued in respect of that payment. If the principal is notifying Revenue of details of the payment **after** the return period in which the payment was made, he or she should amend the return for the period in which the payment was made to the subcontractor. The RCT service will automatically calculate the penalty and surcharge due.

See also [section 13](#) below for more information regarding civil penalties.

8. Deduction Summary/Return

Section 530K obliges the principal to make a return to the Collector-General of all relevant payments made during the return period. To facilitate this process at the end of each return period the Revenue Commissioners make available in ROS a deduction summary to each principal for the return period. The deduction summary is created by Revenue collating all relevant payments for which a valid deduction authorisation issued during the return period. The deduction summary will list all of the payments notified by the principal contractor to Revenue (one-line item for each payment notified). It will also identify the total tax due for the period. Depending on the principal contractor's filing frequency (monthly or quarterly) the deduction summary will cover one or three months.

The details on the summary, if not amended, are deemed to be a return made by the principal for that return period and the amount of tax specified is the principal's liability in respect of that period.

The deduction summary should be checked by the principal contractor to ensure that all payments made to subcontractors have been notified to Revenue and to ensure that the amounts notified were correct. Where required, amendments should be made to the relevant line item(s) before the due date for the return, amendments can include:

- The cancelling of payments previously notified which were not made within the return period, and
- The amendment of the payment amount to a subcontractor where the payment differs from the amount specified in the payment notification due to exceptional circumstances unforeseen at the time of the notification.

Where a principal amends the deduction summary and submits the details to Revenue, the revised summary is deemed to be the return for that period and the revised total amounts are the principal's liability for that period.

Where a principal amends a line item(s) on a deduction summary, Revenue will notify the relevant subcontractor of details of the amendment.

A principal contractor must make a return before the due date i.e. the 23rd day after the end of the period covered by the return.

A principal may make a late return after the due date or amend a return after the making of a return or the deemed making of a return but –

- No amendment can be made in relation to any payment for which a deduction authorisation has issued, and
- No amendment can be made to a return where an audit or other investigation has commenced in relation to the tax affairs of the principal for the chargeable period in which the return period falls.

A surcharge of €100 applies for late returns. The surcharge will be included in the notice subsequently issued by Revenue of the tax due and payable for the return period or periods.

9. Payment of RCT Due

The principal contractor must pay any RCT deducted before the due date for the return (23rd day after the end of the period covered by the return).

Where tax is due for a period covering more than one return period (see Section 10: Assessments by Revenue Officer) the due date relating to that tax is the due date relating to the earliest return period covered by the relevant assessment or return.

Where payments are not made to the Collector-General by the due date, interest is due at the rate of 0.0274% per day or part of day during which the amount remains unpaid.

10. Assessment by Revenue Officer

Under the provisions of section 530N, where a Revenue officer has reason to believe that a principal who was due to make a return for a return period has not made a return or that the amount of tax due and payable by a principal for a return period was greater than the amount specified by a principal in a return, the officer may make an assessment of the total amount of tax due and payable by the principal for that return period. A Revenue officer may if necessary amend the assessment. All assessments and amended assessments will issue electronically to principals.

An assessment may be appealed to the Appeal Commissioners in writing within 30 days from the date of the notice of assessment. An appeal cannot be made:

- In the case of a principal who has made a return or deemed return until the tax, any surcharge and/or interest due has been paid, and
- in any other case until a return for the period concerned has been made and the tax, surcharge and any interest due has been paid.

An assessment raised may be in respect of a return period or for any number of consecutive return periods and it may be issued before the end of the period to which it relates. Where the assessment is in respect of a number of consecutive return periods they cannot be appealed until such time as:

- a return is made in respect of each return period covered by the assessment, or
- an election is made to make one return covering the full period assessed and that return is made.

The provisions relating to the payment of tax, surcharge and interest also apply before a multiple period assessment can be appealed.

An appeal may be made by completing and submitting a 'Notice of Appeal'. The 'Notice of Appeal' form, which is available on the Tax Appeal Commission's website, www.taxappeals.ie. A copy of the notice of assessment from the Revenue Commissioners must be submitted with the 'Notice of Appeal'. The Tax Appeal Commission can be contacted by email at info@taxappeals.ie."

11. Partnerships

Where relevant operations are performed by a gang or group of persons (including partnerships) notwithstanding that any payment or part of payment is made by a principal to one or more of the gang or group or to some other person, then this

payment is deemed to have been made to the individual members of the gang or group in the proportions in which the payment was to be divided amongst them.

Except where a separate payment to each member is made by the principal, a person authorised by the group, or in the case of a partnership the precedent partner, must in respect of the tax deducted from the payments, give to the Revenue Commissioners

- (a) the name, address and tax reference number of every person in the group or partnership, and
- (b) details of the proportion of the tax deducted to which each person is entitled.

On receipt of these details Revenue will notify in writing or by electronic means each member of the gang, group or partnership the amount of income or corporation tax that is being treated as having been paid by them.

12. Records to be kept

A principal must keep and maintain records in relation to

- The information and declaration on contract notifications.
- Relevant payments including the tax deducted from such payments.
- Registration details required for registration with Revenue as a principal contractor.
- The details required to be included on a return for each relevant period, and
- Tax due and payable

Before submitting a payment notification, a principal must obtain from the subcontractor a statement setting out appropriate details of the work giving rise to the payment, the cost of the work and the subcontractor's name, address and tax reference number. Where the work is being done by a gang or group of persons, (including partnerships) the statement will bear the name, business address and tax reference of the gang or group and the names of the individual members of the gang or group. The principal is obliged to retain these statements.

13. Civil Penalties

The names of persons who fail to comply with their RCT obligations or who fraudulently or negligently supply incorrect information etc. in that regard may be published in accordance with section 1086 TCA 1997 subject to the same conditions as apply to persons who fail to comply with other tax obligations.

Obligations are contained in subsections (3) and (4) of Section 886 to keep and retain records and linking documents in relation to RCT.

Civil penalties under sections 1052 and 1054 Taxes Consolidation Act, 1997 apply in relation to Part 18 Chapter 2 TCA (RCT legislation) and the RCT Regulations made under that section. The table below outlines where civil penalties may be considered under sections 1052 and 1054 for breaches of the obligations of principals required in the RCT legislation.

Section 530B(1)	Failure by a principal to submit details of a relevant contract to the Revenue Commissioners.
Section 530B(1A)(b)	Failure by a principal to obtain and retain documentary evidence as to the identity of a subcontractor.
Section 530B(4)(e)	Failure by a principal to notify Revenue of change to the details of a contract.
Section 530B(4)(f)	Failure by a principal to notify a subcontractor where the Revenue Commissioners were unable to verify the identity of a subcontractor by reference to the details submitted on a contract notification.
Section 530C(3)	Failure by a principal when submitting a payment notification to identify correctly the contract to which the payment relates.
Section 530C(3)	Failure by a principal, where a payment is being made to a subcontractor in respect of more than one contract, to submit a separate payment notifications each identifying the part of the payment that refers to each contract.
Section 530C(3)(e)	Failure by a principal to notify a subcontractor where a payment notification has been cancelled.
Section 530D(5)(d)	Failure by a principal to ensure that a deduction summary accurately reflects the details of all relevant payments made, and tax deducted by a principal in a return period.
Section 530F(4)	Failure by a principal to provide to a subcontractor either a copy of a deduction authorisation or to provide to a subcontractor in written or electronic means the relevant details contained in a deduction authorisation.
Section 530F(2)	Payment by a principal of a relevant payment to a subcontractor other than in accordance with a deduction authorisation.
Section 530F(7)(b)	Failure by a principal to notify Revenue of a payment to a subcontractor immediately after the rectification of a technology systems failure.
Section 530F(9)	Failure by a principal to provide on request to Revenue information in relation to the circumstances and details of a persistent technology systems failure.
Section 530J(2)	Failure of a principal to register with Revenue as a principal contractor.
Section 530J(3)	Failure by a principal to submit the necessary details for the purposes of registering as a principal.
Section 530J(3)	Failure by a principal to notify Revenue that they have ceased as a principal.

Section 530J(3)	Failure by a principal to re-register as a principal where their registration was previously cancelled and them subsequently commenced as a principal again.
Section 530K(5)(c)	Failure by a principal to ensure that all relevant payments and the associated tax liability are accurately reflected on the return due for each relevant period.
Section 530K(5)(d)	Failure by a principal to notify a subcontractor of any amendments or cancellations of line items on a return that are relevant to the subcontractor.
Section 530S	Failure by a principal, in advance of submitting a payment notification, to obtain from a subcontractor a statement setting out details and the cost of the work giving rise to the payment. The statement shall include the subcontractor's name, business address and tax reference number. In the case of a partnership/gang/group the statement shall also include the names of the individual members of the gang/group/partnership.
Section 530(S)(6)	Failure by a principal to keep and maintain records in relation to: <ul style="list-style-type: none"> • The information and declaration required in contract notifications. • Relevant payments and the tax deducted from each such payment. • The registration details required to register as a principal. • The details required to be included on a return for each relevant period. • The tax due and payable to Revenue.

14. RCT Regulations

The [Income Tax and Corporation Tax \(Relevant Contracts Tax\) Regulations 2011 \(S.I. No. 651 of 2011\)](#) which gave effect to certain aspects of the 2011 Finance Act changes system came into effect on 1 January 2012 and applied to all payments made under a relevant contract after that date.

These were subsequently revoked and replaced by [Income Tax and Corporation Tax \(Relevant Contracts Tax\) Regulations 2012 \(S.I. No. 576 of 2012\)](#) which gave effect to aspects of the 2012 Finance Act changes. These regulations came into effect on 24 December 2012.

Regulation 5 of the 2012 Regulations was amended by the [Income Tax and Corporation Tax \(Relevant Contracts Tax \(Amendment\) Regulations 2013 \(S.I. No. 412 of 2013\)](#) and gave effect to a change in the requirements regarding the submission of

payment notifications by principals where multiple contracts are in place with a subcontractor. These regulations came into effect on 31 October 2013.

Regulation 9 of the 2012 Regulations was amended by the [Income Tax and Corporation Tax \(Relevant Contracts Tax\) \(Amendment\) Regulations 2015 \(S.I. No. 5 of 2015\)](#). These amended Regulations provide for the submission, by a principal, of an unreported payment notification where the principal has failed to operate RCT on a relevant payment to a subcontractor. The Regulations also set out the information to be included on an unreported payment notification.