

Insurance Ireland response to Public Consultation Paper on PAYE Modernisation

Insurance Ireland represents life assurance companies which operate PAYE not just in respect of employees but also for customers holding retirement products such as annuities and approved retirement funds or in receipt of an income on disability under income continuance policies.

- **Annuity payment post death**

If reporting is in real time, how will amendments for current year be submitted?

If P45s are no longer needed – when do Revenue know that the figures are finalised?

For example, in the case of annuities which are sometimes overpaid on death of the annuitant (due to late notification of the death) a P45 would normally not be submitted to Revenue until the figures had been amended on a life offices payroll system (when the overpayment is returned) otherwise we are submitting incorrect figures to Revenue.

- **Annuity/ARF/Pension/Income Continuance Policy amendments mid year**

Because of the nature of the payments a life office make there are amendments to the payroll figures throughout the year and again at the end of the year before submitting the P35. At the moment these amendments are made before submitting P35/P45 returns to Revenue. Our members still do submit amendments to P35 for previous year but in the new system it appears that members would need to do this for current year also?

- **P35 Filing**

The modernisation project appears to indicate that a life office will be giving Revenue all the information normally included on the P35 every month (instead of once a year). Will this be through a submission on ROS? The P35 submission is currently very finicky and before it is submitted it is necessary to do certain checks and remove special characters e.g. it doesn't accept fadas; there are often errors on the file for large tax registration number, perhaps as the file is so large. We would be interested in hearing if these will still be problems under the new system and how the monthly P30 payment will be submitted and reconciled.

- **Bulk Annuity**

For bulk annuities that are transferring from one life office or pension provider to another it would be helpful if there was a facility whereby the previous payroll provider could enter on this new system the new tax registration number of the provider that the scheme is moving to – so that Revenue can automatically transfer over the tax certs to the new tax registration number in time for the next payroll. (This would do away with P45 part 3 returns for these transfers – P45 part 3 aren't mentioned in the paper.)

Insurance Ireland

12th December 2016

