

PSDA Out of Year Corrections Summary Findings

2nd May 2017

Agenda

1	Action Log Updates
2	Submission Data Items – Update
3	Out of Year Corrections
4	AOB

Out of Year Corrections

Out of Year corrections

- Pay date definition provided as requested previously. Discussion followed around how payroll may not have the required information
Issues highlighted:
 - The transmission date may be today, but the pay date may be next week
 - January payroll processed in December
 - May need 2 different payrolls in the same period
 - Employees working a week in hand
 - January payment paid in December to be clarified

Out of Year adjustment

- New system will involve monthly statutory returns. Returns are to be filed by 23rd of the following month. So the December return is to be finalised by 23rd January. Anything after 23rd January will be a “Prior Year Adjustment”.
- Out of year adjustment example given as BIK for a car incorrectly calculated from February into following tax year –
 - The current year can be amended ‘in year’, but it was proposed that the previous year statutory monthly returns were wrong and will need to be amended. The employer will need to include the additional liability on each effected payroll run.
 - The question was raised as to why there is a need to differentiate between an ‘in year’ and ‘out of year’ adjustment? This decision was made as a result of a previous request from PSDA
 - **It has now been agreed by PSDA members that ‘out of year’ adjustments should be in the same format as the ‘in year’ adjustments, not just an additional line item.**

DSP/PRSI clarification

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- Representative from DSP confirmed that PRSI liability arises when Income Tax liability arises – there is no difference.
- If someone worked in December and is paid in January the liability is based on January allowances (including any budget changes)

Other

- It was stated that if the full amount of LPT is not collected by the employer during the year, the outstanding amount becomes the employer's liability.

3. AOB

- Next Workshop
 - Topics:
 - P2C Technical Message Flows
 - Employment Creation & Cessation Update
 - Prior Year Adjustment: Draft Schema
 - Proposed Date **23rd May**

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- Prior Year Adjustment: Draft Schema

Proposed Date 23rd May