

# PSDA Schema Workshop

## Summary Findings

25<sup>th</sup> September 2017

# Agenda

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- Standard payroll run
- Payment before starting
- Payroll amendment
- Replacement of P45 process
- Payment after leaving
- Medical insurance paid by employer
- RPN/Weekly tax credits
- DEASP income
- Emergency tax
- In year reconciliation
- End of year statement

# Standard Payroll Run

# Standard payroll run

- Request RPN for all employees at the start of the year
- The valid RPN is the last one
- New employee-new RPN
- There will be three different ways to request RPN's –
  - All employees' RPN's
  - Employees where changes have taken place since last payroll run
  - New employees
- Legislation to be drafted:
  - By asking for an RPN for a new employee, the employer is confirming that the employee is commencing employment with them.
  - An employer must 'poll' for an RPN before running the payroll.

# Standard Payroll Run

- The RPN will give annual credits/rate band – these should be divided by 52 or 26
- Previous pay and tax will be included in the RPN
- Still awaiting decision on Week 53
- An acknowledgement will issue by Revenue confirming that we have received the submission – if no acknowledgement, we have not received it and it must be re-submitted

# Standard Payroll Run

- It was confirmed that in case of specific technical issues an RPN cannot be downloaded, the employer can operate from the most recent RPN previously downloaded
- In cases of 'hello' money, an RPN should be requested with a start date per date of payment
- For employers with 5 or less employees, there will be facility available for inputting data
- There will also be a paper process for non e-enabled employers

# PAYE Services



## PAYE Services

- Employees will have the facility to cease their own employment and prevent their new employer seeing their previous pay
- PAYE Modernisation Team will need to keep online services aware of any changes

# Cessations/P45

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- It was asked if P45 notes have been updated to remove illness benefit
- It was highlighted that cessation dates provided by employees and employers can differ – **this will be further investigated**
- For payments after leaving i.e. arrears/holiday pay, employers should poll for an RPN – it was noted that it was important to use the same employer ID in this instance
- There was a query regarding a situation where an employee ceases the employment on My Account, but doesn't inform the employer and he continues to pay the individual. It was asked what will Revenue's action be
- **Revenue will have to message online services and it was agreed that rules will have to be expanded here**

# Death

# Death

- Revenue confirmed that it is notified of deaths by the General Register Office
- When we received the date of death, we will cease the employment
- It was asked what will happen in pension/ARF cases (when payments can continue after death) **To be considered.**

# Medical Insurance

# Medical Insurance

- Employee can claim medical insurance through My Account – the amount claimed will be cross-checked against the total reported by the employer
- It was clarified that BIK = Gross Medical Insurance
- Details of BIK will be submitted directly to Revenue and included in the RPN

# Emergency Rules



# Emergency Rules

- There should be fewer scenarios of customers being taxed on emergency basis
- Revenue clarified the situations in which emergency tax should be applied
- Where there are technical issues and an RPN does not issue, emergency tax should be operated

# DEASP Income

- There will be real time interface with the Dept. of Employment and Social Protection
- Where DEASP payment has been mandated to employer, remove payment from 'pay for Income Tax, PRSI and USC' and calculate the deductions based on the RPN

# End of Year Statement

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- Automatic end of year reviews will issue (these will replace P60s)
- Statement will issue after 14<sup>th</sup> January (i.e. after employer has agreed return)
- PSDA felt that they would be under pressure at the end of the year, as they will still be asked to provide the equivalent of a P60 (statement of earnings)
- Increasingly, banks do not accept P60's and look for a statement of earnings instead
- Revenue will be talking to relevant stakeholders to educate re the End of Year Statement replacing the P60

# In-Year and Returns Reconciliation

# Reconciliation

- In year reconciliation is an alert message and not automatic
- Undecided on how often these will issue
- Returns reconciliation examples to be provided to Sean Murray in PSDA, in particular where a payroll run will cross over two months

# Data Alignment

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- Further letters in relation to Christmas Day employments will issue in October
- Letters will also be sent regarding missing PPSN's



# Employee List

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- Observations:
- Exclusion Order – agree to make date optional
- Start Date – review description and can't provide a mandatory?
- Director marker – review description (as it is causing confusion)

# Schema

# Schema

- Schema documents were discussed
- Issues raised:
  - Three different names used for ‘Income tax’ -
  - Revenue will review and correct this
  - Revenue wants to hear about issues with the documents provided recently and stated that it wanted to improve the recent examples, not move away from them
  - It was requested that another example of ‘corrections’ be provided
  - Revenue asked if there was any need for the *message type field*? PSDA to consider and come back with their thoughts
  - XML sample in notes (P35 2014)
  - Issues around benefit details
  - A guide for the documents/schemas published already should be issued shortly

# Technical Failures

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- Typical causes for technical failures:
  - Malformed request
  - Digital certificate issue
  - Systems issue on Revenue side
- One attendee talked about files disappearing and how this scenario would be dealt with in the future?  
Revenue confirmed that if a response was provided, it would have an audit trail and stored a copy
- Discussion centred around payroll and pay-date –  
Revenue clarified that the pay-date is the date that the money is actually with the employee (not when it goes to the bank or when a cheque is sent)

# Technical Failures

- Web service to be provided in the first two weeks of October
- It was also queried if there will be a limit to line items in batches –
  - For REST, there will be compression
  - For SOAP/XML, there will be a small upper limit (500)
  - Months with five pay-dates was mentioned as being a potential problem – Revenue will write out a proposal and send to Sean Murray for circulation to members
- Submission header to include month – to ensure all payslips belong to the same month

# Next Steps

- Summary of discussions to be circulated
- Further feedback via [payemodernisation@revenue.ie](mailto:payemodernisation@revenue.ie) or PSDA Chairman
- Design workshops scheduled with other stakeholders
- **Next PSDA meeting scheduled for October 13<sup>th</sup> at 2pm**