

# **PAYE Modernisation**

Service User Group

14th November 2019

# Agenda

- Live Update
- PIT Update
- End of Year
  - Budget & 2020 RPNs
  - Employment Detail Summary
  - Preliminary End of Year Statement
  - Holiday pay at end of year
  - Current version PIT upgrade plan
- Gross Pay
- Data Integrity Project Update
- Actions
- AOB

# Live Update

## Live Update (as at 13/11/19)

- Total Submissions - > 5,584,086
  - Direct Payroll Reporting 90%
  - ROS Payroll Reporting 1%
  - ROS Manual Input 9%
- Submitting Employers - > 178,220
- Submitting Employer for November - > 99,451

# PIT Update

# PIT Activity

- Open tickets -> 18
- Closed tickets -> 1626
- Users -> 267
- Companies -> 106

**End of Year**

# Budget & 2020 RPNs

- Budget changes will be released over the weekend of 30<sup>th</sup> November and 1<sup>st</sup> December.
- Payroll and RPN services will be unavailable from 01:00-10:00 on Sunday 1<sup>st</sup> December.
- 2020 RPNs will be available by 4<sup>th</sup> December.



# 2020 RPNs

- 2018 Income Tax Regulations – cannot use a prior year's RPN.
- Employer must request 2020 RPN for all employees for first payment in 2020. If no RPN is available, the employer must operate the emergency basis of income tax and USC.
- Where, due to a persistent technology systems failure, an employer is unable to get the most recent RPN for an employee, the employer can deduct tax by reference to the latest RPN available i.e. 2019 RPN.
- Persistent technology systems failure e.g. Revenue systems failure when running payroll or outage to the employer's systems brought about by a significant weather event or other major loss of power.

# Employment Detail Summary

- Employment Detail Summary is a summary of pay, income tax, USC, PRSI, LPT per employment as reported by employer
- Will be available in myAccount – PAYE Services – ‘Review your tax 2016-2019’ from 1 January 2020
- Details will update automatically if any corrections or additional submissions are received from employers in respect of a 2019 payment date in 2020
- Facility will be available for customers to create a PDF and print it

## Review your tax 2016 - 2019

[← Back to myAccount](#)**2019**

Review type	Description	Status	Action
<b>Statement of Liability</b>	<ul style="list-style-type: none"><li>Review your preliminary Income Tax and USC Calculation for 2019 based on Revenue's records</li><li>Complete your Income Tax Return to:<ul style="list-style-type: none"><li>Change existing credits/declared income;</li><li>Declare additional income e.g. rental income; income from casual work;</li><li>Claim additional credits/reliefs e.g. health expenses;</li><li>Request your Statement of Liability from Revenue.</li></ul></li></ul>	Available	<a href="#">Request</a>
<b>Employment Detail Summary</b> ⓘ	<ul style="list-style-type: none"><li>View a summary of the pay and tax details reported by your employer(s)/pension provider(s) to Revenue.</li><li>Create a document containing a summary of your pay and tax details.</li></ul>	Available	<a href="#">View</a>

# Employment detail summary

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## Employment detail summary 2019

**if any of this information is incorrect, please contact your employer / pension provider directly to have it corrected**

You can view each payroll submission by selecting 'View job / pension details'.

You can create a document you can save or print by clicking 'Create document'.

[Create document](#)

### Your jobs or pensions

Revenue (1234567TT)		<a href="#">View job / pension details</a>
Employment ID	1	
Start date	01/01/14	
<b>Pay, Income Tax, USC, LPT and PRSI details</b>		
Gross pay ⓘ	€30,000.00	
Pay for Income Tax ⓘ	€30,000.00	
Income tax paid	€120.00	
Taxable benefits	€120.00	
Pay for USC ⓘ	€120.00	
USC paid	€120.00	
LPT deducted	€120.00	
Employee PRSI paid ⓘ	€120.00	
Employer PRSI paid ⓘ	€120.00	
<b>PRSI classes</b>		
PRSI class	AO	
Number of insurable weeks	20	

### Mary's jobs or pensions

Tesco (1234567TT)		<a href="#">View job / pension details</a>
Employment ID	1	
Start date	01/01/14	
Date of leaving	05/07/2019	
<b>Pay, Income Tax, USC, LPT and PRSI details</b>		
Gross pay ⓘ	€120.00	
Pay for Income Tax ⓘ	€120.00	
Income tax paid	€120.00	
Taxable benefits	€120.00	
Pay for USC ⓘ	€120.00	
USC paid	€120.00	
LPT deducted	€120.00	
Employee PRSI paid ⓘ	€120.00	
Employer PRSI paid ⓘ	€120.00	
<b>PRSI classes</b>		
PRSI class	AO	
Number of insurable weeks	20	



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17 Oct 2019

## Employment Detail Summary 2019

If any of this information is incorrect, please contact your employer / pension provider directly to have it corrected

### Job / pension details

Employer / pension provider name	Sara-er-treutel-treutel
Employer / pension provider no.	
Employment ID	122
Start Date	13/01/2019

### Pay, Income Tax, USC, LPT and PRSI details

Gross pay	€30,000.00
Pay for Income Tax	€30,000.00
Income tax paid	€4,000.00
Taxable benefits	€0.00
Pay for USC	€30,000.00
USC paid	€3,000.00
LPT deducted	€0.00
Employee PRSI paid	€0.00
Employer PRSI paid	€0.00

### PRSI classes

PRSI class	A1
Number of Insurable weeks	0

# Preliminary End of Year Statement

- Preliminary End of Year Statement is a preliminary calculation of your Income Tax and USC based on Revenue's records.
- It will be available in myAccount – PAYE Services – 'Review your tax 2016-2019' from 15 January 2020
- Details will update automatically if any corrections or additional submissions are received from employers in respect of a 2019 payment date in 2020
- To receive your Statement of Liability (P21) you must complete your Income Tax Return

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## Preliminary End of Year result

This is a preliminary calculation for 2019 based on the information held on Revenue's records at this time.

If you have any additional income to declare e.g. rental income, income from casual work, you should complete your Income Tax Return and declare this income. To go directly to your Income Tax Return, click 'Complete Income Tax Return' at the bottom of the page.

<b>Preliminary result</b>	<b>Overpayment</b>	<b>€200.00</b>
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## What your preliminary result means

### Overpayment

Based on Revenue's records for 2019, you paid more Income Tax or USC than you were due to pay. This means that you are due a refund of €200.00 from Revenue based on current information. To receive any refund due, you should complete your Income Tax Return for 2019.

## Preliminary Income Tax result

[View Income Tax details](#)

To view a breakdown of your taxable income, credits/reliefs and Income Tax due, click 'View Income Tax details'.

Taxable income	€90,000.00
Net tax due	€25,640.00
Less total tax paid	- €25,840.00
<b>Preliminary Income Tax result</b>	<b>Overpayment €200.00</b>

## Preliminary USC result

[View USC details](#)

To view a breakdown of your income chargeable to USC, USC due and USC paid, click 'View USC details'.

Income chargeable to USC		€90,000.00
USC due		€4,071.55
Less USC paid		- €4,071.55
<b>Preliminary USC result</b>	<b>Balanced</b>	<b>€0.00</b>

## How would you like to proceed?

You should complete your Income Tax Return to:

- Receive any refund of tax due;
- Change existing credits/declared income;
- Declare additional income e.g. rental income, income from casual work;
- Claim additional credits e.g. health expenses;
- Receive your Statement of Liability

[Complete your Income Tax Return →](#)

If you do not need a Statement of Liability and have no additional income to declare or reliefs and credits to claim you can return to 'Review your taxes' by clicking the 'back' button below.

[← Back](#)



[← Back](#)

## Completing your Income Tax Return

### What do I need to do?

To complete your Income Tax Return and request your End of Year Statement (P21), you need to complete the five sections below.

#### 1 Personal details

Check that your personal details are correct. Add details for you and your spouse or civil partner, if relevant.

#### 2 PAYE Income

Check that the pay and tax details for 2019 for each of your jobs/pensions are correct. This is based on information provided by your employer/pension provider to Revenue. A breakdown of this information is available under 'Employment Detail Summary' in the [Review your tax](#) screen.

#### 3 Non-PAYE Income

Confirm, edit or delete non-PAYE income already on record. Add any additional non-PAYE income not already declared e.g. rental income, nixers.

#### 4 Tax credits and reliefs

Confirm, edit or delete tax credits and reliefs already on record. Add new tax credits or reliefs not already on record.

#### 5 Declaration

Confirm that all the information provided is correct before requesting your End of Year Statement (P21).

### How is my personal data used?

- 1 Revenue collects taxes and duties and implements customs controls.
- 2 Your personal data may be exchanged with other Government Departments and agencies in certain circumstances where this is provided for by law. Details of this policy are also available in hard copy upon request. [View Revenue's data protection policy](#)

Start →

# Employee communications

- TCCs will issue to all PAYE customers during the month of December. This will include a 1-page information leaflet on the Employment Detail Summary and the Preliminary End of Year Statement.
- Radio and print advertising is planned from 9<sup>th</sup> December outlining these changes.
- Employer Notice outlining changes for employees also planned for end of November.

# Holiday/advance payments at year end

## **Employers' Guide:**

Tax credits/rate bands to be set against 'holiday pay' paid in advance are strictly those that relate to the income tax week in which it is paid. If, however, the effect of paying holiday pay in advance is that the employee receives the equivalent of two weeks' pay in the same week and no pay in the following week, the tax credits/rate band for those weeks may be set against holiday pay.

This does not apply where the holiday pay straddles two tax years. If an employer did this, it would result in an underpayment of tax in the year in which the payment is made because the credits/rate bands must be capped at the annual amount.

## **Example:**

Employee is normally paid every Thursday but this year will receive two weeks pay on 24 December in respect of 26 December and 2 January because business is closed for two weeks over Christmas. Payment date must be reported as 24 December as this is the date the payment is received. The bank holiday concession does not apply. Pay period 52 should be reported in this instance.

The employee will not be paid in week 1 of the following year. When paid in week 2, employee will get the benefit of the two weeks credits/rate bands.

If the employer allocates two weeks credits/rate bands to the payment made on 24 December, the employee will have an underpayment for the year, which Revenue will recoup.

# Advance payments – bank holiday

- **Reminder:** where payday falls on a bank holiday and an employee is due to be paid by funds transfer on that day, we would regard the payday as the bank holiday where the funds are made available in the employee's bank account on the previous day only.
- For example, normal pay day is 1 January – payment cannot be made on 1<sup>st</sup> so employer makes payment on 31 December instead. Pay date can be reported as 1 January and 1 January credits/rate bands applied even though paid in prior year.

# Current version PIT upgrade plan

- 2020 RPNs will be available by 4<sup>th</sup> of December which will include the CAB changes.
- The PIT current version environment will be upgrade on the 9<sup>th</sup> of December to include the latest CAB changes (CR11 & CR12).

# Gross Pay

# Gross Pay

- Where an employer payment/contribution/benefit is either income taxable, USCable or PRSable, it should be included in Gross Pay.

Type of Pay	Include in Gross pay
Base Salary/Overtime/Bonus Pay/ Holiday Pay/ Sick Pay	Yes
Employee Pension Contributions	Yes
Employer Pension Contributions where contribution is <u>not</u> subject to income tax or USC	No
Employer pension contributions where contribution is <u>subject</u> to income tax or USC	Yes
Any BIK (Med Insurance, Car, Van, etc.)	Yes
Share Based Remuneration whether shares in the employer company or not	Yes
Employee Income Continuance Permanent Health Insurance	Yes
Saturday Hospital Fund	Yes
Salary Sacrifice (Travel Pass, Cycle to Work)	Yes
ASC Pension Contributions	Yes
RBS Employer Contributions	No
RBS Employee Contributions	Yes
PRSA Employee Contributions	Yes
AVC	Yes
DEASP Maternity Benefit payment	No
DEASP Illness Benefit payment	No
Taxable lump sum/redundancy	Yes
Non-taxable lump sum/statutory redundancy	No

# Data Integrity Project Update



# Data Integrity Project Update

- Verbal update

# Actions

# Actions Update

Action	Responsibility	Update
Alerting of PMOD service outages. Is there a way Revenue could notify Employers to deflect contacts away from PSDA members?	Revenue	A number of options have been investigated but none meet the quick turn around and targeted notification that is required here.
Revenue to notify PSDA when CAB changes are released to PIT4	Revenue	Complete
Revenue to document and issue guidance on what values should be populated in the 'PayPeriod' for advance payments (e.g. Advance payments at Christmas time).	Revenue	Covered in slides
Revenue to review legalisation and issue guidance on 'Persistent Technology failure' and what rules apply. This was raised specifically in relation to 2020 RPNs and if they were unavailable, due to systems issues, for the first payment of 2020.	Revenue	Covered in slides
PSDA to request meeting with Revenue, DEASP and PSDA representatives to discuss letter received from DEASP regarding incorrect insurable weeks.	PSDA, DEASP, Revenue	DEASP responded to Jason's email
Query raised regarding a PIT registration request and dead link in email templates.	Revenue	Complete
Revenue to provide clarification on PPSN validation on Payroll submission/RPN requests.	Revenue	Complete
Revenue to document and issue guidance on what is the appropriate RPN to be used for Post Cessation payments.	Revenue	Guidance provided
SUG to review EDS and provide comments to Revenue	SUG	None received
Review Employers Guide on share based remuneration	Revenue	In progress

**AOB**

# AOB

- P45
- Next meeting: 12 December 10am