

Survey of Employers 2019

For the first time, Revenue carried out a customer service survey of Employers in 2019



10,000 Employers Surveyed



Online Survey

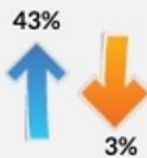
33%

Response Rate

Revenue Customer Service



Satisfaction levels with Revenue are high: 75% are "very satisfied" or "satisfied", while a further 20% are "somewhat satisfied"



Employers experienced an improvement in Revenue's customer service in the last year, while 3% reported a disimprovement



Most frequently used contact channel with Revenue is the telephone



ROS and the telephone are the contact channels with the highest satisfaction ratings

PAYE Modernisation



89%

Employers believe that PAYE Modernisation makes tax admin easier. However, the proportion falls to 77% for the very smallest employers



94%

Employers thought there was sufficient lead-in time for the change



90%

Employers reacted positively to Revenue's communication campaign for reform, with 90% finding the Revenue website useful for their preparation for the transition



90%

Employers agree that PAYE Modernisation increases transparency for employees

Compliance and Paying Taxes



16% of employers have difficulty paying their taxes on time, with temporary cash-flow difficulties being the primary cause



91% say Revenue's response to tax payment difficulties was fair



The two highest ranking factors influencing voluntary compliance are related to civic responsibility: "belief that you should do the right thing" and "because it's the law"

Revenue thanks all those who participated in the survey. Without your time and effort, the survey and this report would not be possible. One of the benefits of Revenue's move to online surveys in recent years is the increased detail in free text feedback fields. The time taken to provide these is much appreciated as they add greatly to the wealth and value of the survey. The responses and feedback will assist Revenue to continue to provide the best possible service to all taxpayers.

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1 Introduction and Survey Methodology

1.1 Motivation

Revenue has conducted regular customer surveys of taxpayers since 2006.¹ The objective of these surveys is to assess customer satisfaction and use the opinions expressed to improve the service offered by Revenue to assist in the fair and efficient collection of taxes and duties.

This is the first Revenue survey to be carried out specifically on Employers.² It is timely to survey this taxpayer group following the introduction of PAYE Modernisation on 1 January 2019. Under PAYE Modernisation, employers now report their employees' pay and deductions in real-time to Revenue each time they operate their payroll system. A key intended benefit for employers is the minimisation of compliance costs, while there is increased transparency for employees. The survey allows Revenue to gather feedback on the PAYE Modernisation process in a representative and systematic way, as well as learn from the implementation experience to improve reforms in other areas in the future.

The remainder of this section outlines the survey design and methodology. Section 2 profiles the respondents. The following sections summarise the responses to the survey. Section 9 concludes.

1.2 The Population

The target population consists of any taxpayer registered as an employer with Revenue by Q3 2019 and who made a payroll submission to Revenue during 2019.³ Following data cleaning and matching taxpayers to email addresses held centrally in Revenue, this produces a survey population of approximately 95,000 taxpayers (employers), as shown in Table 1. This survey population is divided into sub-groups based on size (number of employees), and this breakdown is the sampling frame for the survey (Table 2).

Table 1: Survey Population

Criteria	Number of Employers
Registered Employers	220,179
Less: Taxpayers who do not submit payroll	66,295
Less: Duplicate records	1,011
Equals: Target population	152,873
Less: Taxpayers without an email on centralised Revenue system	57,975
Survey Population	94,898

Source: Revenue analysis.

¹ Surveyed groups include small to medium sized enterprises ("SMEs"), PAYE employees, chargeable persons and tax agents. Results from previous Revenue customer surveys are published at:

<https://www.revenue.ie/en/corporate/information-about-revenue/research/surveys/index.aspx>.

² Previous non-survey analysis of employers by Revenue is available at:

<https://revenue.ie/en/corporate/documents/research/analysis-of-low-income-taxpayers-evidence-from-tax-records-290617.pdf>.

³ In total, more than 180,000 employer submissions were made under PAYE Modernisation in 2019. However, a number of these relate to pension providers, who are outside the scope of this survey. An overview of the first year of PAYE Modernisation is available at: <https://revenue.ie/en/corporate/press-office/annual-report/2019/pmod-infographic-2019.pdf>.

Table 2: Sample Frame by Employer Size

Employer Size (Number of Employees)	Number of Employers	Share of Employers
0-2	30,900	32.6
3-5	21,152	22.3
6-9	13,594	14.3
10-49	23,093	24.3
50-99	3,174	3.3
100-249	1,822	1.9
250+	1,163	1.2
Survey Population	94,898	100.0

Source: Revenue analysis.

1.3 The Sample

To ensure that the survey would produce representative results, a sufficient number of taxpayers was randomly drawn from each of the seven sub-groups in the population.⁴ This process is known as stratified random sampling. The exception was the largest sub-group, employers with over 250 employees, who were sampled in full due to their large contribution to the tax base and employment levels. The sampling method implies, first, that the overall survey statistics are weighted by employment size and, second, that the statistics for each sub-group sample are fully representative of that sub-group in the broader employer population. After further data cleaning steps, the final survey sample drawn was approximately 10,000 taxpayers. In total, these taxpayers had over 1.7 million employment records in 2019.

Table 3: Survey Sample

Employer Size (Number of Employees)	Number of Employers Sampled	Total Employment in Sample	Share of Employment (%)
0-2	1,640	2,000	0.1
3-5	1,628	6,000	0.3
6-9	1,591	12,000	0.7
10-49	1,608	33,000	1.9
50-99	1,421	98,000	5.6
100-249	1,274	190,000	10.8
250+	1,023	1,422,000	80.7
Survey Sample	10,185	1,763,000	100.0

Source: Revenue analysis.

Taxpayers who choose to respond to a survey may possess unobserved characteristics or preferences, which systematically differ from those who choose not to respond. This problem, inherent to most surveys, is known as non-response bias. The implication is that the results of a survey might not be fully representative of the true views of the overall population of employers. However, the strong response rate (Section 1.5) ensures that the sample size is large enough for representative results and mitigates concerns of non-response bias.

⁴ A confidence level of 95% and a margin of error of 5% were chosen to determine the sample size for each sub-group. In addition, an ex-ante survey response rate of 25% and an email failure rate of 10% were assumed.

1.4 Issuing the Survey

The survey was conducted online by Revenue using the Qualtrics survey software.⁵ An email was issued to each taxpayer in the sample from the address surveys@revenue.ie, inviting them to provide feedback to Revenue by participating in the survey. Each email contained a personalised link to the survey that allowed responses to be recorded. Taxpayers were assured of the confidentiality of their responses and that the survey would be used for research purposes only.⁶

The survey issued on Monday 18 November 2019 (9.00am) with a deadline to complete by 31 December 2019. Reminder emails issued on Wednesday 27 November (9.00am) to those who had not yet responded, with a final reminder email sent on Monday 16 December (9.00am).

The emails and the survey questions are reproduced in the Appendix. The survey was designed to place a minimum time burden on respondents. The average time taken to complete the survey was 15 minutes.

1.5 Response Rate

A total of 9,785 emails delivered successfully to the survey sample, a delivery rate of 96 per cent.⁷

The response rate for the survey is 33 per cent (3,270 responses). This is measured as the proportion of respondents who submitted a survey response out of the successful emails delivered.

As shown in Figure 1, there is an immediate, large response on the day the email was initially sent out, followed by a slower, steady increase until the first reminder email. Another jump occurred after the second reminder email. There was no final "deadline" effect observed on the last day of the survey.

33 per cent is a high response rate and compares favourably with previous Revenue surveys, such as the Chargeable Persons Survey 2018 (31 per cent), the Small to Medium sized Enterprises ("SMEs") Survey 2017 (22 per cent), and the Survey of Agents 2016 (29 per cent). One potential explanation for the higher response rate in 2019 relates to the application of recent Revenue research on behavioural insights, which found that the use of personalisation in email communication (e.g., "Dear John") is associated with higher survey response rates.⁸ All emails issued for the 2019 survey used this design, where the taxpayer name was available.

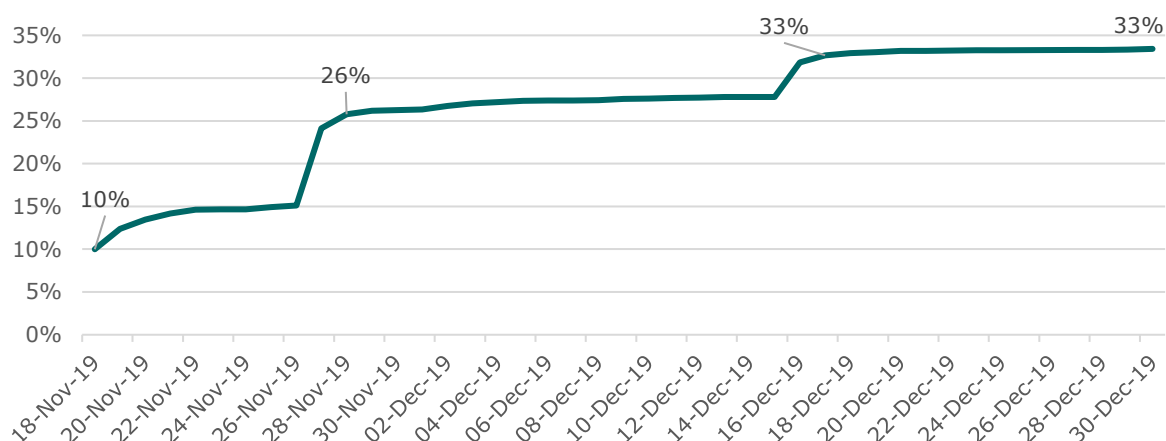
⁵ Prior to issuing the survey to taxpayers, the software and survey questions were tested internally, with feedback incorporated into question design where appropriate.

⁶ A notice confirming the authenticity of the survey was placed on the News section of the Revenue website to alleviate any concerns regarding spam or phishing emails.

⁷ Unsuccessful delivered emails are those that "bounced". This may be due to a variety of reasons, e.g., the email address no longer exists or an inbox may be too full to receive the email.

⁸ Research available at: <https://revenue.ie/en/corporate/documents/research/behavioural-insights.pdf>.

Figure 1: Cumulative Response Rate



Source: Revenue analysis.

While the overall response rate is 33 per cent, it varies across the different sub-groups. The larger the employer, the more likely they were to respond to the survey. Almost 40 per cent of the largest employers responded, while just under 27 per cent of the very smallest employers responded. This difference may in part be explained by larger taxpayers more frequent interaction with Revenue as well as greater available resources to complete the survey.

Table 4: Response Rate by Employer Size

Employer Size (Number of Employees)	Response Rate (%)
0-2	26.7
3-5	30.4
6-9	32.0
10-49	36.5
50-99	36.4
100-249	36.3
250+	38.5
Total	33.4

Source: Revenue analysis.

The threshold of a 95 per cent confidence level and a 5 per cent margin of error is met for all sub-groups. In other words, all sub-group response rates are suitably high to allow inference about each sub-group population from each sub-group’s survey respondents.

2 Profile of Survey Respondents

This section provides context for understanding the survey responses presented in later sections of the report. Table 5 outlines the size distribution of the 3,270 survey respondents. Employers with 10-49 employees are the most common type of respondent, although the overall size distribution is not particularly skewed. The 3,270 survey respondents employed almost 800,000 employees in 2019, with the bulk of these working for very large employers.

Table 5: Size Profile of Respondents

Employer Size (Number of Employees)	Sample share (%)	Share of employment (%)
0-2	12.8	0.1
3-5	14.4	0.2
6-9	14.9	0.5
10-49	17.3	1.5
50-99	15.3	4.4
100-249	13.6	8.6
250+	11.7	84.7
Total	100.0	100.0

Source: Revenue analysis.

Most respondents operate in services sectors, while 10 per cent are in *Manufacturing* and 10 per cent in *Construction*. Only 4 per cent of the survey respondents operate in the public sector but employ over 380,000 employees (or almost half the employees of the survey respondents).⁹

Table 6: Industry Breakdown of Respondents

Industry	Sample Share (%)
Agriculture, Forestry and Fishing	2.1
Mining and Quarrying	0.1
Manufacturing	9.9
Construction	9.5
Wholesale and Retail	17.7
Transportation and Storage	3.9
Accommodation and Food Services	8.0
Information and Communication	4.9
Financial and Insurance	3.3
Real Estate	1.5
Professional, Scientific and Technical	8.7
Administrative and Support Services	5.3
Public Administration and Defence	2.1
Education	5.7
Health and Social Work	8.8
All Other Activities	8.7
Total	100.0

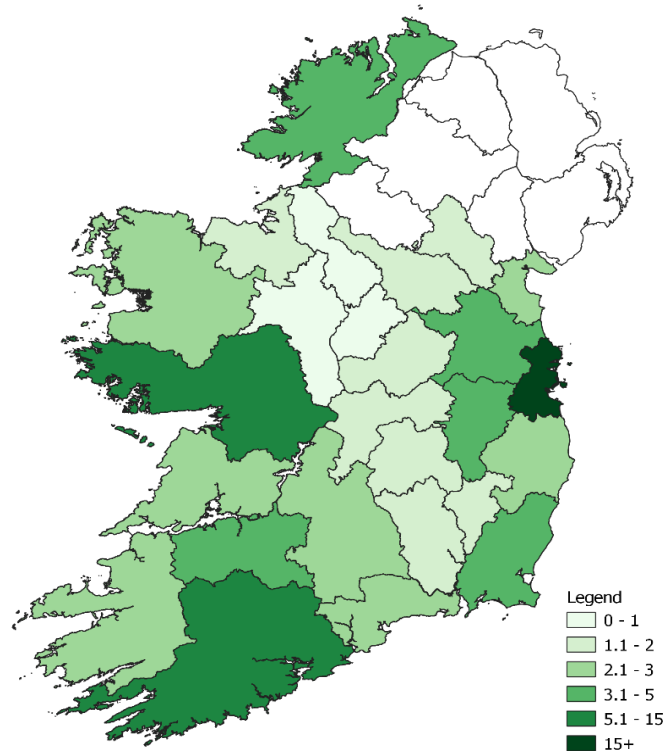
Source: Revenue analysis.

The geographic spread of survey respondents generally reflected the population distribution of employers in Ireland. Just over 35 per cent of respondents were based in Dublin, with Cork being

⁹ The public sector breakdown is based on Revenue's internal classification of taxpayers rather than the NACE code used for Table 6.

the next most common location (11 per cent), followed by Galway (5 per cent). Leitrim, Longford and Roscommon respectively represented 1 per cent or less of respondents.

Figure 2: Location of Respondents (% Sample)



Source: Revenue analysis

Most respondents are assigned to either Revenue’s Business or Medium Enterprises Divisions. Business Division is responsible for the bulk of the smallest employers. Medium Enterprises and Large Corporates Division are responsible for most of the largest employers, with large public sector employers assigned to Medium Enterprises.

Table 7: Revenue Divisions by Employer Size

Revenue Division	Sample share (%)	Number of Employees / Size Share per Division (%)							Total
		0-2	3-5	6-9	10-49	50-99	100-249	250+	
Business	53.5	21.1	23.4	22.5	21.7	7.4	3.1	0.7	100.0
High Wealth Individuals	0.1	0.0	0.0	0.0	0.0	0.0	33.3	66.7	100.0
Large Corporates	5.1	1.8	3.0	0.6	3.6	9.1	20.6	61.2	100.0
Medium Enterprises	31.1	0.4	1.8	3.6	10.9	29.3	30.0	23.9	100.0
<i>of which: Public Administration</i>	<i>3.7</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1.7</i>	<i>4.1</i>	<i>19.8</i>	<i>74.4</i>	100.0
Personal	10.3	12.5	11.0	16.3	20.8	17.2	14.8	7.4	100.0
Total	100.0								

Source: Revenue analysis.

3 Communication Channels and Customer Service

This and following sections present the results of the survey. Section 3 begins with the questions on contact with Revenue and overall customer service satisfaction, followed by factors that influence taxpayer compliance. Subsequent sections then review employer feedback on PAYE Modernisation and payroll submissions.

3.1 Contact with Revenue

61 per cent of survey respondents contacted Revenue in the 12 months prior to the survey in relation to non-payroll business. This is an increase of 2 per cent on the 2018 Chargeable Persons level. Larger employers (50 employees or more) were the most likely to contact Revenue, while less than half of the smallest employers (0-2 employees) made contact, which is in line with results from the 2017 SME survey.

Table 8: Contact with Revenue in Last 12 Months on Non-Payroll Business

	Sample Share (%)							Total
	0-2 Employees	3-5 Employees	6-9 Employees	10-49 Employees	50-99 Employees	100-249 Employees	250+ Employees	
No	52.3	45.3	45.3	38.1	29.0	32.5	28.9	38.8
Yes	47.7	54.7	54.7	61.9	71.0	67.5	71.1	61.2

Source: Revenue analysis.

Table 9 shows that, for all contact frequencies, telephone was the most popular contact channel used. Revenue's On-line Service ("ROS") was the next most popular method of making contact, followed by MyEnquiries and the Revenue website (www.revenue.ie). Email was mainly used for infrequent contacts and Webchat, a relatively new service introduced by Revenue, was the least used contact channel.

Table 9: Channel and Frequency of Contact

Method of Contact	Frequency of contact (%)			Any contact
	Low (1-3 times)	Medium (4-6 times)	High (>6 times)	
Telephone	17.9	25.6	30.3	22.6
ROS	15.3	18.6	18.0	20.3
MyEnquiries	17.4	19.5	16.7	16.8
www.revenue.ie	8.1	11.2	14.3	14.8
MyAccount Online	14.4	10.6	9.8	11.2
Email	14.5	8.6	6.9	8.2
Letter/Fax	6.3	3.0	1.3	3.0
Calling in person to a Revenue public office	4.8	2.4	2.4	2.6
Webchat	1.3	0.5	0.3	0.6
Total	100.0	100.0	100.0	100.0

Source: Revenue analysis.

When asked whether they had to contact Revenue more than once to resolve their query, 47 per cent of employers said yes while 53 per cent did not have to make further contact.

Employers were asked to rank their preferred contact method, irrespective of whether they had a query in the previous year. ROS and the telephone ranked the highest (Table 10), which is consistent with the choice of contact channel used in Table 9. Calling in person to a Revenue office and letters received the lowest rankings, likely reflecting the additional time these contact channels can take to fully complete communication. Qualitative feedback, discussed in later sections of the report, suggests that waiting times on the telephone and IT issues with online contact methods are an issue for some employers, but Table 10 indicates that the majority of employers prefer these channels for communicating with Revenue.

Table 10: Preference Ranking for Contact Channels

	Average Ranking*
Revenue On-Line Service (ROS)	5.5
Telephone	5.5
myAccount	4.7
MyEnquiries	4.6
www.revenue.ie	4.6
Email	4.5
Webchat	3.1
Letter/Fax	2.4
Calling in person to a Revenue Public Office	2.3

Source: Revenue analysis. *Note: 7-point scale where 7=Most Preferred, 1=Least Preferred.

Table 11 shows how these preferences have changed over time in Revenue surveys. In recent years, the telephone and ROS are consistently the most preferred contact channel irrespective of the type of taxpayer group being surveyed.

Table 11: Preference Ranking for Contact Channels – Comparing to Previous Surveys

Ranking	SME 2006	SME 2017	Char. Persons 2018
Most Preferred	Telephone	Telephone	Telephone
	Letter/Fax	ROS	ROS
	Email	Email	Call in Person
	www.revenue.ie	Call in Person	Email
	Call in Person	MyEnquiries	Letter/Fax
		Letter/Fax	MyEnquiries
		www.revenue.ie	myAccount
Least Preferred			www.revenue.ie

Source: Revenue analysis. Note: Ranking based on share of first preferences (most preferred option) given to each contact channel.

As well as queries to Revenue via the website (discussed above), 93 per cent of respondents used or browsed the Revenue website in the last 12 months. There was near universal use by the largest employers (98 per cent) while 88 per cent of the smallest employers also used the website. 87 per cent of all employers found the website easy to use, while 89 per cent found what they were looking for when using the website.

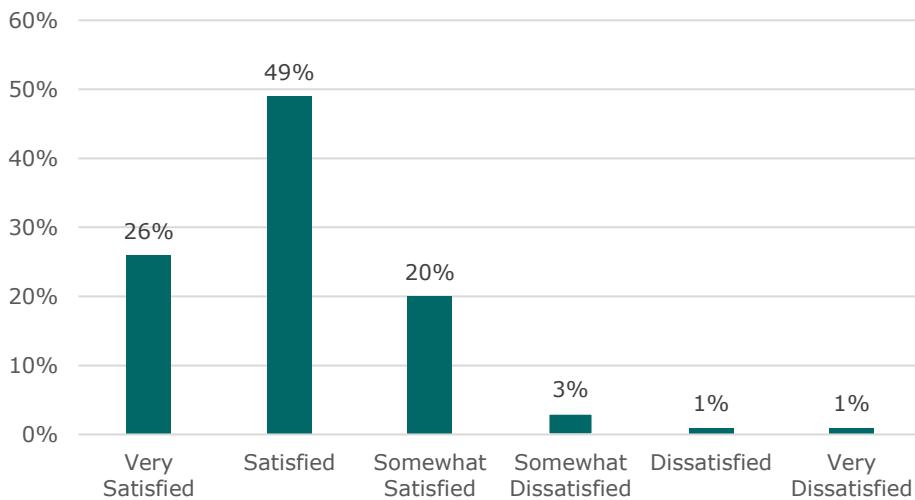
3.2 Customer Service Satisfaction

Respondents were asked to rate their overall satisfaction with the service they received from Revenue in the last 12 months. Figure 3 shows that 75 per cent of employers are either “very satisfied” or “satisfied”, while a further 20 per cent are “somewhat satisfied”.

The 5 per cent of employers who expressed dissatisfaction are discussed in detail in Section 8.

Overall satisfaction levels were broadly similar when broken down by employer size. One exception was the very largest employers (250+ employees), where 20 per cent described themselves as “very satisfied” compared to 26 per cent in the sample as a whole.

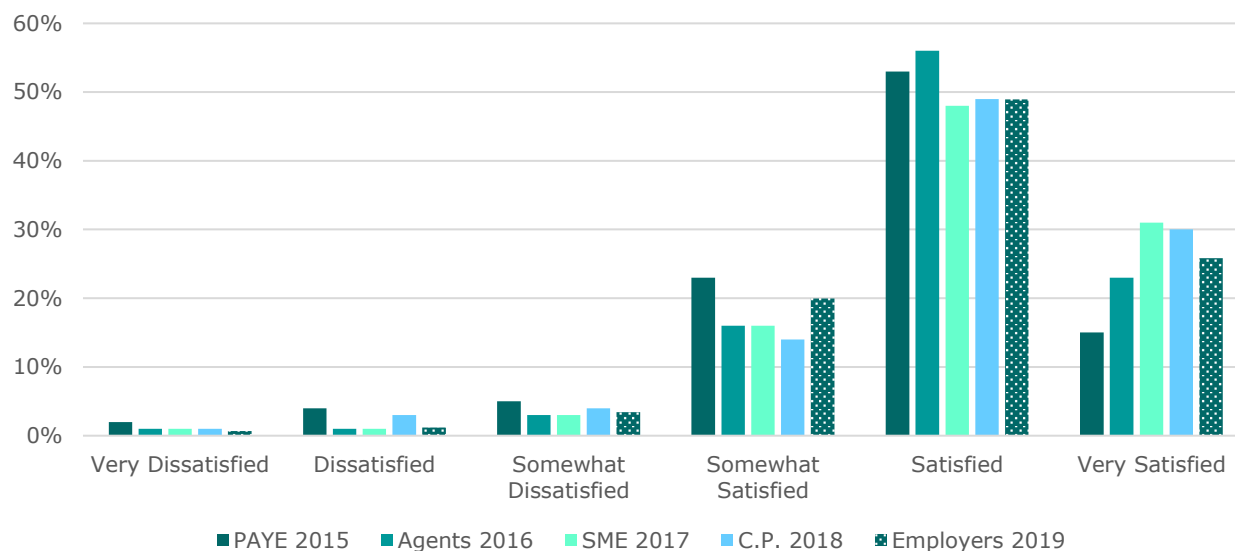
Figure 3: Overall Satisfaction with Revenue Customer Service



Source: Revenue analysis.

The results are reasonably in line with satisfaction levels reported in the 2015 PAYE, 2016 Agents, 2017 SME and 2018 Chargeable Persons Surveys (Figure 4). Previous surveys targeted different segments of the taxpayer population but as a somewhat comparable performance indicator, this shows that Revenue’s satisfaction ratings remain consistently high.

Figure 4: Overall Satisfaction – Previous Revenue Surveys



Source: Revenue analysis. Note: "C.P." is Chargeable Persons (self-assessed Income Tax registered taxpayers).

Employers were also asked if they experienced an improvement in Revenue customer service in the previous year. 43 per cent reported an improvement, just over half reported no change and 3 per cent reported a deterioration in customer service.

For specific contact channels, employers reported the highest satisfaction for Telephone (40 per cent very satisfied), followed by ROS (35 per cent). The highest dissatisfaction levels were expressed for Webchat (9 per cent).

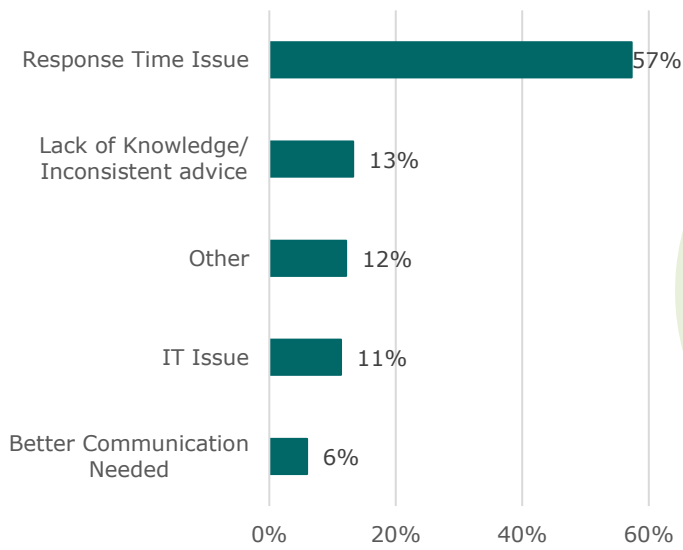
Table 12: Satisfaction with Different Channels of Customer Service

	Satisfaction Level (%)						Total
	Very Satisfied	Satisfied	Somewhat satisfied	Somewhat dissatisfied	Dissatisfied	Very dissatisfied	
Telephone	39.8	34.7	15.3	4.9	3.3	2.0	100
ROS	35.4	41.7	16.0	3.4	1.7	1.8	100
MyAccount	30.1	40.2	21.5	3.7	1.7	2.8	100
www.revenue.ie	27.5	43.9	22.9	3.3	0.8	1.6	100
Calling in Person to a Revenue public office	26.7	30.9	24.6	6.9	3.6	7.2	100
MyEnquiries	24.8	38.8	20.8	7.9	4.5	3.1	100
Email	24.3	39.8	25.4	4.4	2.8	3.4	100
Letter/Fax	21.7	33.2	24.6	7.9	5.2	7.3	100
Webchat	19.6	29.2	31.2	6.6	4.0	9.3	100

Source: Revenue analysis.

Employers were given the opportunity to provide an explanation if they reported dissatisfaction with Revenue’s customer service. Figure 5 summarises the main themes. Response times to queries emerged as the most common reason (over half of the free text comments related to this). Some employers thought Revenue staff lacked knowledge or gave inconsistent advice, while others reported dissatisfaction with Revenue’s different IT systems.

Figure 5: Reasons for Dissatisfaction with Revenue Customer Service



"Online support could be better, using step-by-step screen shots and videos"

"Revenue website used to provide more detail - now rather 'dumbed down' version so more difficult to get details"

"ROS is very complicated and difficult to navigate"

"Knowledge of staff is limited, they send me back to website for answers"

"Different Revenue agents give different advice"

"If you contact Revenue by phone you are advised to put your query through to MyEnquires and then have a lengthy waiting period, not good enough"

"The telephone service can take a long time to get to talk to somebody"

Source: Revenue analysis.

4 Compliance and Tax Payments

4.1 Factors that Influence Compliance

The motivations for taxpayer compliance are important for Revenue to understand, to ensure that voluntary compliance is facilitated. Employers were asked to rank factors that influence their compliance behaviour from 1 (the lowest influence) to 5 (the highest influence). These factors relate to either civic responsibility or concern regarding sanctions.

On civic responsibility, 84 per cent gave "Your personal belief that you should do the "right thing"" the highest rating. Similarly, 83 per cent ranked "Because it is the law" with the highest rating. In contrast, only 33 per cent gave "Belief that other taxpayers are declaring and paying honestly" the highest ranking. A lower share of respondents were strongly influenced by a belief that Revenue makes it easy to pay taxes (50 per cent).

Table 13: Compliance Factors related to Civic Responsibility

Civic Responsibility	Influence				
	1 (low)	2	3	4	5 (high)
Your personal belief that you should do the 'right thing'	3%	0.4%	5%	9%	84%
Because it is the law	3%	1%	5%	9%	83%
The fact that Revenue presumes that you have been honest in your dealings with them	7%	3%	12%	15%	63%
Because Revenue makes it easy to pay taxes	7%	5%	20%	19%	50%
Because tax payments are used to fund public services	7%	7%	20%	19%	47%
Belief that other taxpayers are declaring and paying honestly	18%	8%	23%	18%	33%

Source: Revenue analysis.

On concern of sanctions, "Concern at having to pay interest charges for late payment of tax" received the highest proportion of respondents who indicated this factor had the strongest influence on their compliance behaviour. The remaining compliance factors had a relatively lower influence on compliance behaviour, as stated by the survey respondents.

Table 14: Compliance Factors related to Sanctions

Sanctions	Influence				
	1 (low)	2	3	4	5 (high)
Concern at having to pay interest charges for late payment of tax	6%	4%	13%	16%	61%
Concern that Revenue will obtain a court judgment against you for failure to pay tax and publish details of that judgement	21%	10%	18%	13%	39%
Concern that you will be audited by Revenue	12%	8%	24%	16%	39%
Concern that your name will be published on Revenue's Quarterly list of Defaulters	19%	10%	20%	13%	39%
Concern at having goods seized by the Revenue Sheriff for failure to pay tax	25%	9%	19%	11%	36%
Knowing that Revenue has the power to receive certain information about you from 3 rd parties	23%	11%	25%	13%	27%
Concern that a third party (e.g. a bank), owing money to you, will be ordered to pay that money over to Revenue	32%	11%	22%	10%	26%

Source: Revenue analysis.

These findings are in line with self-reported attitudes for other taxpayer groups who Revenue has surveyed previously, such as Chargeable Persons and SMEs (Table 15). However, the proportion

of Employers ranking “Doing the right thing” and “Because it is the law” is higher than in the SME Survey (the most comparable taxpayer group). It is important for Revenue to understand whether these differences are likely to reflect inherent differences between taxpayer groups or reflect some form of survey response bias. Box 1 outlines recent behavioural insights by Revenue on this topic.

Table 15: Influencing Factors Over Time

Compliance Factor	2008 SMEs	2017 SMEs	2018 Char. Persons	2019 Employers
Personal belief that you should do the ‘right thing’	68%	75%	80%	84%
Because it is the law	61%	72%	72%	83%
Fact that Revenue presumes you are honest	49%	51%	51%	63%
Belief that other taxpayers are paying honestly	16%	19%	14%	33%
Concern a third party, owing to you, will pay Revenue	12%	12%	12%	26%
Concern at being audited	23%	28%	22%	39%
Concern at having goods seized by Sheriff	27%	28%	20%	36%
Concern that you will be published on Defaulters list	24%	24%	20%	39%
Concern Revenue will take a court judgement against you	27%	26%	21%	39%
Concern at interest charges	51%	54%	52%	61%

Source: Revenue analysis.

Box 1: Applying Behavioural Insights to Revenue Surveys

Revenue has a long history of testing and applying behavioural insights in its customer surveys. Recent Revenue tests focused on enhancing the likelihood of high survey response rates, as increasing the *quantity* of data is important for the creation of reliable statistics on taxpayers and their customer satisfaction levels. Building on this, the Employer’s Survey was used to test the *quality* of data received. Ensuring robust survey design is important to gather high quality information to underpin Revenue’s understanding of its customer base. Accordingly, Revenue tested the concept of **survey response bias** for the first time in this survey of employers.

Survey response bias describes a tendency for survey respondents to answer questions inaccurately or misleadingly. This bias was examined asking respondents for the same information on what influenced their compliance behaviour but allowing the question design to vary at random across the survey population using a method called a Randomised Control Trial (RCT). The compliance factor questions were chosen to test the bias because, first, service for compliance is one of Revenue’s core strategic goals and, second, self-reported attitudes are a common means of gathering statistics on unobserved behaviours and so it is important to evaluate if or how such responses could suffer from bias.

The RCT found that taxpayers were up to 80 per cent more likely to report being strongly influenced by compliance factors when the salience of the factor was enhanced (by grouping similar factors together and adding additional labelling to the question). It also found that taxpayers were up to 60 per cent more likely to report being strongly influenced by compliance factors when the question design was simplified (by reducing the amount of questions asked). However, increasing salience by the addition of an extra prompt question on honesty did not have an impact on self-reported attitudes to compliance. Like previous Revenue RCTs, combining multiple behavioural interventions together led to significantly larger impacts on average. The same results broadly held for self-reported attitudes toward sanctions.

These results have application for how Revenue designs surveys in future. They will not only help Revenue to develop how it evaluates self-reported taxpayer attitudes to compliance but could also be extended to how Revenue evaluates self-reported customer satisfaction levels.

4.2 Difficulties Paying Taxes

Just over 16 per cent of employers reported having difficulty paying their taxes on time, with 9 per cent reporting difficulties paying their taxes in full. Of those who indicate they had difficulty paying their taxes on time, 47 per cent report also having difficulty paying their taxes in full. Small employers (6-9 employees) were most likely to have trouble paying their taxes on time, over a quarter of this group reported difficulty whereas only 7 per cent of the largest employers (250+ employees) faced this difficulty.

Table 16: Difficulties Paying Taxes in Full or on Time

Response (%)	On Time	In Full
No	83.7	91.3
Yes	16.4	8.7

Source: Revenue analysis.

Table 17: Difficulty Paying Taxes on Time by Employer Size

Response (%)	0-2 Employees	3-5 Employees	6-9 Employees	10-49 Employees	50-99 Employees	100-249 Employees	250+ Employees	All
No	82.2	80.1	74.0	82.9	87.3	89.1	93.3	83.7
Yes	17.8	19.9	26.0	17.1	12.7	10.9	6.7	16.4

Source: Revenue analysis.

When asked to identify reasons for the difficulty, temporary cash-flow issues were the most widely cited issue (89 per cent). Ongoing financial problems was an issue in 29 per cent of cases and lack of awareness around payment obligations was reported to be a minor issue (cited by 16 per cent of employers who had a difficulty paying taxes).

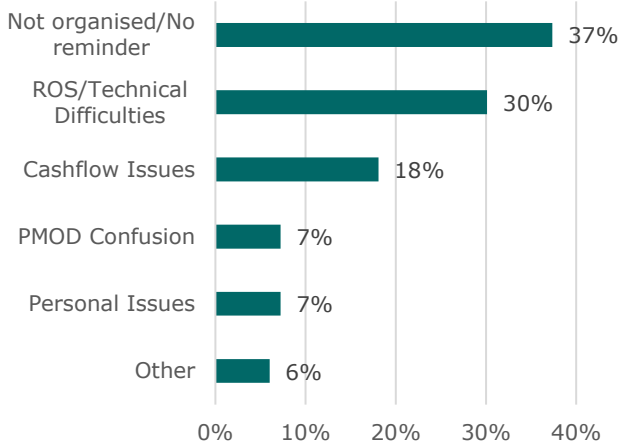
Table 18: Reasons for Difficulty Paying Taxes

Response (%)	Temporary cash-flow problems	Ongoing financial problems	Lack of awareness/understanding of payment obligations
No	19.2	70.9	83.6
Yes	80.8	29.1	16.4

Source: Revenue analysis.

Additional free text feedback is analysed in Figure 6. Over a third of the feedback related to lack of organisation or the absence of a Revenue reminder. ROS and other technical difficulties were also a significant factor in taxpayers' difficulties. A small proportion of responses also noted that there was an initial lack of clarity around PAYE Modernisation processes for making tax payments.

Figure 6: Feedback on Difficulties Paying Taxes



"Small window for payment of PAYE for previous month, easy to miss"

"Certain times of the year are extremely busy and just getting the time to actually complete the returns"

"Computers and Digital ROS certificates playing havoc"

"Difficulty in collecting monies owed"

"Confusion over direct debit mandates for PAYE Modernisation - we expected the payments to be automatically deducted"

"Illness and personal work load. Business relies on two key people"

Source: Revenue analysis.

45 per cent of employers who had a difficulty making payment contacted Revenue. The likelihood of contacting Revenue increases with employer size; the exception to this is the mid-sized employer category (50-99 employees).

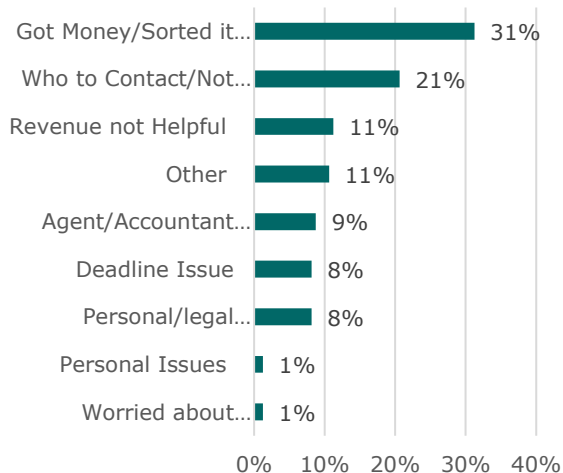
Table 19: Contact with Revenue about Difficulty Paying Taxes

Response (%)	0-2 Employees	3-5 Employees	6-9 Employees	10-49 Employees	50-99 Employees	100-249 Employees	250+ Employees	All
No	60.7	57.3	57.6	52.4	64.2	43.6	33.3	55.5
Yes	39.3	42.7	42.4	47.6	35.8	56.4	66.7	44.5

Source: Revenue analysis.

When employers were asked why they did not contact Revenue to seek advice about their options, a third of the free text feedback suggested they solved the matter themselves (Figure 7). However, other feedback stressed that taxpayers were unaware of who they could contact or that they had found Revenue unhelpful on previous occasions. In other cases, the tax payment delay was minor and employers did not feel it warranted contact.

Figure 7: Reasons not to Seek Advice from Revenue



"Managed to juggle finances to pay Revenue - others had to wait"

"Just knew it had to be done and did it as soon as possible"

"Unaware of who to contact, or even which department to contact"

"Don't find Revenue approachable to discuss such issues without opening self up to audit or sanctions"

"My accountants helped me understand"

"Return was only a day or two outside the deadline"

"Small timing issue - didn't feel it required advice at the time"

Source: Revenue analysis.

There is general satisfaction with Revenue’s response for those who chose to get in touch. Revenue’s response was generally considered to be approachable, helpful and fair. However, a slightly lower satisfaction level was recorded for the timeliness of Revenue’s responses.

Table 20: Ranking Revenue’s Response to Tax Payment Difficulties

Satisfaction	Approachable (%)	Helpful (%)	Timely (%)	Fair (%)
Very Satisfied	35.6	36.6	30.5	35.4
Satisfied	37.0	36.3	35.6	35.4
Somewhat Satisfied	19.1	19.4	22.8	19.7
Somewhat dissatisfied	3.9	3.9	5.4	3.8
Dissatisfied	1.9	2.0	3.1	2.3
Very Dissatisfied	2.5	1.7	2.6	3.5
Total	100	100	100	100

Source: Revenue analysis.

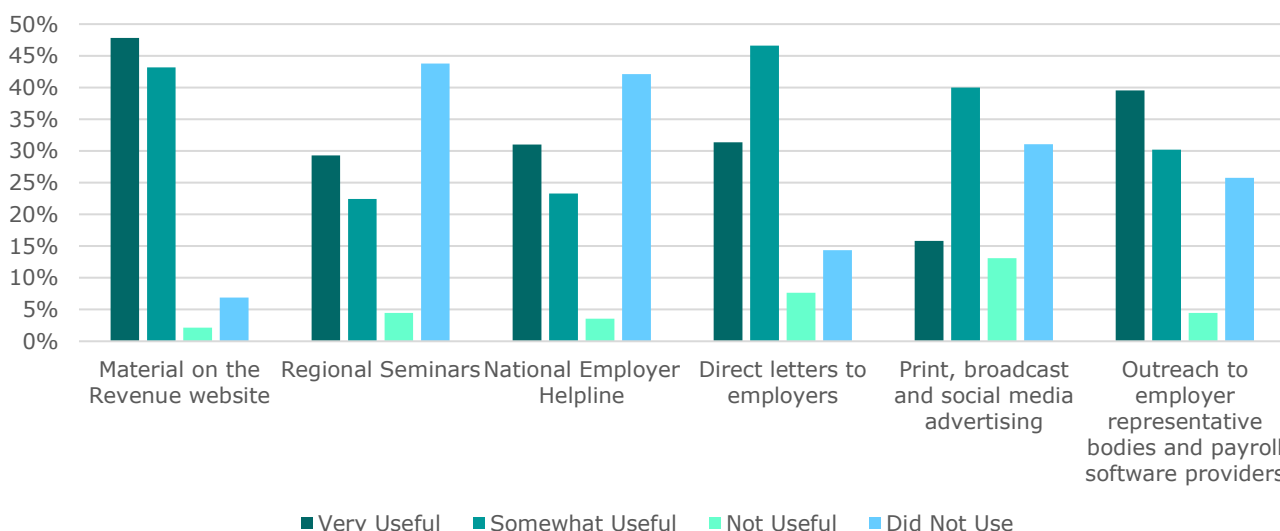
5 PAYE Modernisation

5.1 Managing the Change

PAYE Modernisation was introduced with effect from 1 January 2019 for all employers. Throughout 2018, prior to implementation, Revenue ran an extensive outreach campaign to ensure employers, payroll suppliers and other stakeholders were fully prepared for the change.

The survey asked employers their views of Revenue’s communication programme for PAYE Modernisation. 79 per cent found at least one of the outreach channels somewhat or very useful. Over 90 per cent found the material on Revenue website very or somewhat useful. Direct letters were the next most useful communication channel (78 per cent found these very or somewhat useful). Media advertising was rated the least useful, while regional seminars and the National Employer Helpline were the least used. Overall, the results suggest that taxpayers on average prefer written communication (including the Revenue website) when preparing for change.

Figure 8: PAYE Modernisation Outreach Channels

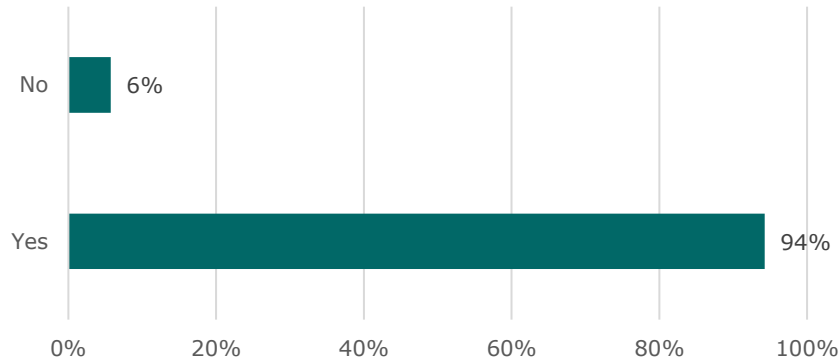


Source: Revenue analysis.

For both the Revenue website and media advertising, there was little variation in the responses by employer size. Notably, 32 per cent of micro employers (<10 employees) found the letters very useful while only 21 per cent of the largest employers (250+ employees) agreed with this statement. Employers with fewer than 50 employees were almost two times less likely to use the regional seminars compared to employers with more than 50 employees. These smaller employers were also less likely than larger employers to find the seminars useful if they did attend them, suggesting that Revenue should consider more targeted seminars in future. Unsurprisingly, a similar pattern emerged for employer representative bodies and payroll software providers, which are less likely to be used by small employers in the first place.

When asked if there was enough lead-in time for the business to make the change over to PAYE Modernisation, 94 per cent of employers said yes. The 6 per cent who disagreed were also less likely to find Revenue’s communication channels of use when preparing for the changeover.

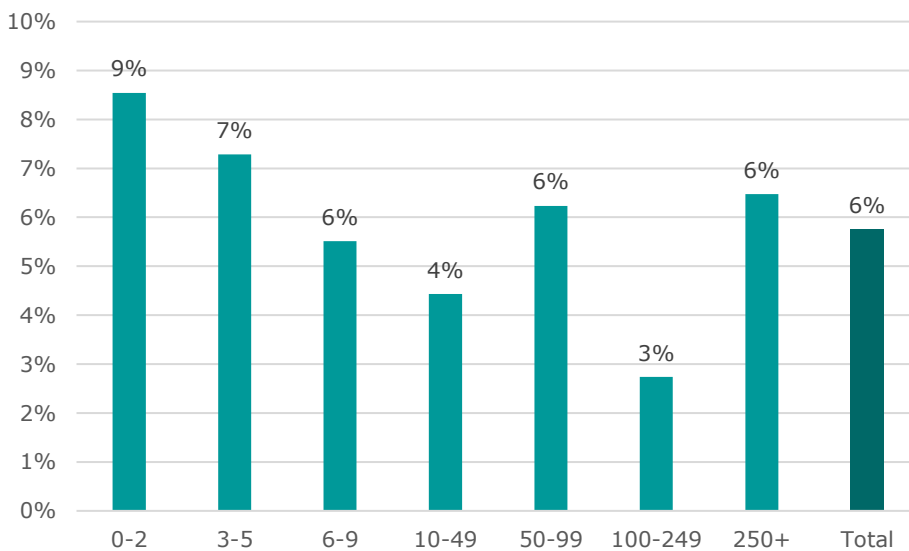
Figure 9: Sufficient Lead-in Time to Make the Change Over



Source: Revenue analysis.

When analysed by employer size, the very smallest employers were most likely to think that there was not enough lead-in time for the changeover. Employers in the 100-249 employee category were least likely to have found that there was insufficient lead-in time (3 per cent).

Figure 10: Insufficient Lead-In Time by Employer Size

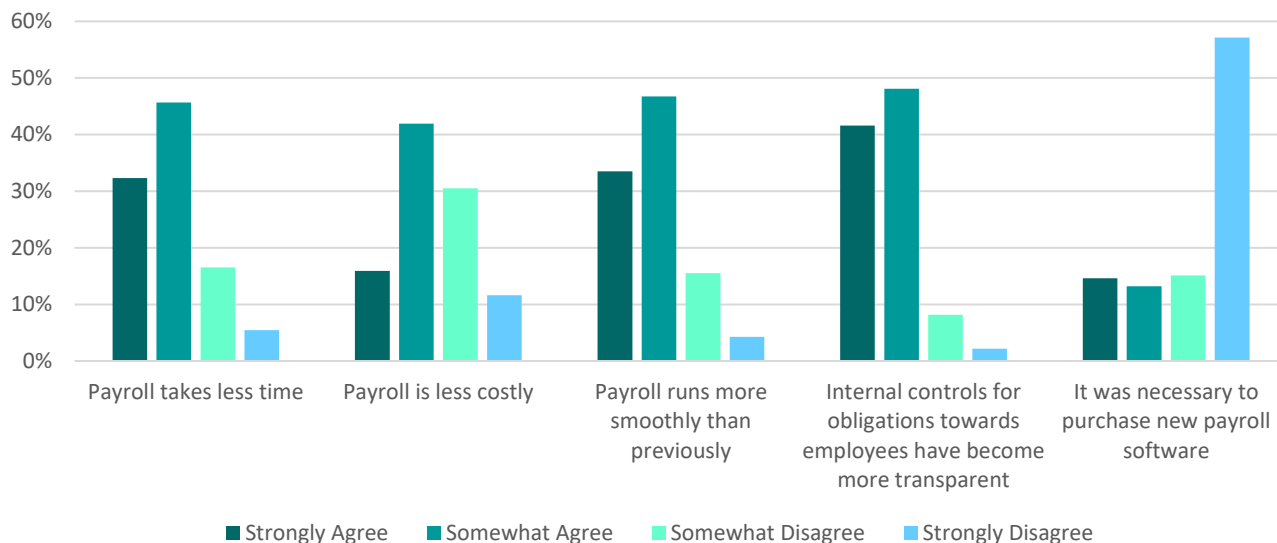


Source: Revenue analysis.

5.2 Impact of PAYE Modernisation

78 per cent of employers agreed that payroll now takes less time, while 80 per cent agreed that payroll runs more smoothly because of the new system. It was not necessary for the majority of employers to purchase new payroll software to implement PAYE Modernisation. Finally, 90 per cent of employers agreed that PAYE Modernisation increases transparency for employees.

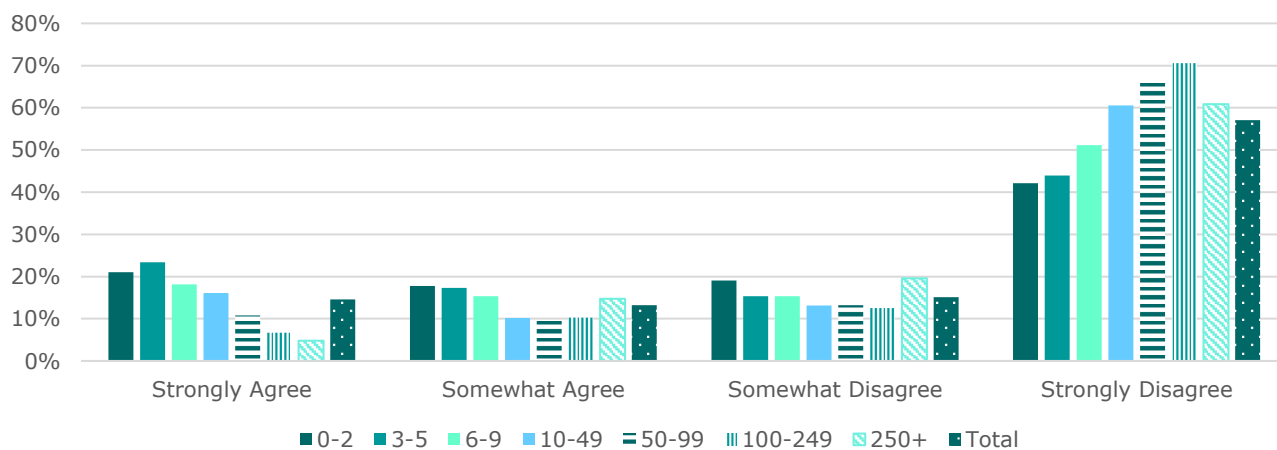
Figure 11: Payroll and Process Impacts



Source: Revenue analysis.

When decomposed by employer size, the results for the impact of PAYE Modernisation look broadly similar. The exception is agreement with the statement that purchase of new payroll software was required, where it is clear that the smallest employers were much more likely to be obliged to purchase new payroll software (Figure 12). It is possible that such employers purchased payroll software for the first time for PAYE Modernisation.

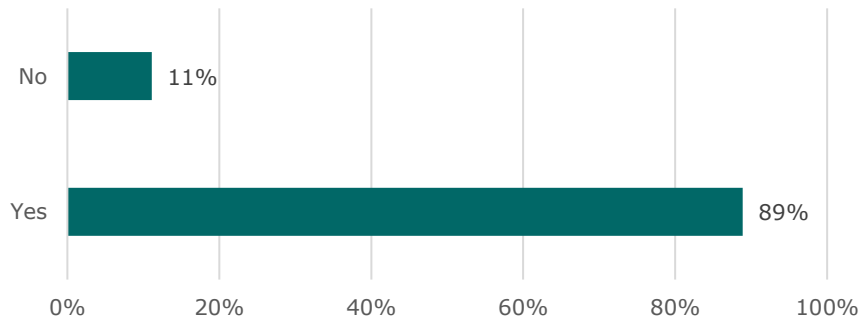
Figure 12: Necessary to Purchase New Payroll Software



Source: Revenue analysis.

89 per cent agreed that PAYE Modernisation has made it easier to submit information and make tax payments to Revenue for their employees. However, the level of agreement for the very smallest micro employers (0-2 employees) was lower at 77 per cent, while all other size categories were similar to the total.

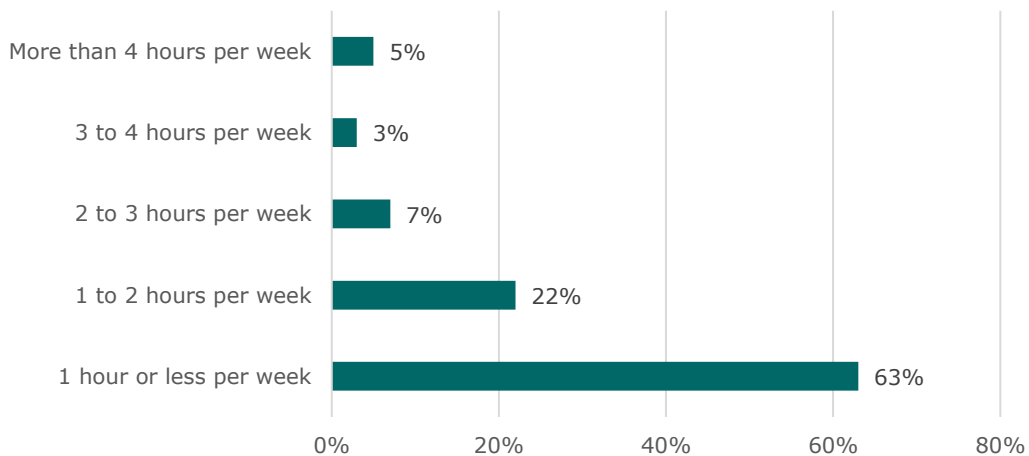
Figure 13: Pay and Tax Submission Easier



Source: Revenue analysis.

85 per cent of employers report that it takes them 2 hours or less per week to deal with employer tax matters under PAYE Modernisation. 5 per cent of those surveyed reported that it took them 4 hours or more to complete their employer tax matters each week. These figures are consistent with the 78 per cent of survey respondents who agreed that payroll now takes less time because of PAYE Modernisation (see Figure 11).

Figure 14: Time Spent on Employer Tax Matters



Source: Revenue analysis.

When broken down by employer size, larger employers unsurprisingly spend more time on employer tax matters. 16 per cent of the largest employers (250+ employees) spend more than four hours per week on employer tax matters.

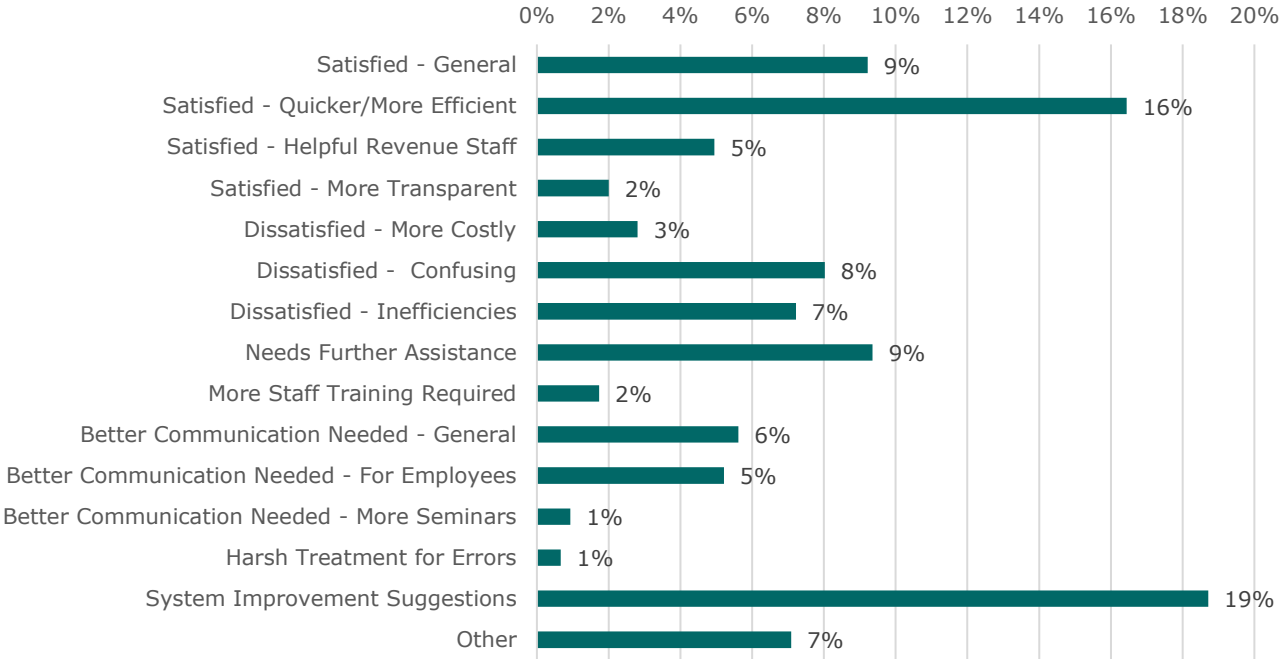
Table 21: Time Spent on Tax Matters by Employer Size

Response (%)	0-2 Employees	3-5 Employees	6-9 Employees	10-49 Employees	50-99 Employees	100-249 Employees	250+ Employees
<1 hr per week	79.4	82.0	71.6	60.5	51.9	57.5	40.3
1-2 hrs per week	14.1	14.1	21.5	26.5	26.4	22.7	25.6
2-3 hrs per week	3.2	2.8	4.2	6.7	11.1	9.3	12.4
3-4 hrs per week	1.1	0.0	0.5	4.1	5.2	3.4	5.4
4+ hours per week	2.2	1.2	2.1	2.2	5.4	7.1	16.3
Total	100	100	100	100	100	100	100

Source: Revenue analysis.

Survey respondents were asked to offer general feedback on PAYE Modernisation and many took the opportunity to do so. Figure 15 summarises the themes. The feedback ranged from the positive to the negative, and there were also a high proportion of suggestions for improvement. Box 2 goes through individual feedback in more detail. About a fifth of the feedback offered suggestions for system improvements, which are discussed in Section 7.1.

Figure 15: Summary of PAYE Modernisation Comments



Source: Revenue analysis.

Box 2: Individual Feedback to PAYE Modernisation

Among those who expressed satisfaction with the new system, there was an emphasis in particular on **improved efficiency for payroll administration**. One respondent noted, *"Changeover was very smooth, no problems. Only takes 2 or 3 minutes longer to run payroll but with P60s, P30s and P35s gone, in the long run it's more time efficient"*. Another noted *"If you did the same for VAT - monthly - it would greatly assist many SMEs"*.

On **transparency**, one employer reported, *"It is a great step forward, reducing the burden on employers and makes it more transparent for employees to understand and manage their taxes"*. **Revenue's organisation** was commended by others – *"Revenue has been the best of the public sector organisations I've had to deal with and it's great to see things moving online and being easier to process"* – and the importance of **accessible and knowledgeable staff** was acknowledged, *"The employer help line was absolutely vital, and the staff were very good on this"*. Another respondent noted that it was a *"Fantastic service even for an oldie aged 76... cannot compare with previous work. Just marvellous, thank you all."*

A strong theme emerged around the **need for greater communication between Revenue and employees**, to ensure smoother running of the system. One respondent reported that *"Employees need to be educated on their ownership of tax credits and freedom of movement. Majority are unaware of any changes. They know little or nothing and the employer is trying to educate them"*. Another employer noted *"I still do not think the average person realises that should have a "MyAccount". It might be an idea to introduce this in schools in Transition Year"*.

A number of employers reported that they could not use the **regional seminars** because they were booked out. This feedback is consistent with the numbers reporting they did not use the seminars in Figure 8. Those employers that did attend the seminars generally found them useful, *"I think some payroll companies tried to take advantage of the change and made a fuss that it was going to be more difficult, so therefore best to get trained through them at a large cost - but we learnt more at the seminars for free!"*.

Some employers reported **needing further assistance** with the new system, *"We feel that there could be specific support for very small employers i.e. those employing five or less people. We have to do payroll for a childminder and neither of us are payroll or revenue experts and have found that we struggle with knowing what to do and how to do it. This is not just because of the modernisation process but the Revenue return in general."* **Smaller employers** were more likely to report finding the change onerous or without additional benefits, *"As a one-man company, the modernisation doesn't bring much change or benefits"*.

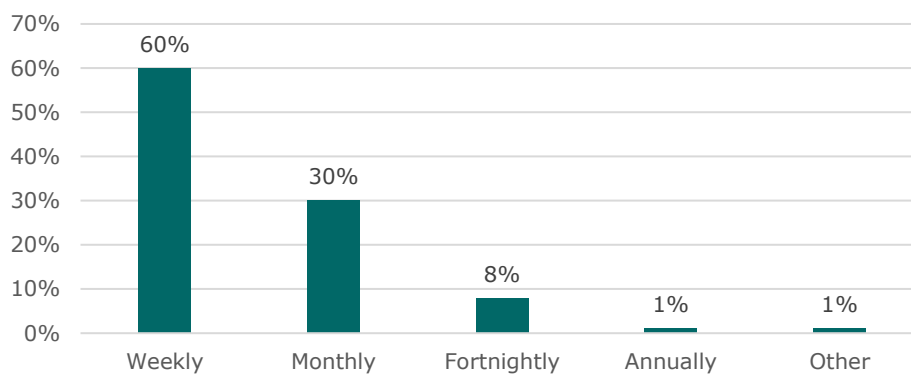
Some employers expressed the view that the new system created inefficiencies and was **initially confusing**, *"It has not speeded up the process in any way, but I'm sure it kept an army of Civil Servants busy doing nothing."* This was particularly true for smaller businesses, and some of these expressed concern about increased costs, *"I am starting to think about having to pay somebody to make these returns on my behalf"*.

6 Making Payroll Submissions

Section 5 focuses on survey respondents' experience of the introduction of PAYE Modernisation. This section reviews responses to a series of questions on employers' use of the real-time reporting system on an ongoing basis.

When asked how often their business or an outsourced agent runs payroll, 60 per cent of employers do so a weekly basis, compared to 30 per cent who ran payroll monthly. Other payroll frequencies were less common.¹⁰

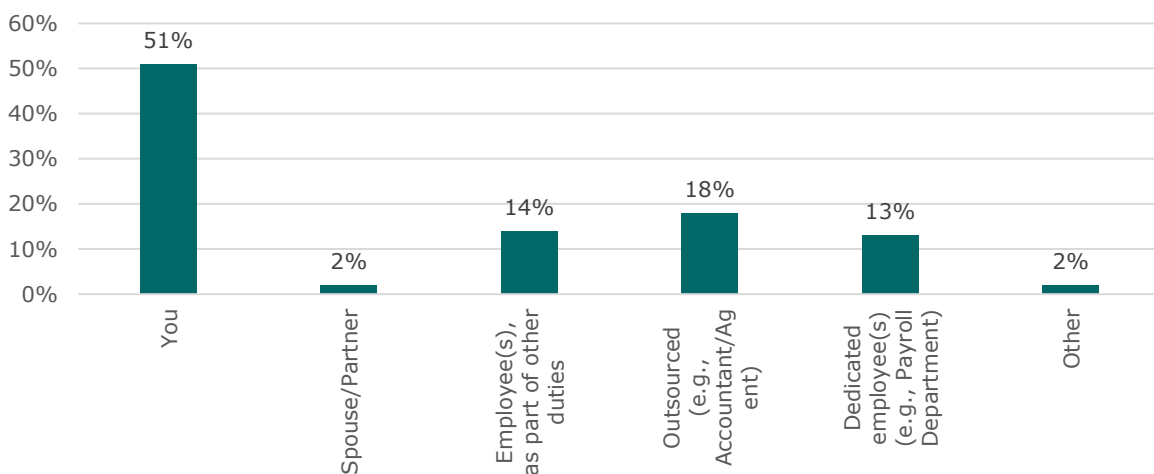
Figure 16: Payroll Frequency



Source: Revenue analysis.

Just over half of respondents made the payroll submission to Revenue themselves (51 per cent). Employees, either as part of other duties or as a dedicated job function, submitted in 27 per cent of cases. Outsourced accountants and agents made the submission in 18 per cent of cases.

Figure 17: Who Makes the Payroll Submission

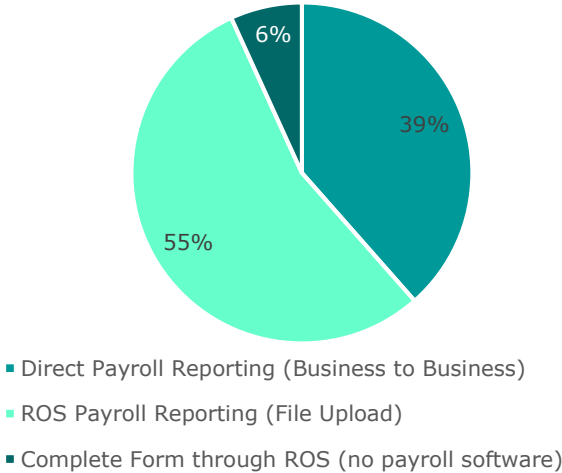


Source: Revenue analysis.

¹⁰ According to Revenue's own administrative data on PAYE Modernisation, just under 40 per cent of taxpayers are paid on a weekly basis. One explanation for the higher proportion reported in this survey is that the survey targets employers specifically rather than their employees, and employers may have a mix of weekly and monthly wage earners on payroll.

The most popular method of reporting payroll to Revenue was via ROS Payroll Reporting. 55 per cent used this method compared to 39 per cent who used the Business to Business Direct Payroll Reporting System. 6 per cent of employers reported payroll through ROS directly, which does not require payroll software.

Figure 18: Methods of Reporting Payroll



Source: Revenue analysis.

89 per cent of employers were aware they could make payroll corrections, and 46 per cent had done so. 87 per cent of those who used the correction process found it easy to use.

7 Suggestions for Improving Revenue's Services

7.1 PAYE Modernisation

Employers were given the opportunity to provide feedback on PAYE Modernisation and many offered system improvement suggestions. The bulk of the feedback related to the payment aspect of the new system, with many employers suggesting the introduction of automated payments. Employers also thought it was too easy to pay twice in error and that payment options could be improved.

Suggestions to combat issues arising from employee turnover also featured. Technical changes to ROS were sought by some respondents, such as a facility to upload and download CSV files, the facility to print statements, more reader-friendly reports and multi-device access to ROS.

Box 3: Suggestions to Improve PAYE Modernisation

"Can you automate the collection of taxes based on the filing? I forget every quarter and get an angry letter and then do it"

"My only problem with the new system is the returns payment. Before, payment was automatically taken, now we have to instruct Revenue to take the payment. This side of the new system has become more complicated"

"Payments made need to be more transparent - very easy to pay twice in error - system should not accept a duplicate payment"

"I do not receive any Payroll Submission Receipts once they are paid. These would be useful for our records and for audits"

"I feel if there was a report similar to the old P30 report from Revenue to show the total figures for each tax type and totalled at the bottom, this would be useful"

"Employees returning to the same employment after leaving previously in same year should be allowed to use the same Employee ID number and link their historical record in the same year - not currently the case"

"It is difficult to close off an employee if the leaving date is after their last payment date"

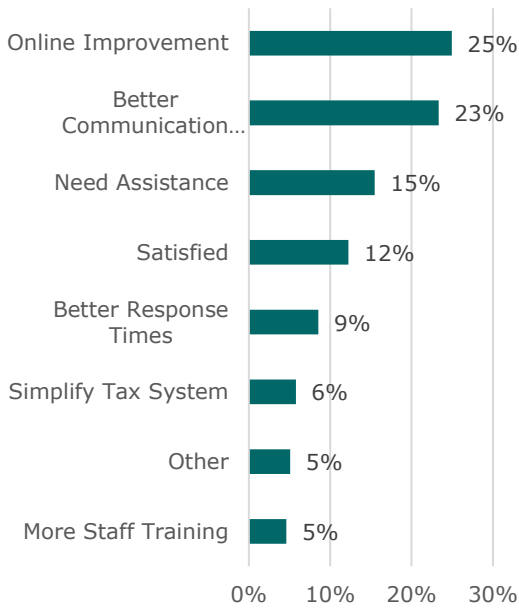
7.2 General Feedback

At the end of the survey, respondents were given an opportunity to provide an additional comment, suggest service improvements or additional services they could like to see provided by Revenue. A sizeable amount of feedback was given.

Approximately half of the feedback related to suggestions to improve Revenue's communication generally, such as its telephone services but also ROS and the website. Many employers

expressed satisfaction with Revenue’s customer service but some stressed the need for better response times to queries or greater simplification in the tax system.

Figure 19: Additional Feedback on Service Improvements



“The letters you send out are too demanding and intimidating”

“Ability to pay VAT online similar to PAYE. As a smaller company. I would prefer to clear my PAYE and VAT every month so I can clearly see how my accounts are doing”

“Sometimes you need to talk to someone in person to explain and it can be hard to get through on the phone”

“Individuals have invariably been very helpful but getting the right individual who has both the right information and power to act can be a challenge”

“I am dealing with Revenue staff for over 30 years and in the last few years there has been a huge shift ... They have become much more approachable”

“It is important that the Revenue continue to make it easy for taxpayers to pay their taxes and keep them reminded, which I think they are doing a top job of doing”

Source: Revenue analysis.

8 Additional Analysis

8.1 Dissatisfied Customers

5 per cent of survey respondents indicated dissatisfaction with Revenue’s customer service overall (Section 3.2). While this represents a relatively low level of dissatisfaction, it is still important for Revenue to understand the possible causes. This section reviews the survey responses of the dissatisfied cohort.

Employer size categories were reasonably similar for these taxpayers as for the survey overall. Public sector respondents were over-represented (6 per cent of this cohort versus 4 per cent of survey respondents as a whole). No respondent from Leitrim, Longford or Roscommon registered dissatisfaction with Revenue, while the county with the highest share of dissatisfied customers was Clare (7 per cent).

Dissatisfied customers were more likely to have contacted Revenue in the last 12 months (70 per cent versus 61 per cent of survey respondents as a whole). And while 46 per cent of all respondents had a query requiring multiple contact, 75 per cent of dissatisfied customers did.

Their average ranking for contact channels was notably lower than for other customers for ROS, MyAccount and the Revenue website, and these differences were statistically significant.¹¹

Table 22: Preference Ranking for Contact Channels – Comparison

	Average Ranking		Difference in Ranking
	Dissatisfied Customers	Satisfied Customers	
Telephone	5.2	5.5	-0.3
ROS	4.8	5.5	-0.8***
Email	4.6	4.5	0.1
MyEnquiries	4.4	4.6	-0.2
myAccount	3.8	4.7	-1.0***
www.revenue.ie	3.5	4.7	-1.2***
Webchat	2.8	3.1	-0.4
Calling in person to a Revenue Public Office	2.2	2.3	-0.1
Letter/Fax	2.1	2.5	-0.4

Source: Revenue analysis. Note: 7-point scale where 7=Most Preferred, 1=Least Preferred.

*** statistically significant, with a 1% probability of observing the difference due to chance (p<0.01)

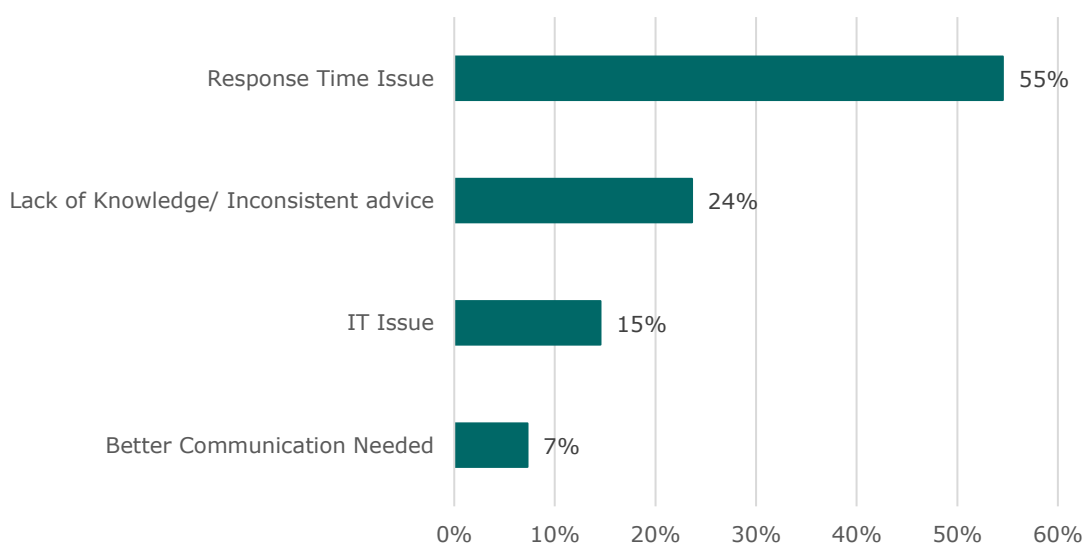
While their usage of the Revenue website was similar to other respondents, only 57 per cent found the information they sought (compared to 89 per cent for the survey as a whole).

All survey respondents were invited to offer free text feedback if they indicated dissatisfaction with any of Revenue’s contact channels. Figure 20 summarises the main themes for the 5 per

¹¹ The average ranking for the dissatisfied was compared to the average ranking for all other customers, for each channel, and the statistical significance of the difference was determined using a t-test. A t-test compares the average values from two groups and determines if the difference is likely due to chance (statistically insignificant) or not (statistically significant).

cent of customers who also indicated dissatisfaction with Revenue’s customer service overall. Compared to Figure 5, which summarises these themes for all employers, Figure 20 shows that one source for the greater frustration of the dissatisfied cohort is lack of knowledge and inconsistent advice from Revenue (24 per cent of dissatisfied customers cited this, compared to 13 per cent of customers overall). Revenue response times do not appear to be a difference for dissatisfied customers (55 per cent cited this, compared to 57 per cent of customers overall), and IT was also not a major differentiator (15 per cent cited this, compared to 11 per cent of customers overall).

Figure 20: Reasons for Dissatisfaction – Themes for Dissatisfied Customers



Source: Revenue analysis.

Dissatisfied customers were more likely to face difficulty paying taxes on time (22 per cent) or in full (11 per cent) than the customer base as a whole. On Revenue’s response to difficulties in making tax payments, they were more likely to regard Revenue as approachable and helpful than fair or timely (67 per cent expressed some form of satisfaction that Revenue was approachable while 57 per cent expressed satisfaction that Revenue was fair).

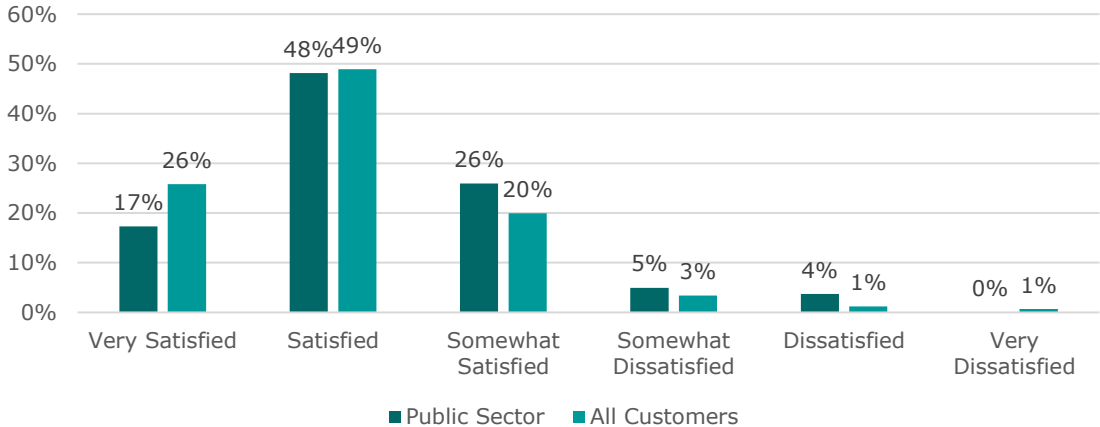
In addition to dissatisfaction with Revenue customer service, these customers also viewed PAYE Modernisation less favourably. 81 per cent thought there was sufficient lead-in time to prepare (compared to 94 per cent overall) while 64 per cent thought it made tax submissions easier (compared to 89 per cent overall).

8.2 The Public Sector

4 per cent of the survey respondents operate in the public sector but accounted for almost a third of the largest employers (250+ employees) who responded to the survey. As these public sector entities employ over 380,000 employees (or almost half the employees of the surveyed employers), their responses are reviewed in further detail here.

Public sector employers were less likely to express strong satisfaction with Revenue compared to other employers, although they were slightly more likely to report an improvement in the last year (46 per cent against 43 per cent in the customer base as a whole). Their rankings of Revenue’s various contact channels were similar to the survey responses as a whole.

Figure 21: Overall Satisfaction with Revenue Customer Service – Public Sector



Source: Revenue analysis.

Public sector employers were much less likely to report facing difficulties paying tax on time (5 per cent) or in full (6 per cent). All those who faced payment difficulties contacted Revenue. Their self-reported attitudes to compliance, both from a civic responsibility and a sanctions perspective, were generally similar to private sector employers. However, there were three attitudes where the two groups differed in a statistically significant way.¹² Perhaps unsurprisingly, private sector employers were more strongly influenced by whether a third party which owed them money would be ordered to hand that money over to Revenue, and they were also more concerned about having goods seized by a Revenue sheriff. Under civic responsibility, private sector employers were more strongly influenced than public sector employers by a personal belief to do the right thing.

¹² The average ranking for the public sector was compared to the average ranking for the private sector, for each compliance attitude, and the statistical significance of the difference was determined using a t-test. A t-test compares the average values from two groups and determines if the difference is likely due to chance (statistically insignificant) or not (statistically significant).

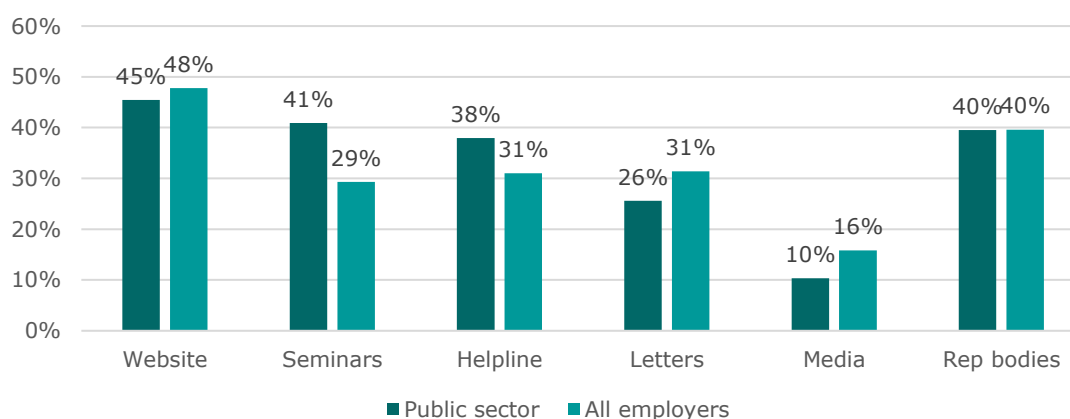
Table 23: Compliance Factors – Public-Private Sector Comparison

	Highest Influence (=5) - Public	Highest Influence (=5) - Private	Average Influence - Public	Average Influence - Private	Difference in Average Influence
Sanctions: Concern that a third party (e.g. a bank), owing money to you, will be ordered to pay that money over to Revenue	16%	26%	0.9	1.2	-0.3**
Sanctions: Concern at having goods seized by the Revenue Sheriff for failure to pay tax	23%	36%	1.1	1.4	-0.3*
Civic Responsibility: Your personal belief that you should do the 'right thing'	80%	84%	3.2	3.6	-0.4*

Source: Revenue analysis. Note: 5-point scale where 5=Highest Influence, 1=Lowest Influence.
 ** statistically significant, with a 5% probability of observing the difference due to chance (p<0.05).
 * statistically significant, with a 10% probability of observing the difference due to chance (p<0.1).

Overall, public sector attitudes to Revenue’s communication programme ahead of PAYE Modernisation were slightly more positive than the employer group as a whole. Notably, public sector employers found the seminars and employer helpline more useful than employers overall, but found the letters less useful.

Figure 22: PAYE Modernisation Outreach Channels – Very Useful



Source: Revenue analysis.

Public sector employers responded similarly to other employers in terms of the general positive impact of PAYE Modernisation. 92 per cent thought the reform made it easier to submit information and make tax payments to Revenue (compared to 89 per cent of all employers). While 78 per cent of all employers voiced agreement that payroll takes less time, only 65 per cent of public sector employers reported this. Public sector employers were also less likely to agree that payroll was now less costly (46 per cent compared to 58 per cent overall), runs more smoothly (73 per cent compared to 80 per cent overall), and that there is increased transparency for employees (85 per cent compared to 90 per cent overall).

9 Conclusion

Revenue has a strong history of innovation in customer service. Conducting annual surveys of customers provides a deeper understanding of their needs and expectations to support this record. This survey is the first to specifically target the views of employers, who operate in a continually evolving business environment, not least via the introduction of PAYE Modernisation on 1 January 2019, and who represent a heterogeneous taxpayer group with diverse customer service needs.

Revenue anticipated a reduction in employer compliance costs and an increase in transparency for employees following the introduction of PAYE Modernisation, which represented the most comprehensive reform of the PAYE income tax system since the 1960s. The results in this survey bear that out, with 89 per cent of employers agreeing that the reform has made tax administration easier and 90 per cent agreeing that transparency has increased. Revenue notes that the feedback from smaller employers was typically less positive than for larger employers, although 77 per cent of the very smallest employers (2 or fewer employees) still expressed satisfaction with the reform.

Revenue sought to learn lessons from the implementation experience to improve reforms in other areas in the future. 79 per cent of employers found at least one of Revenue's outreach channels useful and many employers provided specific feedback which will inform subsequent reforms.

More generally, the results indicate that there is a high level of satisfaction among employers, with 95 per cent of employers expressing satisfaction with Revenue. The results are consistent with earlier surveys of Chargeable Persons, SMEs and Tax Agents. Overall, the survey shows clear support for Revenue's *Customer Engagement Strategy* and evidence that the approach is working and being welcomed by those surveyed.

A relatively large minority of employers have difficulty paying their taxes on time (16 per cent). The primary explanation for this is cashflow issues, but employers also cited challenges with Revenue's IT systems and communications.

Revenue will analyse the survey responses in more detail to ensure any feedback is considered and actioned as thoroughly as possible. This will allow Revenue to improve the current services offered to taxpayers and ensure that preparations for future extensions of real-time reporting to other areas benefit from the lessons from PAYE Modernisation.

10 Appendix: Issued Emails and Survey Questionnaire

10.1 Initial Email

SUBJECT LINE: Revenue Customer Survey

18 November 2019

Dear John,

Revenue is conducting an online survey of employers, to help us improve the quality of the service we provide to you.

If you are not responsible for payroll submissions or engagement with Revenue, I would appreciate you forwarding the survey to the appropriate colleague.

A notice confirming the veracity of this survey is posted on the News section of revenue.ie

The survey should take less than 10 minutes to complete. It is available at this link: XX

- Your responses will be treated in strict confidence and will be used for research purposes only, to inform Revenue's ongoing work to improve our services.
- The survey does not ask for financial or personal information. Revenue will never ask for such information in emails or surveys.
- The survey is operated by Revenue through Qualtrics survey software. Responses will not be owned, visible to or used by Qualtrics or any other third party.
- A report on the overall survey results will be published on revenue.ie.

If you would like to clarify any aspect of the survey, please contact me at surveys@revenue.ie.

I hope you will take the time to complete this short survey before 31 December 2019 and thank you in advance for providing Revenue with your feedback.

Yours sincerely,

Jean Acheson
Assistant Principal Officer
Economic Research Unit
Office of the Revenue Commissioners

10.2 First Reminder Email

SUBJECT LINE: Revenue Customer Survey (Reminder)

27 November 2019

Dear John,

I recently emailed you regarding the opportunity to participate in Revenue's survey of employers, to improve the quality of the service we provide to you.

A large number of responses has already been received.

The survey should take less than 10 minutes to complete. It is available at this link: XX

- Your responses will be treated in strict confidence and will be used for research purposes only, to inform Revenue's ongoing work to improve our services.
- The survey does not ask for financial or personal information. Revenue will never ask for such information in emails or surveys.
- The survey is operated by Revenue through Qualtrics survey software. Responses will not be owned, visible to or used by Qualtrics or any other third party.
- A news update about the survey is available on revenue.ie
- A report on the overall survey results will be published on revenue.ie.

If you would like to clarify any aspect of the survey, please contact me at surveys@revenue.ie. I hope you will take the time to complete this short survey before 31 December 2019 and thank you in advance for providing Revenue with your feedback.

Yours sincerely,

Jean Acheson
Assistant Principal Officer
Economic Research Unit
Office of the Revenue Commissioners

10.3 Final Reminder Email

SUBJECT LINE: Revenue Customer Survey (Final Reminder)

16 December 2019

Dear John,

I recently emailed you regarding the opportunity to participate in Revenue's survey of employers, to improve the quality of the service we provide to you.

A large number of responses has already been received.

The survey should take less than 10 minutes to complete. It is available at this link: XX

- Your responses will be treated in strict confidence and will be used for research purposes only, to inform Revenue's ongoing work to improve our services.
- The survey does not ask for financial or personal information. Revenue will never ask for such information in emails or surveys.
- The survey is operated by Revenue through Qualtrics survey software. Responses will not be owned, visible to or used by Qualtrics or any other third party.
- A news update about the survey is available on revenue.ie
- A report on the overall survey results will be published on revenue.ie.

If you would like to clarify any aspect of the survey, please contact me at surveys@revenue.ie. I hope you will take the time to complete this short survey before 31 December 2019 and thank you in advance for providing Revenue with your feedback. Happy Christmas.

Yours sincerely,

Jean Acheson
Assistant Principal Officer
Economic Research Unit
Office of the Revenue Commissioners

10.4 Survey Questions

Survey of Employers 2019

You have been selected for this survey as your business made an employer payroll submission to Revenue in 2019.

As you are likely aware, Revenue introduced a new system of reporting for employers, PAYE Modernisation, from 1 January 2019. This survey is seeking your views on your experience of the introduction of PAYE Modernisation.

The information you provide in response to this survey will help Revenue to review and improve our service to you and other taxpayers.

Your responses will be treated in strictest confidence and will not be made known to any Revenue official who deals with your tax affairs.

If you have queries about any aspect of the survey, please contact surveys@revenue.ie

Part 1: PAYE Modernisation and Making Payroll Submissions

The first part of the survey relates to the launch of PAYE Modernisation and making employer payroll submissions.

- Revenue undertook an extensive communication programme to help employers to understand and prepare for the introduction of PAYE Modernisation from 1 January 2019. Please rank the following types of assistance provided by Revenue on their usefulness to your business in preparing for PAYE Modernisation.

Assistance	Very useful	Somewhat useful	Not useful	Did not use
Material on the Revenue website	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regional seminars	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
National Employer Helpline	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Direct letters to employers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Print, broadcast and social media advertising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outreach to employer representative bodies and payroll software providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- Was there sufficient lead-in time for your business to make the changeover to PAYE Modernisation?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

- How often does your business (or an outsourced agent) run payroll? Please tick the appropriate box.

Weekly	<input type="checkbox"/>	Fortnightly	<input type="checkbox"/>
Monthly	<input type="checkbox"/>	Annually	<input type="checkbox"/>
Other	<input type="checkbox"/>		

- Who makes your employer payroll submission to Revenue? Please tick as many as are applicable.

You	<input type="checkbox"/>	Outsourced (e.g., Accountant/Agent)	<input type="checkbox"/>
Spouse/Partner	<input type="checkbox"/>	Dedicated employee(s) (e.g., Payroll Department)	<input type="checkbox"/>
Employee(s), as part of other duties	<input type="checkbox"/>	Other	<input type="checkbox"/>
If other, please specify:			

5. Which method do you use for reporting of payroll to Revenue? Please tick the appropriate box.

Direct Payroll Reporting (Business to Business)	ROS Payroll Reporting (File Upload)	Complete Form through ROS (no payroll software)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. If you, your spouse/partner or your employee(s) maintain the records related to taxation of employees and make payroll submissions, please estimate how many hours per week it takes to deal with employer tax matters under PAYE Modernisation. Please tick the appropriate box.

1 hour or less per week	<input type="checkbox"/>
1 to 2 hours per week	<input type="checkbox"/>
2 to 3 hours per week	<input type="checkbox"/>
3 to 4 hours per week	<input type="checkbox"/>
More than 4 hours per week	<input type="checkbox"/>

7. Has PAYE Modernisation made it easier to submit tax returns and payments for your employees? Please tick the appropriate box.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

8. Please indicate your level of agreement with the following statements about PAYE Modernisation.

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Payroll takes less time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll is less costly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll runs more smoothly than previously	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal controls for obligations towards employees have become more transparent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
It was necessary to purchase new payroll software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. Are you aware that you can correct or amend your payroll submission to Revenue? Please tick the appropriate box.

Yes, I was aware and have made a correction	Yes, I was aware but have not used the option	No, I was not aware
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If 'Yes, I was aware and have made a correction', Did you find the correction process easy to use?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

10. If you would like to add a comment on any aspect of PAYE Modernisation, please do so here.

Part 2: Customer Service and Communication Channels

The second part of the survey relates to tax returns, customer service and channels of communication. The responses do not need to relate to PAYE Modernisation or making payroll submissions.

11. Apart from employer payroll submissions, did you contact Revenue in the last 12 months in relation to your business? Please do not include contacts related to your own personal tax affairs.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

If 'No', go to Question 15.

12. If you contacted Revenue in the last 12 months, how many times did you use the following methods of contact? Please tick as many as are applicable.

Method of Contact	Never	Once	2 to 3	4 to 6	More than 6
Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Revenue On-line Service (ROS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Webchat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
myAccount online services (including PAYE Services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
www.revenue.ie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MyEnquiries online service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Letter/Fax	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Calling in person to a Revenue public office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13. If you contacted Revenue in the last 12 months, how would you rate your satisfaction with the service you received? Please tick as many as are applicable.

Method of Contact	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied
Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Revenue On-line Service (ROS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Webchat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
myAccount online services (including PAYE Services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
www.revenue.ie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MyEnquiries online service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Letter/Fax	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Calling in person to a Revenue Public Office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you indicated dissatisfaction with the service you received when you contacted Revenue, please tell us the reason(s) for your dissatisfaction.

14. Over the last 12 months, did you have any queries that required more than one contact with Revenue to resolve?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

If 'Yes', Consider the one query that required the highest number of contacts, what did the query relate to? How was it resolved?

15. Regardless of whether you contacted Revenue, on a scale of 1 to 7, where 1 is most preferred and 7 is least preferred, please rank your preference on the following methods of contact.

Method of Contact	Rank from 1 to 7
Telephone	<input type="checkbox"/>
Revenue On-line Service (ROS)	<input type="checkbox"/>
Webchat	<input type="checkbox"/>
myAccount online services (including PAYE Services)	<input type="checkbox"/>
www.revenue.ie	<input type="checkbox"/>
MyEnquiries online service	<input type="checkbox"/>
Email	<input type="checkbox"/>
Letter/Fax	<input type="checkbox"/>
Calling in person to a Revenue Public Office	<input type="checkbox"/>

16. Have you used Revenue’s website, www.revenue.ie, in the last 12 months?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

If 'Yes', Did you find the website easy to use?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

If 'Yes', Did you find what you were looking for on the website?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

17. In general, how would you rate your overall satisfaction with the customer service you receive from Revenue?
Please tick the appropriate box.

Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

18. Have you experienced an improvement in Revenue customer service in the past 12 months? Please tick the appropriate box.

Improved	No Change	Disimproved
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part 3: Factors That Influence Compliance

The third part of the survey relates to factors that influence compliance. Compliance generally refers to your decision to pay your or your business's tax and to file your tax return honestly and on time. The information you provide will help to inform Revenue's understanding of the issues that influence taxpayer behaviour in relation to compliance.

19. Civic Responsibility

On a scale of 1 to 5, where 1 is low influence and 5 is high influence, how would you rate the influence of each of the following factors on whether you pay your correct taxes and duties honestly and on time? Please select your rating in each case.

	Low				High
Because it is the law	1	2	3	4	5
Belief that other taxpayers are declaring and paying honestly	1	2	3	4	5
The fact that Revenue presumes that you have been honest in your dealings with them	1	2	3	4	5
Your personal belief that you should do the 'right thing'	1	2	3	4	5
Because Revenue makes it easy to pay taxes	1	2	3	4	5
Because tax payments are used to fund public services	1	2	3	4	5

20. Sanctions

On a scale of 1 to 5, where 1 is low influence and 5 is high influence, how would you rate the influence of each of the following factors on whether you pay your correct taxes and duties honestly and on time? Please select your rating in each case.

	Low				High
Concern at having to pay interest charges for late payment of tax	1	2	3	4	5
Concern at having goods seized by the Revenue Sheriff for failure to pay tax	1	2	3	4	5
Concern that a third party (e.g. a bank), owing money to you, will be ordered to pay that money over to Revenue	1	2	3	4	5
Concern that Revenue will obtain a court judgment against you for failure to pay tax and publish details of that judgment	1	2	3	4	5
Concern that you will be audited by Revenue	1	2	3	4	5
Concern that your name will be published on Revenue's Quarterly List of Defaulters	1	2	3	4	5
Knowing that Revenue has the power to receive certain information about you from 3 rd parties (e.g., payments, rental income, interest, dividends)	1	2	3	4	5

21. Over the last 12 months did you encounter the following?

	Yes	No
Difficulty in paying your taxes on time?	<input type="checkbox"/>	<input type="checkbox"/>
Difficulty in paying your taxes in full?	<input type="checkbox"/>	<input type="checkbox"/>

If 'No' to both questions above, go directly to Part 4.

If 'Yes', Did the difficulty/difficulties arise because of:

	Yes	No
Temporary cash-flow problems	<input type="checkbox"/>	<input type="checkbox"/>
Ongoing financial problems	<input type="checkbox"/>	<input type="checkbox"/>
Lack of awareness/understanding of payment obligations	<input type="checkbox"/>	<input type="checkbox"/>
If other, please specify _____		

If 'Yes', Did you contact Revenue to seek advice about your options?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

If 'Yes', Please rate Revenue's response below. Please tick the appropriate boxes.

	Very Satisfied	Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Dissatisfied	Very Dissatisfied
Approachable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Helpful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Timely	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If 'No', Please tell us why you did not contact Revenue to seek advice about your options.

Part 4: Concluding Comments

22. If you would like to add a comment, suggest service improvements or additional services you would like to see provided by Revenue, please do so here.

Please provide your email in the box below. This will be used to inform you when the summary report on the survey is published. Your responses to all questions in the survey will be treated confidentially and will only be used for research purposes.

Thank you for taking the time to complete this survey.

Two of the authors, Jean Acheson and Donough Lawlor, are members of the Irish Government Economic & Evaluation Service (“IGEES”). Any opinions expressed in this paper are the views of the authors and do not necessarily reflect the views of IGEES.



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