

**Irish Tax  
Institute**

## ITI / Revenue Branch Network Webinar

26 September 2023



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## Speakers and Panellists



- **Paul Brady**, *Principal Officer, Revenue's Personal Division*
- **Breda Martin**, *Principal Officer, Revenue's Business Division*
- **Martina Mulligan**, *Principal Officer, Revenue's Medium Enterprises Division*
- **Maureen Marray**, *Principal Officer, Revenue's Collector General's Division*
- **Paddy Purtill**, *Principal Officer, Revenue's Collector General's Division*
- **Maurice Priestley**, *Principal Officer, Revenue's Medium Enterprises Division*
- **Stephen Gahan**, *Council Member & Chair of the Institute's Tax Administration Committee*
- **Laura Lynch**, *Council Member & Chair of the Institute's Business Division Branch*
- **Anne Gunnell**, *Institute's Director of Tax Policy & Representations*
- **Mary Healy**, *Institute's Senior Representations Manager*



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## ITI & Revenue Branch Network – Personal Division

26 September 2023

Paul Brady Principal Officer  
Personal Division

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### Topics

1. Overview of Personal Division – Case Base
2. Personal Division Structure
3. Vacant Homes Tax
4. Enhanced Reporting Requirements
5. Stamp Duty Reliefs
6. Compliance Branch – 2023 Focus
7. DAC 7
8. BT & CAT – Self-assessed Branch

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## Overview of Personal Division – Case base & Structure

- New Assistant Secretary – James Twohig
- 3.4 million approx. live cases, >6m taxpayers.
- Individuals with non-trading income e.g., Rental, PAYE – Only Individuals, Local Property Tax, Stamp Duty, CAT, VRT, CRO and VIMA.
- Also operational policy in relation to PMOD...TWSS (and other issues).
- Division contains 9 Branches in total.
- <http://whodoeswhat.gov.ie>

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## Topic 1: Vacant Homes Tax Overview

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## VHT Overview

1. Background
2. What is Vacant Homes Tax?
3. Chargeable Period

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## Background

# Budget 2022



An Ghníomhaireacht  
Tithíochta  
The Housing Agency

## VHT Overview

- 27 September 2022 – Vacant Homes Tax announced as part of Budget 2023
- December 2022 – VHT signed into law Section 96 of Finance Act 2022
- Housing for All Strategy – “Ireland’s housing system is not meeting the needs of enough of our people”
- The efficient use of existing housing stock
- Yield generating tax v. Behaviour changing tax

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## What is Vacant Homes Tax?



- VHT is an **annual tax**
- Self-Assessed
- It applies to **residential properties** – same definition as LPT
- It is charged at 3 times the **basic rate** of LPT
- It applies where the property is **in use as a dwelling for less than 30 days** in a 12-month chargeable period

## Chargeable Period

- The first chargeable period for VHT is 1 November 2022 to 31 October 2023 i.e. VHT applies to properties in use as a dwelling for less than 30 days between 1/11/22 and 31/10/23.

### Return Due Date: 7 November 2023

- LPT chargeable period is different to the VHT chargeable period

## Topic 2: PAYE Information Modernisation & Support Branch

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### **Responsibilities**

- PAYE System Enhancement and Maintenance
- Enhanced Employer Reporting Development
- PAYE & ERR Change Management
- Payroll Data Analytics Oversight
- PAYE Live Support
- DSP Enhancement and Maintenance
- Rannog – Revenue National Irish Language Customer Service and Translations Function

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## Enhanced Employer Reporting

- Due to be implemented from 1 January 2024
- Travel and Subsistence
- Remote Working Daily Allowance
- Small benefit Exemption
- Developing real-time facilities to enable the seamless integration with Revenue systems
- Three mechanisms:
  - Facility through existing software packages with software providers
  - Manual input with pre-population feature directly through ROS screens
  - File Upload directly to ROS

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## Change Management ERR

- Invites began issuing on September 13<sup>th</sup> to employers and agents for Revenue ERR Webinars
- Will issue on a phased basis and via ROS Inbox
- Will have multiple options to attend a webinar
- Webinars to run weekly until November
- Website will be updated in due course with instructional videos
- Guidance will also be updated and informed by feedback through webinars

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## Topic 3: Stamp Duty Reliefs

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### Stamp Duty Reliefs

- **Section 83DA** - allows for a full repayment of Stamp Duty where a purchaser approved by a local authority enters into a Direct Sales Agreement.
- **Section 83DB** - includes four reliefs –
  1. Where a property is let to a housing authority or approved housing body for social housing purposes.
  2. A property designated as a cost rental dwelling under the Affordable Housing Act 2021.
  3. A property registered as a designated centre under the Health Act 2007 which provides care in the community for those with special needs.
  4. A property designated as a children's residential centre.

It provides for a partial repayment of stamp duty paid at the higher rate of 10% under section 31E SDCA 1999 (Stamp Duty on certain acquisitions of residential property).

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## Topic 4: Compliance Branch - Our Focus

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### **Compliance Branch – 2023 Focus**

- PAYE End of Year Reconciliation
- Share Scheme Compliance
- Rental Income
- Agent Compliance
- High Value Credits
- Capital Taxes
- Agent Quality
- CRBOT - engagement on sectoral basis with trusts to register

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## Compliance Branch – 2024 Focus

More of the same.

- Plus,
- PMOD Compliance
- Charities & Sporting Bodies
- Shadow Economy
- Wealth Cases
- CRBOT - engagement on sectoral basis with trusts to register

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Topic 5: DAC 7

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## Current and Future Developments

- **Automatic Exchange of Information DAC 7**
  - Reporting obligations for digital platform operators to report certain information with respect to Sellers in the Sharing and Gig Economy
  - Registration portal opens in November 2023
  - Returns due by end January 2024
- **VAT Small to Medium Enterprise Exemption Scheme:**
  - Allows SME to benefit from VAT Exemptions within the EU, subject to certain thresholds
  - Go live in January 2025

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## Topic 6: BT & CAT Self-assessed Branch

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## **BT & CAT – Self-assessed Branch**

- **Non-Resident Landlord Withholding Tax (NLWT)**
- **eSARP**
- **Pay & File**
- **Shares Schemes (National)**
- **Outreach Over 65's**

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## **ITI & Revenue Branch Network – Business Division Update**

**26 September 2023**

Breda Martin, Principal Officer  
Business Division

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## Topics

1. Overview of Business Division – Case Base
2. Business Division Structure
3. Summary of Covid Work Programmes
4. Business Taxes: Service to Support Compliance
5. Business Division: Audit and Compliance Activity
6. Real Time Interventions via CIF

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## Overview of Business Division – Case Base

Assistant Secretary – Noel Brett

Case base: **1,060,633** taxpayers

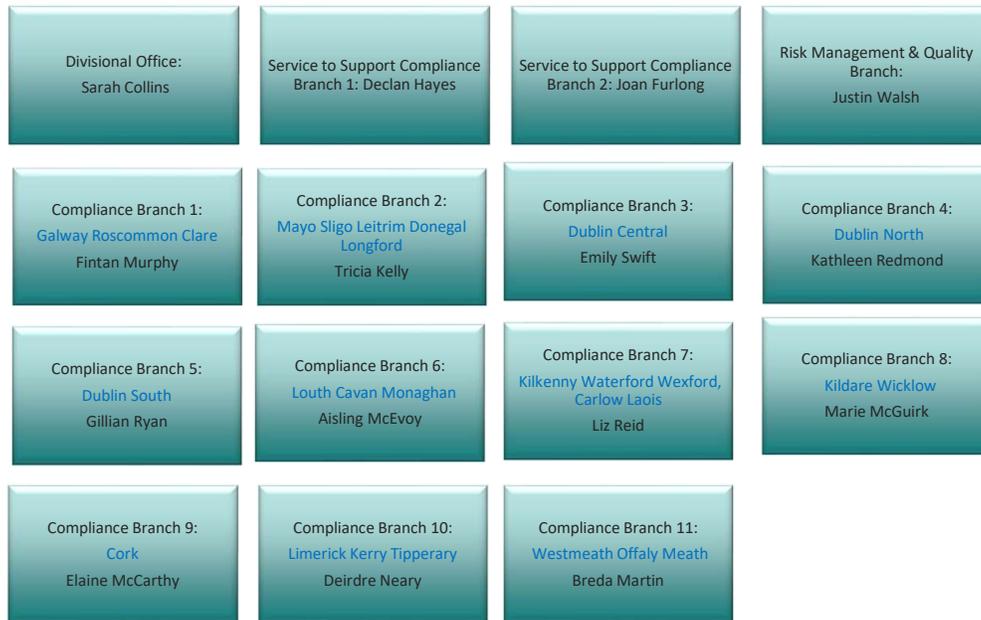
Business Division is responsible for:

- Individuals with either Case I or Case II income and related trading or professional partnerships with average turnover up to €8.8 million;
- Companies carrying on a trade or profession and their subsidiaries who have an average turnover of up to €8.8 million;
- Proprietary directors of Business Division Companies;
- Cases with a live VAT RCT or C&E registration.

Business Division contains 11 Compliance Branches, 2 Service Branches, a Risk Management Branch and a Divisional Office Branch.

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## Overview of Business Division - Structure



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## Summary of Covid Work Programmes

### TWSS

Closed 56,200 TWSS Compliance Interventions  
Yield of €13.4m.

### CRSS

20,897 Business Division Cases received CRSS of €462m.  
69 appeals received, 39 withdrawn, 6 dismissed by TAC.  
9 appeals left on hand (6 awaiting a TAC determination & 3 awaiting further direction from TAC)

### EWSS

50,406 Business Division businesses claimed EWSS of €3,970m.  
Opened 7,315 risk based EWSS Compliance Interventions recouping €115m to date.  
313 interventions in progress.

### TBESS

20,513 Business Division customers had TBESS claims approved of €66m.  
€8.6m of eligible payments offset against other taxes.  
41 Claims pending / reviewing valued at €420,916.

### Debt Warehousing

56,850 Business Division taxpayers availing of Debt Warehousing.  
€1,189.4m of Business Division debt.

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## Business Taxes – Service to Support Compliance



National Employer  
Helpline

- Volume of contact
- My enquiries

Business Taxes  
Service  
IT/CT/CGT/RCT/VAT

- My enquiries
- BT 1890 and VAT  
service

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## Audit Compliance Activity



Finalise EWSS Compliance

Payroll Compliance

Debt Warehousing Scheme / CG Collaboration

VAT Compliance & VAT Fraud

Sectoral Projects

RCT Compliance

R&D Cases

CAT Compliance

Legacy and Appeal Cases

C&E Compliance and Control

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## Real Time Interventions via CIF

- Compliance Contact and Risk Review intervention types introduced from 1 May 2022 as part of new Compliance Intervention Framework (CIF).
- Graduated response to risk and taxpayer behaviour:
  - Level 1 Compliance Interventions are aimed at supporting taxpayers by reminding them of their obligations. Self-correction - the taxpayer must come forward and make the notification in all instances.
  - Level 2 Risk Reviews or Audits – Prompted. Penalties. Publication. 28 days’ notice. The intervention is considered to have started 28 days after the date of the letter.
    - Once the intervention begins or is deemed to have commenced, the entitlement to avail of a prompted qualifying disclosure is no longer available.
  - Level 3 Investigations - Focuses on tackling high risk practices and cases displaying risks of suspected fraud and tax evasion. No Disclosure.

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## ITI /Revenue Webinar – Medium Enterprises Division Update

26<sup>th</sup> September 2023

Martina Mulligan, Principal Officer  
Medium Enterprises Division

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## Presentation Topics

- Overview of MED
- MED Structure
- MED Priorities
- MED Risk Areas for Focus
- RTS Update
- Enhanced Reporting Requirements – MED Webinars
- CESOP
- R&D Credit – 2022 Claim Issues
- Residential Zoned Land Tax
- Defective Concrete Product Levy

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## Overview of MED

MED Assistant Secretary: Orla Fitzpatrick.

Divisional Office, 10 Compliance Branches and RTS.

Responsibility for

Individual Companies or Groups  
with turnover > €8.8million.

Proprietary Directors of MED  
entities

Individuals- net asset worth -  
€10 -€20 million

MED Casebase as of 01/07/2022:

92,013 live cases including 2,518 corporate groups comprising of 14,382 companies and 3,339 individuals.

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## Orla Fitzpatrick- Assistant Secretary.

<b>Divisional Office</b> Sean O' Rourke	<b>Accountancy, Legal &amp; HWI</b> Martina Mulligan	<b>Agriculture, Health &amp; Tourism</b> Brian O'Rourke*	<b>Construction</b> Maurice Priestly
<b>IT, Science &amp; Finance</b> Breda McCarthy	<b>Manufacturing</b> Olivia Phelan	<b>Motor, Transport &amp; Utilities</b> Paul Kennedy	<b>Non-Resident Online Business</b> Enda Malone
<b>Public Admin</b> Nuala Flynn	<b>Retail</b> Carol O' Sullivan	<b>Wholesale</b> Eve Arrowsmith	<b>RTS</b> Carol Durac

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### MED Priorities

- Group based approach – Level 1 to gain knowledge of business structures & models
- Sectoral Risk Areas
- Use of Data analytics to focus on non-compliance – Level 2 & Level 3
- Tax Avoidance
- Whole Case Management Approach
- Large Capital Infrastructure Projects
- Finalise open & EWSS compliance interventions
- CCF for Public Bodies

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## Risk Areas for MED focus

- PREM – director’s loans, T&S, company vehicles, country money
- VAT – Postponed accounting, Deductibility, failure to account for VAT on all services from abroad, Customs duty issues
- CT – R&D, KDB, share buybacks
- RCT
- Mineral Oil Tax
- eCommerce

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## Revenue Technical Service Update



Summary of Improvements;

- Additional resources
- Enhanced IT Systems
- Phasing in of additional taxheads - Excise
- Outreach Sessions – continuous feedback

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## Enhanced Reporting Requirements (ERR)



- MED will host a series of Webinars for MED Employers to raise awareness and aid in Employer preparedness for ERR
- The proposed dates for the MED Webinars are
  - Wednesday 11th October -PM
  - Wednesday 18th October -AM
  - Wednesday 25th October -AM
  - Wednesday 7th November -AM
- ROS notice - Employers with live ROS registration
- Invite to register for ERR webinar
- Email with link to selected webinar
- ROS notice - link to recorded webinar and FAQs
- [MED ERR Webinar Event link](#)

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## EU Cross-Border Payments Reporting (“CESOP”)

- New third-party data reporting requirement – EU VAT Directive 2006/112/EC
- Entry into force of EU Regulation: **1st January 2024**
- All Payment Service Providers (PSPs) - file return of cross-border payments quarterly in every EU tax jurisdiction in which they provide services
- Payee’s PSP must report payments received by the payee to the tax administration in the MS of establishment of the payee, according to IBAN or other identifier
- Reports will be filed by PSPs to Revenue via ROS
- Registration portal for PSPs expected to open **end-November 2023**
- Deadline for the first payment data submission from PSPs to IE: **30th April 2024**
- Change management ongoing with PSPs and representative bodies
- Information on CESOP available on [www.revenue.ie](http://www.revenue.ie)

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## R&D Credit – new rules

To have a valid claim for Y/E 31 Dec 2022, a correctly completed specified return must be submitted by 31<sup>st</sup> Dec 2023



Common errors on Specified Returns received to date:

- Mandatory disclosure on Summary Tab not completed.
- Tax Reference Number and Accounting Dates not completed correctly on Summary Tab
- Cells I21 & I23 Summary Tab not completed correctly.
  - I21 = second instalment forward from FY21.
  - I23 = total of third instalments forward from 2020 & 2021.
- Breakdown of expenditure not provided on 766C tab Cells E13 to E17.
- R&D credits forward from earlier years not set off in correct order against current year CT charge.

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## Residential Zoned Land Tax



- New tax aimed at increasing housing supply
- Introduced by S80 of Finance Act 2021 - Part 22A TCA 1997
- Detailed presentation at Revenue/ITI Conference
- MED – responsibility for operationalisation of RZLT including launch & registration phase
- Registration available via ROS from Q4 2023

### Further Information is available at

- Revenue – Notes for Guidance - <https://www.revenue.ie/en/tax-professionals/documents/notes-for-guidance/tca/part22a.pdf>
- Revenue – Tax and Duty Manual - <https://www.revenue.ie/en/tax-professionals/tdm/income-tax-capital-gains-tax-corporation-tax/part-22a/22a-01-01.pdf>
- Revenue Website - <https://www.revenue.ie/en/property/residential-zoned-land/index.aspx>
- For questions relating to the administration of RZLT by Revenue, please use the secure 'MyEnquiries' service available through [MyAccount](#) or [ROS](#).

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## Defective Concrete Product Levy



- Introduced Finance Act 2022 - Part 18E & Schedule 36 into the TCA 1997
- Levy applies to first supply of certain concrete products on, or after, 1 September 2023
- Rate of 5% - Open Market Value of concrete product on first supply
- Minister for Finance - change in Finance Bill 2023 for certain precast products
- Dept. of Finance officials engaging with industry representatives
- Outreach Programme

### Further Information is Available at

- Website - [www.revenue.ie/dcpl](http://www.revenue.ie/dcpl)
- Tax and Duty Manual (TDM) - available at [www.revenue.ie/dcpl](http://www.revenue.ie/dcpl)
- Legislation - <https://www.irishstatutebook.ie/eli/2022/act/44/enacted/en/print#sec99>
- Notes for Guidance for Part 18E TCA 1997 - <https://www.revenue.ie/en/tax-professionals/documents/notes-for-guidance/tca/part18e.pdf>
- For questions relating to the administration of DCPL by Revenue, please use the secure 'MyEnquiries' service available through [MyAccount](#) or [ROS](#) using the categories, "Enquiry relates to" - Defective Concrete Products Levy, and "More specifically" - General query.

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## ITI & Revenue Branch Network – Collector General’s Division

26 September 2023

Maureen Marray Principal Officer  
Collector General’s Division

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## Topics



CGs Divisional structure

Debt Collection

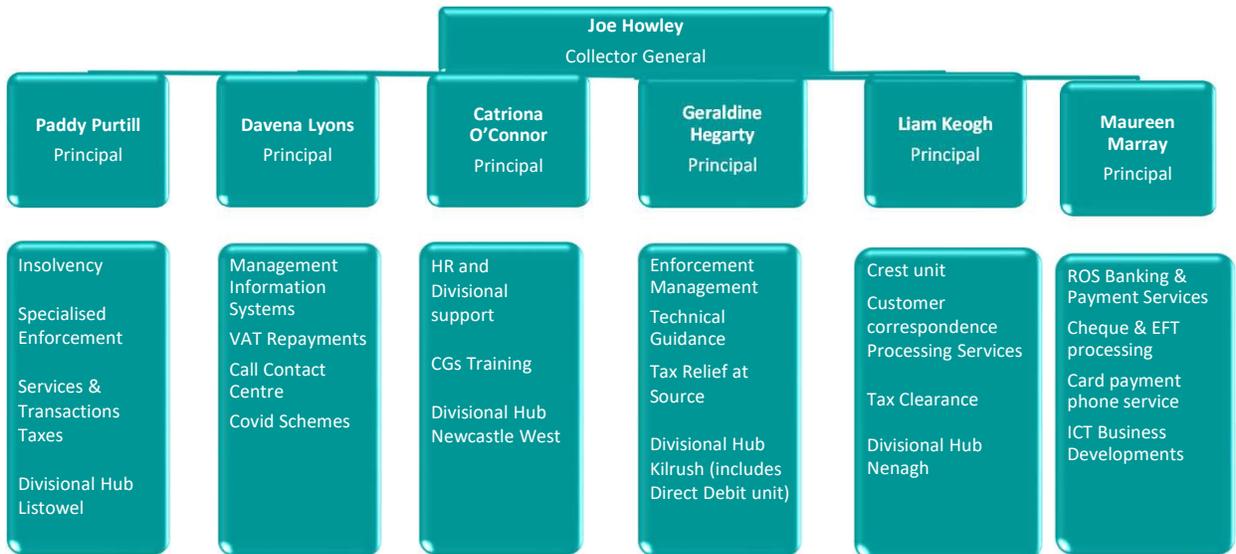
Debt Warehousing

Tax Clearance

TBESS

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## Collector-General's Division



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## Debt Collection – August 2023



Full case base coverage - 1.5m cases



Returns and payment compliance

- Payment Requests, Estimates, Final Demands
- Non-Filer Programmes for IT & CT



Non compliance

- Escalate to Enforcement
- Exemplary Enforcement
- Risk tax clearance
- Risk Debt Warehouse facility
- PPA payment option not available
- Risk Compliance intervention
- Interest charges on Late Payment (Sept 2023)



- Early engagement is key for best outcome

August 2023	Return / Payment Compliance	Due Month	Due Month + 1
		YTD	YTD +1
Large Cases		96%	99%
Medium Cases		92%	98%
Other Cases		81%	89%

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## Phased Payment Arrangements

Apply online

- Apply online & upload PPA1 form
- Option to include Warehoused debt
- Additional documents required if debt above €50k

Negotiation & Agreement

- Additional documents may be requested
- Terms agreed will consider compliance history, current taxes, viability, engagement
- Prioritise PPA correspondence in ROS inbox (November 23)

Maintain PPA

- Keep current tax up to date
- Amend if necessary – payment breaks, deferrals, changes to payment dates
- *How to* videos on website for guidance on how to apply and amend

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## Debt Warehousing - August 2023



- 66% of businesses have debt balance < €5,000, of which
  - 19,853 (33%) – debt less than €100
  - 9,953 (15%) – debt between €101 - €1,000
  - 10,623 (18%) – debt between €1,001 - €5,000
- Bulk of debt (€1.6 bn) – 5,900 businesses with debt >€50,000
- Outreach campaign ongoing to highest debt customers
- Top 3 sectors – Wholesale & Retail, Accommodation & Food Services, Construction
- Publication of statistical analysis on website - Divisional and Sectoral breakdowns

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## Debt Warehousing - Key messages

- ✓ Key repayment date **1 May 2024**
- ✓ Consider payment plans - pay in full, offset refunds, or flexible PPA option
- ✓ Interest rate of 3% accruing - reduce interest costs
- ✓ Payments outside of a PPA - 3% interest will be charged separately (Sept 2023)
- ✓ Maintain warehouse benefits- keep current taxes up to date

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## Tax Clearance



Retain tax clearance - keep tax affairs in order



To August 2023, 110,000 applications approved



Periodic review every 6 months – rescinded where compliance issues exist



Review ongoing of assessment rules and system - completed by end 2023



Welcome further proposals from representative bodies

- Advance notice of expiry of tax clearance
- Prioritise eTC notifications in ROS inbox

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## TBESS



Closing date for scheme and claims **30 September 2023**



No claims accepted after closing date including partially saved claims



Publication to commence after scheme closes



At 20 Sept - 30k registered businesses, 57k approved claims for €134m

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## ITI & Revenue Branch Network – Collector General’s Division SCARP

26 September 2023

Paddy Purtill Principal Officer  
Collector General’s Division

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### The Basis for Revenue’s approach to SCARP

- Revenue’s Mission / Maximising outcomes / C&AG
- Monitor all cases / Level playing field for all
- Enforcement is a compliance tool
- Constructive participant – balance fairness with maximising revenue outcomes

### SCARP & Revenue

- PA approaches Revenue – Excludable Debt, 14 days to opt out
- Communications / Early engagement
- PA must consider all tax implications
- Other required Information per PA Report etc.

### Considerations

- Trust
- Appropriate restructuring / reasonable prospect of survival
- Expected dividend may assist decision / Verify source of funds for investment
- Other matters
- Forms / TDM – feedback welcome

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SCARP cases received to date	43
Rescue Plans agreed to date	27
Revenue voted against	1
Revenue opted out*	4
Withdrawn by PA	2
PA unable to formulate a plan	8
Revenue vote against plan	1
Objections from other creditors	2

Statistics on SCARP	Total
Advertising	2
Construction	6
Consultants	2
Engineering	3
Graphic Design	1
Property Maintenance	1
IT / Software	2
Haulage	1
Car Sales	1
Hospitality	10
Retail	8
Online Retail	4
Accountancy	1
Nursing Home	1

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## Expectations

- Preferential status – better outcome than liquidation
- Reasonable prospect of survival
- Payment of current taxes during processes
- Fully compliant after process
- Views on insolvency increases post pandemic/energy cost crisis

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## ITI & Revenue Branch Network – 26 September 2023

