

PAYE MODERNISATION

Summary of the new system

Changes from 1 January 2019

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4. How do you report in real time?
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1. Overview

A Revenue Payroll Notification (RPN) will replace the current tax credit certificate (P2C). From 1 January 2019, you will be required to:

- request the most up to date RPN before making payments to employees
- report employee payments in real-time
- reconcile Revenue's response to the payroll submission.
At the end of each month, you will receive a statement from Revenue with payroll submission totals. You will need to either:
 - accept the statement as your monthly return
 - correct payroll data if the statement is incorrect.

A variable direct debit option will also be available, subject to Revenue approval.

2. How to get a Revenue Payroll Notification (RPN)

The RPN will provide you with the necessary information to deduct from the employee the correct:

- tax
- USC
- LPT

You will be able to request an RPN using third party payroll software or through ROS. RPNs will be available to you before 1 January 2019.

New employees

You can request an RPN for a new employee, except where the employee:

- does not have a PPSN
- is not registered for PAYE.

You will have to apply emergency tax in these cases.

Employees must register their first employment in Ireland, using the online service Jobs and Pensions. You will then be able to request an RPN.

3. What are the changes to commencing and ceasing employees?

Employers must register any new employees with Revenue. From 1 January 2019 you can request a Revenue Payroll Notification for any new employees before you pay them. This will create the employment on Revenue's systems and provide you with the details required to calculate their payroll deductions.

You must also inform Revenue when an employee ceases their employment with you. You will be able to input the date of leaving (cessation date) on the payroll submission.

4. How do you report in real time?

If you use payroll software, there are two methods of reporting payroll in real time:

- Direct Payroll Reporting – allows payroll software to communicate seamlessly with Revenue Online System (ROS) and exchange the required information.
- ROS Payroll Reporting – allows you to use files created by payroll software and upload these through ROS.

Payroll software companies have been working with Revenue to make sure software will be compatible with Revenue's requirements. If you do not use payroll software, you will be able to retrieve Revenue Payroll Notifications and complete a form through ROS.

This reporting process will contribute to a significant streamlining of existing business processes by eliminating the need to file:

- P30
- P35
- P45
- P46
- P60s

You will no longer be obliged to produce a P60 for your employees.

Revenue will produce an end of year statement for all employees.

What information will you report to Revenue?

You must provide Revenue with payroll information for each employee, including:

- amount of pay
- payment date
- amount of Income Tax, Universal Social Charge and Local Property Tax deducted.

5. Statements from Revenue

Revenue will issue you with a monthly statement based on your submissions. The statement will show a breakdown of your liability for:

- Income Tax
- Universal Social Charge
- Pay Related Social Insurance
- Local Property Tax.

The statement will be treated as the return if no amendments or corrections are made before the return due date.

What if I disagree with the figures on the statement?

Every time you submit your payroll to Revenue you will receive a response from Revenue. This will show the total payroll deductions for that payroll submission. You need to reconcile our response with your payroll totals.

If you find errors in the statement, you must correct them. These corrections will then be shown in a revised statement

6. Payment due dates

Payment due dates for employers remain the same.

Quarterly and annual remitters will now have a monthly statement issued by Revenue which become their monthly return. Quarterly and annual remitters will now have to file monthly returns, but the payment due date will remain the same.

Return and payment due dates

Remitter Type	Return Filing Frequency	Return Due Date	Payment Frequency	Payment Due Date
Monthly	Monthly	14 days after the end of the month	Monthly	14 days after the end of the month (23 days for ROS users who file and pay online)
Quarterly	Monthly	14 days after the end of the month	Quarterly	14 days after the end of each quarter (23 days for ROS users who file and pay online)

Return and payment due dates

Remitter Type	Return Filing Frequency	Return Due Date	Payment Frequency	Payment Due Date
Annual	Monthly	14 days after the end of the month	Annually	14 days after the end of the year (23 days for ROS users who pay and file online)