

## **Main TALC**

### **Minutes of meeting held 15 September 2015**

#### **12pm, Chartered Accountants House**

**Attendees:**

**CCAB-I:** Brian Purcell (chairman), Kimberley Rowan (secretary), Sharon Burke, Enda Faughnan, Norah Collender, Deborah Casey

**Revenue:** Declan Rigney, Mick Gladney, Eugene Creighton, Áine Hollingsworth, Frank Gallagher

**ITI:** David Fennell, Mark Barret, Mary Healy, Michael McGivern

**Law Society:** Caroline Devlin, James Somerville, Pat Bradley

**Apologies:** Brian Keegan (CCAB-I), Paul Dillon (CCAB-I), Julie Herlihy (CCAB-I)

#### **1. Minutes of previous meeting**

The minutes of the meeting held 27 April 2015 were approved.

#### **2. Matters arising**

##### *Receivership guidelines*

Revenue advised that the guidelines are expected to be published in October. Revenue also confirmed that a number of minor issues arose which necessitated revisions to the draft guidelines. Any changes are not expected to materially impact on the previous drafts.

##### *PAYE Agency Procedures*

Revenue confirmed that an eBrief issued in July 2015 on PAYE agency procedures.

### *Reform of the Appeal Commissioners*

Revenue confirmed that the Bill is expected to be enacted by the end of the year. Two new Commissioners are likely to be appointed and are expected to be announced in October.

### **3. BEPS**

The Committee discussed the OECD's BEPS project which is nearing its conclusion. The main output will be the publication by the OECD in October 2015 of final reports on the actions set out in the July 2013 BEPS Action Plan. The exception will be the work on the multi-lateral instrument which has a 31 December 2016 deadline. The Committee on Fiscal Affairs will meet in September to finalise the reports and it is expected the reports will be made public in early October.

### **4. Revenue Audits – Cooperation and Complaints**

Revenue advised that comments were received from practitioners on the Operational Instruction regarding the consequences of failing to co-operate fully with a compliance intervention. It was agreed that the comments will be discussed by the TALC Audit subcommittee – a meeting is scheduled for late September.

The Committee discussed Revenue's intention to include wording in the Audit Code of Practice in connection with 'reporting certain unprofessional behaviour to relevant Professional Bodies' under section 851A TCA 1997. The supporting draft Operational Instruction which has been the subject of written feedback from practitioners, was also discussed briefly. This matter is also due to be discussed at the next meeting of the TALC Audit subcommittee.

Practitioners expressed their disagreement with the inclusion of such wording in the Code of Practice and with aspects of the supporting Operational Instruction.

Revenue acknowledged the practitioner concerns but confirmed that a revised Audit Code of Practice is expected in October/November which will include a reference to 'reporting certain unprofessional behaviour to Professional Bodies'. Revenue also confirmed that the revised draft will include a new chapter on Anti-Avoidance.

Revenue agreed to ITI's request for a written response to the ITI letters on the above items.

### **5. Construction Industry Project**

Revenue informed Main TALC that a national programme of compliance interventions, focussing on the construction sector, is taking place over the coming months and will continue on an ongoing basis. Specific details of the project were set out in a recently published eBrief. Revenue also confirmed that depending on the particular profile of a case the intervention could be in the form of an Audit, Aspect Query or Profile Interview.

The project is centrally managed by the Revenue's Planning Division, supported by Regional Leads, and a consistent approach will be adopted across all Revenue Districts.

## **6. Local Property Tax**

The Committee discussed key developments in Local Property Tax (LPT): The discussion confirmed that:

- Revenue and The Law Society are engaging directly on conveyancing issues.
- Compliance for 2015 is very strong – LPT targets to end of August are exceeded.
- Revenue also confirmed that revaluations of properties will take place at the end of 2016 unless there is a change in legislation.

## **7. iXBRL**

Revenue provided an update to the committee, points of note were:

- An eBrief published on a number of practical filing issues.
- The Revenue FAQs were updated to reflect recent clarification.
- Revenue confirmed that it has published its staff Operating Instruction.

Practitioners noted the delay in publication of the eBrief which was said to have caused difficulties for some members in confirming the exact level of information required to be filed in iXBRL.

Practitioners raised an additional scenario on the filing of draft accounts in iXBRL versus final accounts that is not covered in the recent eBrief. This has resulted in a surcharge applying for late filing of iXBRL returns in some cases. The Revenue FAQ dealing with the application of surcharges was noted and Revenue was asked to consider clarifying the position in light of the concerns raised.

Practitioners raised concerns about the cost implications for small business of any further extension of the iXBRL filing requirement. Revenue is cognisant of the concerns of small businesses. A date for the roll-out of the next phase of iXBRL filing has not been set. Matters can be discussed at the TALC sub-committee on iXBRL.

## **8. VAT Registrations**

Revenue informed the Committee that it recently carried out a review of the processing time for VAT registrations across the Revenue Districts. No significant delays occurring outside of the normal Revenue Customer Service Standards were found. The matter will be kept under review.

Practitioners noted that applications for companies with a non-resident director must be submitted by paper, and this is adding to the delays in receiving VAT registrations. Revenue advised that it is not possible to facilitate such applications on ROS at present.

Practitioners also requested that Revenue consider taking measures to speed up the process of issuing residence certificates by Large Cases Division at year's end. Revenue undertook to look into the matter and revert to the committee.

#### **9. Regulation of Lobbying Act 2015**

The Committee will give further consideration to the impact of the Act; specifically the requirement (or not) to report TALC meetings.

It was agreed that the proposal to standardise and publish all Main TALC and TALC sub-group minutes will be progressed as a priority.

#### **10. Update from TALC subcommittees**

The secretary circulated a summary of the key items discussed by each TALC subcommittee at the most recent meetings.

Clarification on aspects of the new Revenue MyEnquiries facility was sought by practitioners. Revenue outlined the operation of the new facility and undertook to review the points made and respond accordingly.

Revenue informed the Committee that approx. €43m in tax and interest had been paid under the Qualifying Avoidance Disclosure regime.

#### **11. AOB**

Practitioners requested an update on recent consultations on potential Finance Bill items. Revenue noted that it was for the Minister and his officials to make decisions on this type of engagement.

Revenue advised that the Department of Finance met with interested parties to discuss the Knowledge Development Box (KDB) proposals. Legislation dealing with the KDB is expected in Finance Bill 2015.

Revenue confirmed that its officials and officials from the Department of Finance are reviewing the 50 submissions received in response to the consultation process on Travel and Subsistence. No further update is available at this time.

The Committee will discuss administrative aspects of Budget 2016 by way of conference call on 15 October at 12pm. A meeting will be scheduled for 29 October to allow for timely discussion on administrative implications of the Finance Bill.