

Future Pay & File Deadlines: Consultation on Changing the Pay & File Dates



The Minister for Finance, Mr. Michael Noonan, T.D., invites interested parties to make submissions in relation to changes required to the Pay & File dates.

The following options in relation to self-assessed income tax could include:

1. Move the Pay & File date to 30th June;
2. Move the Pay & File date to September;
3. Move the Pay & File date to September (but introduce an arrangement to allow taxpayers to mandate from State payments such as the Single Farm Payment).

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1. **June Option:** Moving the Pay & File date to 30th June could have advantages for both practitioners and Revenue in spreading the work associated with filing over a longer period. On the other hand, it would have a significant cash flow impact on business.
 2. **September Option:** A September Pay & File date with a date of, say, 20th September for taxpayers who file electronically would keep approximately the same interval between the Pay & File date and Budget Date as exists at present. This would minimise the cash flow impact on business. On the other hand, it would mean that income tax and most corporation tax returns would be filed at the same time, imposing a burden on practitioners and Revenue.
 3. **Mandating of tax payments:** It would be possible to move the Pay & File date but allow taxpayers who are in receipt of State payments to mandate the payment to Revenue. This would give certainty at the Pay & File date about the amount that would be received. In practice, this facility could only operate, and would only be of value to the taxpayer, where the taxpayer was in receipt of a State payment between the Pay & File date and the end of the year

POSSIBLE OPTIONS – OTHER TAXES

Capital Gains Tax (CGT)

At present, returns for CGT are made as part of the Income Tax return. Therefore, any change in CGT filing date will follow from a change in the Income Tax filing date. At present, CGT is paid in December for all gains made up to 30 November with gains in December payable in the following January. To improve the information available for budgetary purposes it would make sense to move the first payment date for the payment of CGT from December to, say, September with a second payment in December to cover gains on the period August to November.

Capital Acquisition Tax (CAT)

The CAT filing date has moved three times in the last three years. The current date was adopted following arguments by practitioners that it was desirable from their point of view to file for Income Tax, CGT and CAT at the same time. Given the amounts involved, it may be best not to make any change in the CAT filing date, at least for the present.

**The consultation period will run to Friday, 8th November 2013.
Any submissions received after this date cannot be considered.**

HOW TO RESPOND

The preferred means of response is by email to: taxpolicy@finance.gov.ie but if you prefer you are welcome to respond by post to:

Pay & File Consultation,
Department of Finance,
Government Buildings,
Upper Merrion Street,
Dublin 2.

When responding, please indicate if you are a business, business professional, adviser, representative body or member of the public. Freedom of Information Responses to this consultation are subject to the provisions of the Freedom of Information Acts. Parties should also note that responses to the consultation may be published on the Department's Tax Policy website.

Please email taxpolicy@finance.gov.ie should you have any queries.

THE CONSULTATION PROCESS

Your views are requested as follows, to reach the Department of Finance no later than Friday, 8th November 2013.

In relation to the Income Tax options set out above, please indicate which option you prefer and why.

Please indicate any particular issues which you see in relation to the other Income Tax options, i.e. those you do not favour.

If there are other options in relation to Income Tax which you feel should be considered please set these out briefly.

Please advise any views you may have in relation to CGT and CAT.

Finally, outline other comments you may have on the issue of Pay & File dates.

WHAT HAPPENS NEXT?

The views expressed in this consultation process will be considered by the Minister and his officials in the context of Finance (No. 2) Bill 2013. It is anticipated that the decision taken by the Minister will be reflected in an Amendment at Committee Stage. The Bill is expected to be signed into law before the end of 2013 and changes will take effect in 2014.

**If you would like more information or would like to discuss any other areas of interest,
please contact us on :**

Tel: 01 6012600

Email: john@lyonscalzoaccountants.ie

or go to www.lyonscalzoaccountants.ie

About Lyons & Calzo Accountants:

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Please note that the above is intended to be a general guide to the various issues only and further advice should be obtained before taking, or refraining from taking, any action. This leaflet is intended to be informative and issues are condensed in the interest of clarity and brevity, and a more comprehensive examination of the issues is outside the scope