

Enhanced Reporting Requirements (ERR)

Useful Documents

[Revenue Guide to Travel and Subsistence](#)

[Tax And Duty Manual on "Tax treatment of the reimbursement of expenses of travel and subsistence to office holders and employees"](#)

[Tax and Duty Manual Part 38-03-33 for guidance on Enhanced Reporting Requirements](#)

Enhanced Revenue Reporting (ERR)

- Budget 2022 introduced a new requirement for employers to report to revenue certain expenses/benefits made to employees and/or directors.
- Phase 1 commences on 1st January 2024 and will require the reporting of the following items;
 - Travel & Subsistence
 - Small Benefit Exemption (One for all gift cards etc)
 - Remote Working Daily Allowance

Enhanced Revenue Reporting (ERR)

- ERR is a completely separate return from current PMOD Payroll Submissions.
- ERR returns must be made to Revenue on or before the date of payment – similar to PMOD.
- Reporting will be per employee/director and linked to their PPSN & Employment ID
- Such payments will be visible to the employee via their MyAccount profile.

What is a payslip?

Employee's Payslip (Issued By Employer to Employee)	Revenue Payslip (Reported by Employer to Revenue in Payroll Submission)
Gross Pay	Gross Pay
PAYE, PRSI, USC & LPT	PAYE, PRSI, USC & LPT
BIK	BIK
Pensions	Pensions
Net Pay	Net Pay
Expenses	Expenses
Remote Working Allowance	Remote Working Allowance
Other Non Taxable Payments or Deductions	Other Non Taxable Payments or Deductions

Enhanced Revenue Reporting (ERR)

- Main Reporting Categories
 1. Travel and Subsistence
 2. Remote Working Daily Allowance
 3. Small Benefits Exemption

Enhanced Revenue Reporting (ERR)

- Sub Categories
 - Travel Vouched
 - Travel Unvouched
 - Subsistence Vouched
 - Subsistence Unvouched
 - Site Based Employees
 - Emergency Travel
 - Eating on Site
- Number of Days for remote working

Vouched and Unvouched

- Vouched expenses are expenses where the employee provides a receipt and the employer reimburses the employee for the value of the receipt.
- Unvouched expenses are those where the employee does not provide a receipt.

Examples of Vouched Expense

- Employee is based in Cork and needs to attend a work meeting in Dublin. He purchases a train ticket for the journey and submits the receipt to the employer for reimbursement.
- The employee is required to stay overnight in order to attend a second meeting on the next morning. He keeps a receipt for his accommodation and evening meal and submits them to his employer for reimbursement.

Examples of Unvouched Expenses

- An employee uses his own car to travel from his office in Cork to meet a client in Dublin. He submits a claim to his employer for 260Km at the Civil Service rates.
- The employee is required to stay overnight in Dublin and submits a claim for an overnight allowance at the civil service rates

Round Sum Allowances

- Where an employee is paid a weekly or monthly 'round sum' for expenses - for example, €500 per month for expenses irrespective of expenses actually incurred - such a 'round sum' payment in respect of expenses is taxable and subject to PAYE deductions.
- Where a 'round sum' in respect of expenses has been taxed at source, the employee may claim a tax deduction for the actual expenses of travel and subsistence relating to that travel necessarily incurred in the performance of the duties of the office or employment at the rates set out in Chapter 2.5

Site Based Employees

(Country Money)

- Site-based employees do not have a fixed base and, in the course of their employment, perform their work duties at different locations. These duties generally last for periods longer than one day.
- You can pay your employees expenses of travel and subsistence, not exceeding the approved rate (currently €181.60 per week), except where either:
 - your employee does not have to pay to travel to and from the site (for example, if you provide the transport)
 - you provide your employee with board and lodgings
 - your employee was recruited to work at one site only.
- In order to qualify for these expenses the employee must be working at a site 32km (20 miles) or more from your base.

Eating On Site

- You may pay an 'eating on site' allowance, tax free, to site-based employees in some sectors of the economy if:
 - you do not provide facilities for making tea, coffee, or other refreshments
 - your employee does not receive any other form of tax-free subsistence payment
 - your employee works on the site for at least 1.5 hours before and 1.5 hours after their normal lunch break
 - you pay a maximum allowance of €5 per day.

Emergency Travel

- If you repay your employee the expenses of travelling to and from their normal place of work, they must pay tax on this payment.
- They must also pay tax on journeys to work in 'on call' situations.
- Your employee may need to work outside their normal working hours to deal with emergencies which require their immediate attention. You may repay these travel expenses tax free. This can include the cost of taxis, or mileage expenses, using Civil Service rates.
- You may repay expenses for a maximum of 60 such emergencies per year.
- An emergency does not include:
 - replacing a member of staff who fails to attend work
 - assisting with an increased volume of work
 - attending a non-emergency or other routine event.

Small Benefits Exemption

- From 1 January 2022, you can give employees up to two small benefits, tax free, each year. This is as a result of changes announced in the Budget on 27 September 2022. These benefits must not be in cash and the combined value of the two benefits cannot exceed €1,000.
- If more than two benefits are given in a year, only the first two may qualify for tax free status. Unused allowance amounts cannot be carried over.

Enhanced Revenue Reporting (ERR)

- Revenue will be monitoring the returns to ensure that they comply with various limits e.g.
 - Remote Working can only be claimed for max of 366 days per year
 - Small Benefit Exemptions can only be made twice per year and with a total value of €1000 maximum
 - Emergency travel can only be claimed a maximum of 60 times per year.

Enhanced Revenue Reporting (ERR)

- The ERR project is of a similar scale as PMOD
- It will require employers to make changes to their internal processes, especially if they pay expenses outside of their payroll runs.
- ROS certificates will be updated to add permissions for users which are separate to the current PMOD payroll reporting.
- Will pose challenges for employers who use Payroll Bureaus for payroll but not expenses. In particular, these payments will need to be linked to the Employee's Payroll Employment ID.

Enhanced Revenue Reporting (ERR)

- CollSoft Payroll 2024 will provide functionality to report ERR to Revenue.
- CollSoft will cater for both of the following
 - Payments made as part of employee's payroll.
 - Payments made outside of the normal payroll process.
- Payroll 2024 will be available on Friday 15th December 2023

What do you need to Do?

- Identify any payments that you make to employees that will be required to be reported to Revenue from January
- Validate your ROS certificate for ERR

Questions & Answers