



# DEREK MADDEN & COMPANY



Derek Madden & Company welcomes you to our first news letter (Autumn 2009)

## Welcome

We intend to make this a regular feature of our services and to have a regular online newsletter which focuses on key issues affecting the business community. We welcome feedback on the newsletter to enable us to identify more closely your financial concerns. While we accept that there is a lot of doom and gloom around hopefully this letter might provide you with some helpful information.

## About Us

Derek Madden & Company was established in March 2007 with the aim of helping a broad range of businesses meet their compliance obligations in relation to the Revenue Commissioners and the Companies Registration Office. As well as helping to meet all compliance obligations we aim to add value to businesses with regard to saving costs, providing good tax advice and helping businesses grow and enjoy future success.

For a free consultation do not hesitate to contact us.

## Revenue Job Assist Scheme

Revenue Job Assist Scheme is in place since 1998, it remained anonymous in the boom years when unemployment was at its lowest. The scheme provides employers with a double wage and employers PRSI deduction in calculating total income for tax purposes for three years where they employ an individual who has been unemployed for the previous 12 months.



**In order to be classed as a qualifying employer for the scheme, the following requirements must be met:**

- No redundancies have been implemented by the employer in the previous six months.
- The employer has not lost an unfair dismissals claim to the previous holder of the employment.
- The employer cannot be in receipt of other employment subsidies.
- The employee cannot be a spouse or child of the employer.
- The role must be capable of lasting 12 months and must involve at least 30 hours per week.
- The remuneration cannot be more than 75% commission based.

**Employees must meet the following criteria to participate in the scheme:**

- The individual must have been unemployed for the previous 12 months and in receipt of unemployment payments from the Department of Social and Family Affairs e.g. Jobseekers Allowance, Illness Benefit etc.
- The individual cannot have been a 'qualifying employee' under the rules of this particular scheme in the past.



## Redundancy Rebates and Tax Payment Difficulties

Where a business is awaiting a statutory redundancy rebate and it is experiencing particular difficulties in meeting its tax obligations because of a delay in receiving repayment, then, subject to satisfactory evidence being provided of the repayment due and its amount, Revenue will accommodate in deferring for a reasonable period collection or enforcement action that would otherwise ensue in the event of delayed payment of tax. Revenue has agreed with the Department of Enterprise, Trade and Employment a form of authorisation, for payment of the rebate direct to Revenue by the Department. This will allow the business to put in place, in a speedy fashion, necessary arrangements to have the rebate payment made directly to Revenue. The authorisation form can be found on the Revenue Website [www.revenue.ie](http://www.revenue.ie)

## Property Tax on Non Principal Private Residence Charge

As you may be aware, there was a new Local Government (Charges) Act 2009, introduced recently. The date by which payment was to be made was the 30<sup>th</sup> September so we thought we would provide you with some information on the topic.

**Charge:** The Act introduces a €200 annual charge on Non Principal Private Residences. It is payable by the owner of such properties to the Local Authority in the area the property is located. **Property types:** Private rented properties, vacant properties and holiday homes. Apartments and bedsits are both liable. However, mobile homes and granny flats (provided a relative lives in it rent free) are not. **Costs and deadlines:** If you owned such a property on 31<sup>st</sup> July 2009, then you have until the 30<sup>th</sup> September 2009 to pay this charge. Payments made after 31<sup>st</sup> October are liable to a late payment fee of €20 per month or part of a month.

**Payment:** This charge can be paid online at [www.nppr.ie](http://www.nppr.ie) and Local Authorities will also accept completed NPPR registration forms along with payment in the form of credit /debit cards, bank draft, postal order or cheque.

To access the NPPR website, visit [www.nppr.ie](http://www.nppr.ie). Don't forget that you need to contact the Local Authority where the property is located, not where your principal private residence is.

**To make this payment on-line you will need:**

**1.** Your PPS number (or Tax Reference number if a company owns the property) **2.** The address of your NPPR property(s). **3.** Your credit/debit card details. - *Don't forget your receipt.*

Failure to pay this charge leaves you open to prosecution by the Local Authority to whom the payment is due.

If you have any questions with regards to this new charge or are uncertain as to whether the charge applies to you, please do not hesitate to contact us here in the office on 022 – 51752.

### **The Snippets Corner** (A few quick and easy adjustments that might improve your business)

- Ensure all Vat input credits have been taken for bad debts where applicable.
- Ensure Vat is not paid on forfeited deposits and reclaim any such VAT paid in the last 4 years.
- Write down trade stock to the lower of cost and net realisable value with the potential to offset the trading loss against other profits.
- Crystallise capital losses through the sale or negligible value claims for current year use or carry forward against future capital gains.
- Save costs by outsourcing some services, bookkeeping, payroll etc...
- Complete end of year returns on time to avoid surcharges, penalties and risk of a revenue audit.

*Disclaimer: This information bulletin is intended to be used for guidance purposes only. For further information you should contact the office directly. Derek Madden & Company cannot be held liable for any error, or for the consequences of any action, or lack of action arising from this bulletin.*