

Frequently Asked Questions about Qualifying Disclosures relating to Offshore Matters (21.04.2017)

1.	FOREIGN INCOME AND ASSETS DISCLOSURE	5
1.1.	What changes are contained in the Finance Act 2016?.....	5
1.2	How does this affect me?	5
2.	TAX IMPLICATIONS OF OFFSHORE MATTERS.....	7
2.1	Is it illegal to have offshore accounts, assets or investments?.....	7
2.2	I have money offshore does that mean I have a tax problem?	7
2.3	I have an offshore account or asset and I have received a letter from Revenue regarding “Reviewing and Correcting Your Tax Returns”. I do not have any tax liability in relation to my offshore account or asset; do I need to make a disclosure?	7
2.4	I have no tax liability from my offshore account but I failed to include it in my Return when the account was opened. Do I need to make a disclosure?	8
2.5	I opened an account when I was on a JI visa or Erasmus year, or when I worked abroad: should I make a disclosure?	8
2.6	What if I inherited an offshore asset?	8
2.7	I recently moved to Ireland and I have an account in my home country. Do I need to make a disclosure?	8
3.	PENSIONS.....	9
3.1	My only foreign source of income is a foreign pension. Do I have to make a disclosure?.....	9
3.2	My only foreign source of income is a foreign pension. Am I likely to owe tax on the pension?.....	9
3.3	I have a foreign pension. Are PRSI and Universal Social Charge (USC) due on the pension?.	9
3.4	I have a foreign pension. Am I liable to interest and penalties on any tax/USC due?.....	9
3.5	My only foreign source of income is a foreign pension and I am a chargeable person (that is a person who files an annual Form 11 income tax return) in Ireland. What are the implications for me? 10	10
3.6	My only foreign source of income is a foreign pension which is less than €5,000 per annum, and I pay tax in Ireland through the PAYE system. What are the implications for me?.....	10
3.7	My only foreign source of income is a foreign pension which is more than €5,000 per annum, and I pay my tax in Ireland through the PAYE system. What are the implications for me?	11

3.8	In addition to a foreign pension, I also have a second source of foreign income, and I pay my tax in Ireland through the PAYE system. What are the implications for me?	11
3.9	I have a foreign pension and owe tax on the pension. Can I claim anything against the tax due?	11
4.	QUALIFYING DISCLOSURE	12
4.1	What is a "qualifying disclosure", and how do I make one?.....	12
4.2	Am I required to submit a notice of intention?	12
4.3	What benefits do I get from making a qualifying disclosure?	12
4.4	What if I have liabilities that don't relate to offshore income or assets?	12
4.5	What if Revenue has already started an investigation or audit?.....	13
4.6	Can companies which held undeclared offshore accounts, assets or investments make a qualifying disclosure?.....	13
4.7	What if a director of a closely held company holds an offshore account, asset or investment?	13
4.8	The person who held the offshore account is deceased. Can the executor or administrator make a qualifying disclosure?	13
5.	DISCLOSURE FORM	14
5.1	What's the next step if I think I have a liability to disclose?.....	14
5.2	Where will I find the Disclosure Form?.....	14
5.3	What should the disclosure contain?	14
5.4	What is involved in computing my liability?	14
5.5	Will I have to file tax returns?.....	14
6.	TAX COMPUTATION	14
6.1	What is "undeclared money"?.....	14
6.2.	No tax is due on the money I put offshore. How do I prove this?.....	15
6.3	What if I can't get full information about how much money I did not declare?	15
6.4	Am I entitled to any deductions in calculating this undeclared money?.....	15
6.5	Do I get a credit for withholding tax deducted from interest earned offshore?	15
6.6	Do I only pay tax at the standard rate on foreign deposit interest?	15

6.7	I have always been a PAYE taxpayer, but I opened a foreign account and did not declare the interest earned on that account to Revenue. How do I work out what I owe?.....	16
6.8	Will Revenue calculate my liabilities for me?	16
6.9	How to calculate your Income Tax liabilities	16
6.10	How do I use the liabilities estimator for Higher Rate PAYE Taxpayers and Self Employed	17
6.11	Calculations for Lower Rate PAYE and Self Employed	17
6.12	How do I use the liabilities estimator for Undeclared VAT and CGT	17
6.13	Other Taxes	17
6.14	Do I have to use the liabilities estimator / forms supplied by Revenue?	17
7.	INTEREST AND PENALTIES COMPUTATION.....	17
7.1	What is "statutory interest"?	17
7.2	What is the penalty payable?	18
7.3	If I use Revenue's estimator will the computations be accepted?	18
7.4	How do I work out the total amount due?	18
8.	FILING A DISCLOSURE.....	18
8.1	Where do I find the Disclosure Form and Estimator?.....	18
8.2	How do I File my Disclosure Form?.....	18
8.3	What documentation should I include with my Disclosure Form?.....	19
8.4	What is MyEnquiries?	19
8.5	How do I access MyEnquiries?.....	19
8.6	What is myAccount and how do I register?.....	21
8.7	What information do I need to register for myAccount?	21
8.8	How do I file my Disclosure Form in MyEnquiries?	21
8.9	How do I submit a notice of intention online?	23
8.10	I have submitted a disclosure online, how do I make an enquiry regarding my submission? 24	
8.11	I can't file my Disclosure Form online, where can I send my Disclosure Form?.....	25
9.	PAYMENT OPTIONS.....	26
9.1.	How do I pay?	26

9.2	How can I make a payment on ROS?	26
9.3	How can I make a payment on MyAccount?	30
9.4	Some of my offshore accounts are not in Euro. What currency should I use when calculating my liability?.....	35
9.5	What if I can't pay the liability in full?	35
10.	AFTER MAKING A DISCLOSURE	36
10.1	What happens once I submit my Disclosure Form?	36
10.2	What if I've made a mistake in my disclosure, or if I've understated the tax, interest and penalty due?	36
11.	DISCLOSURES AFTER 1 MAY 2017.....	36
11.1	What if I have both liabilities from defaults arising within the State together with liabilities relating to offshore matters?.....	36
11.2	When is a tax default considered to have “significant consequences” in the context of penalty categories?.....	36
11.3	What if I identify a minor error relating to offshore matters after 1 May 2017?.....	37
11.4	I made a disclosure in 2010 that related to offshore matters. Does this disclosure exclude me from making a qualifying disclosure relating to liabilities in the State in future?	37
12.	CONTACT DETAILS.....	37
12.1	Who do I contact if I have any questions?	37
13.	TRACK CHANGES	37

1. FOREIGN INCOME AND ASSETS DISCLOSURE

1.1. What changes are contained in the Finance Act 2016?

Section 56 of the Finance Bill 2016 makes changes to the treatment of offshore tax evasion. The legislation will deny the benefits of a qualifying disclosure to taxpayers with tax liabilities in respect of offshore income, gains or assets as and from 1 May 2017.

1.2 How does this affect me?

As and from 1 May 2017, it will no longer be possible to obtain the benefits of a qualifying disclosure if any matters included in the disclosure relate directly or indirectly to offshore matters including the following:

- an account / asset held or situated in a country or territory other than the State;
- income or gains arising from a source, or accruing, in a country or territory other than the State;
- property situated in a country or territory other than the State.

It will mean that, from 1 May 2017, persons with liabilities involving “offshore matters” will be liable to higher penalty rates, the settlement could be liable for publication in the Quarterly List of Tax Defaulters and the person concerned could be the subject of a criminal prosecution.

In addition, the new measures will mean that where there are liabilities arising within the State together with unrelated liabilities relating to offshore matters, a qualifying disclosure will be unavailable in respect of all liabilities except in limited circumstances as set out in FAQ 10.3.

There is now an opportunity to make a disclosure under the current disclosure regime and avail of reduced penalties and non-publication.

An illustrative example of how this proposal will work is shown below.

Example

John is a consultant and operates as a sole trader. In 2009, after a better than expected year, he put €200,000 into a bank account in Northern Ireland. The €200,000 had not been included in his accounts and consequently had not been declared for tax purposes. A marginal rate of tax, PRSI and levies of 51% was chargeable at the time. John withdrew the full amount and closed the account in 2015 when the balance was €221,500. If John takes the opportunity to make a qualifying disclosure now, his tax liability and statutory interest would be as follows:

Treatment under Current Disclosure Regime

Tax, PRSI, Levies & USC	€ 116,360
Interest [from 2009 to 30 April 2017]	€ 66,261
Penalty 10%	<u>€ 11,636</u>
Total due	€ 194,257

John's settlement will not be published on the list of tax defaulters and Revenue will not take steps to initiate a prosecution.

Should John not avail of a qualifying disclosure on or before 30 April 2017 and is subsequently identified by Revenue as being a non-compliant taxpayer the liabilities due to Revenue would be as follows:

Treatment post 30 April 2017

Tax, PRSI, Levies & USC	€ 116,360
Interest [from 2009 to 1 November 2016]	€ 66,261
Penalty 100%	<u>€ 116,360</u>
Total due	€ 298,981

John's settlement will be published in the list of tax defaulters and Revenue may take steps to initiate a prosecution.

2. TAX IMPLICATIONS OF OFFSHORE MATTERS

2.1 Is it illegal to have offshore accounts, assets or investments?

No, it is not illegal to have an offshore account or to have assets or investments offshore, but you must pay tax on any interest, income or gains earned. Also, any money placed in an offshore account or used to acquire assets or investments offshore must be declared for tax purposes, unless exempt from tax or Irish tax has already been paid on it.

2.2 I have money offshore does that mean I have a tax problem?

If all the money you put offshore has already been declared for Irish tax purposes and you have declared all income or gains arising from that money on your tax returns, you have no further liability and you do not need to make a disclosure.

If you have opened an offshore account or acquired a financial product with monies that are exempt from tax or on which the correct Irish tax has already been paid and have not earned any income on the account or financial product itself, you have no tax liability.

However taxation is complex and it is possible that there might have been changes in the law or in the treatment of foreign investments of which you are not aware. Now is a good opportunity to review your foreign investments, accounts and assets, including shareholdings in foreign companies to check whether you have a liability that you may not have been aware.

If the money which was put offshore was not previously declared or you have received income or gains from offshore sources which you have not declared, it is very likely that you have a liability. In these circumstances, you are strongly advised to make a disclosure to bring your tax affairs up to date. If you make a qualifying disclosure you will be subject to reduced penalties, your name and details of your settlement will not be published in the list of tax defaulters and you will not be prosecuted.

2.3 I have an offshore account or asset and I have received a letter from Revenue regarding “Reviewing and Correcting Your Tax Returns”. I do not have any tax liability in relation to my offshore account or asset; do I need to make a disclosure?

No, you only need to make a disclosure if you have a tax liability. If you have no tax liability arising from the offshore account or asset you are not required to make a disclosure.

2.4 I have no tax liability from my offshore account but I failed to include it in my Return when the account was opened. Do I need to make a disclosure?

No. You only need to make a disclosure where there is a tax liability arising from the offshore account. If there is no tax liability arising from the offshore account you are not required to make a disclosure. Please include details of the account on your next tax return.

2.5 I opened an account when I was on a J1 visa or Erasmus year, or when I worked abroad: should I make a disclosure?

You only need to make a disclosure if you have a tax liability. If you opened a foreign bank account while on a J1 visa, or on Erasmus, or at any stage while you were living abroad and where the money going into the account was after-tax wages or salary, and no interest or only a small amount of interest was earned on the account, it is highly unlikely you have a liability, in which case you do not need to make a disclosure.

2.6 What if I inherited an offshore asset?

You should take the opportunity now to review the details of your inheritance. At the time of the inheritance, you may have had a liability to Capital Acquisitions Tax depending on the circumstances i.e. your relationship to the person you inherited the asset from and the value of the inheritance. Any income you have earned from the asset is taxable from the date you inherited the asset. If you have issues for example in relation to Capital Acquisition Tax or Income Tax, you should take the opportunity now to make a disclosure and bring your tax affairs up to date.

2.7 I recently moved to Ireland and I have an account in my home country. Do I need to make a disclosure?

If you have just moved to Ireland, it is unlikely that you have outstanding Irish tax liabilities. Your tax obligations in Ireland depend on a number of factors, including in particular your country of tax residence. There is a useful guide to tax residency on the Revenue website <http://www.revenue.ie/en/tax/it/leaflets/res1.html>. The guide looks at Irish income tax and capital gains tax and contains some commonly asked questions by Individuals coming to work and/or live in the State.

3. PENSIONS

3.1 My only foreign source of income is a foreign pension. Do I have to make a disclosure?

Revenue is aware that some individuals who, due to periods spent working abroad, receive an occupational pension, or foreign State pension, akin to one paid by the Department of Social Protection. If a person has previously declared their pension to Revenue, they do not have to make a disclosure. However, if they have not previously declared their foreign pension and a tax liability arises from it, they need to make a disclosure. For any tax year that a person is tax resident in the State, they are liable to Irish income tax on their total income from all sources including any income from a foreign employment or pension.

For the questions that follow, a foreign pension includes either an occupational pension or a State pension from a foreign country.

3.2 My only foreign source of income is a foreign pension. Am I likely to owe tax on the pension?

Revenue's expectation is that, for most people, the amount of the foreign pension is not likely to be very high and, in such cases, there may not be any additional tax due in this country, even where the pension recipient is also in receipt of a State pension from the Department of Social Protection. There is a general exemption from tax for **anyone over 65 years of age whose total income in a year is €18,000 or less for a single/widowed person or €36,000 for a married couple or civil partners.**

3.3 I have a foreign pension. Are PRSI and Universal Social Charge (USC) due on the pension?

It is likely that neither PRSI nor USC are due on the pension. Firstly, anyone over 66 years of age is not liable to PRSI and, regarding USC, there is a general exemption where a person's total income for the year is under €13,000. Payments from the Department of Social Protection are not liable to USC so are not taken into consideration in determining whether total income for the year is under €13,000.

3.4 I have a foreign pension. Am I liable to interest and penalties on any tax/USC due?

Interest is payable on outstanding tax and USC amounts (see exception below for PAYE taxpayers with very low foreign pension amounts). Regarding penalties, where it is clear

that the failure to declare the pension previously was not deliberate and if the total tax default is under €6,000, no penalties will arise.

3.5 My only foreign source of income is a foreign pension and I am a chargeable person (that is a person who files an annual Form 11 income tax return) in Ireland. What are the implications for me?

The current Disclosure regime, and the impact on taxpayers after the disclosure period ends on 30 April 2017, are targeted particularly at instances of serious tax evasion, where monies arise from, or have been invested in, foreign or offshore sources/assets and the taxpayer has deliberately failed to declare these income sources/investments to Revenue.

The full effects of the regime also apply to individuals who, as chargeable persons, have been obliged under the self-assessment system to complete tax returns over the years but have failed to declare the foreign pension to Revenue.

In these circumstances, **the individual must make a complete disclosure of income for all years**, calculate the tax, Universal Social Charge (USC) and PRSI due and make a full payment of the outstanding amount plus relevant interest and penalties.

3.6 My only foreign source of income is a foreign pension which is less than €5,000 per annum, and I pay tax in Ireland through the PAYE system. What are the implications for me?

For non-chargeable persons (that is persons who do not have an obligation to file an annual income tax return Form 11 and are taxed through the PAYE system) whose sole foreign income is an occupational pension from another country or a foreign State pension that is less than €5,000 per annum, it is not the intention that the full effects of the Disclosure regime will apply in these cases. Consequently, where the foreign pension is taxable, when the pension recipient is making a disclosure of the relevant income to Revenue, **the calculation of outstanding tax, USC and PRSI is capped at the previous four years' liabilities.**

Interest is not payable on outstanding tax and USC where the outstanding amount is paid in full at the time of disclosure. Where it is clear that the failure to declare the pension previously was not deliberate, and if the total tax default is under €6,000, no penalties will arise either.

3.7 My only foreign source of income is a foreign pension which is more than €5,000 per annum, and I pay my tax in Ireland through the PAYE system. What are the implications for me?

In these circumstances, the individual must make a **complete disclosure of income for all years**, calculate the tax, USC and PRSI due and make a full payment of the outstanding amount plus relevant interest and penalties.

3.8 In addition to a foreign pension, I also have a second source of foreign income, and I pay my tax in Ireland through the PAYE system. What are the implications for me?

If an individual has a second source of foreign income apart from their foreign pension e.g. rental income from abroad, the individual must make a **complete disclosure of income for all years**, calculate the tax, Universal Social Charge (USC) and PRSI due and make a full payment of the outstanding amount plus relevant interest and penalties.

3.9 I have a foreign pension and owe tax on the pension. Can I claim anything against the tax due?

If tax has been charged on your pension and Ireland has a Double Taxation Agreement with that country, you will be given relief as provided for in the relevant double taxation agreement. A person may also have unclaimed tax credits like age tax credit or reliefs like claims for health expenses that can be claimed as far back as 2013.

More information on the taxation of foreign income for residents and non-residents is available at <http://www.revenue.ie/en/tax/it/leaflets/res1.html>.

4. QUALIFYING DISCLOSURE

4.1 What is a "qualifying disclosure", and how do I make one?

This is a type of disclosure. A taxpayer makes a qualifying disclosure by freely disclosing a tax default to Revenue, rather than Revenue discovering it through an audit or investigation.

If you meet the eligibility conditions, your disclosure will be treated as an "unprompted qualifying disclosure" as set out in the Code of Practice for Revenue Audit and other Compliance Interventions (the Code), which is available on the Revenue website at

<http://www.revenue.ie/en/practitioner/code-of-practice-revenue-audit.pdf>.

To make a disclosure you must complete a Disclosure Form, which you can submit online using the MyEnquiries facility. Further information on how to file your Disclosure Form is contained in Section 7. You should complete all sections of the Disclosure Form, including a computation of the tax, interest and penalty due, and a declaration that the disclosure is complete. Your Disclosure Form must be accompanied by your payment (see also section 8 "What if I can't pay the liabilities in full").

The Disclosure Form, along with an estimator to assist you in quantifying your liability, is available on the Revenue website at <http://www.revenue.ie/en/business/disclosure.html>.

4.2 Am I required to submit a notice of intention?

No, it is optional. Should you wish to do so it is available in MyEnquiries. Further information on how to make a submission is contained in Section 7. However filing a notice of intention will not allow you to extend the filing of your disclosure beyond 1 May 2017.

4.3 What benefits do I get from making a qualifying disclosure?

If you have undeclared tax liabilities, and you meet the eligibility criteria, you will receive the substantial benefits of a qualifying disclosure. These benefits include:

1. The penalty for underpaid tax may be substantially reduced: in most cases the penalty will be reduced to 10% of the tax due;
2. Your name and settlement details will not be published by Revenue in the quarterly list of tax defaulters. This list or parts of it are often included in the national press;
3. If the disclosure is valid, Revenue will not seek to initiate an investigation with a view to criminal prosecution.

You must pay the tax, interest and reduced penalty due.

4.4 What if I have liabilities that don't relate to offshore income or assets?

Chapter 3 of the Code explains in detail how to regularise all Tax and Duty Defaults and the Code is available on the Revenue website <http://www.revenue.ie/en/business/disclosure.html>.

You can also contact your District in relation to this. Details are available at <http://www.revenue.ie/en/contact/index.html>.

4.5 What if Revenue has already started an investigation or audit?

If there is an ongoing enquiry or investigation into matters the subject of your disclosure and you have been contacted by Revenue on those matters then you are not eligible to make a qualifying disclosure.

If there is an ongoing audit then you can make a qualifying disclosure as long as the audit does not relate to the offshore income/assets that would be the subject of your disclosure.

4.6 Can companies which held undeclared offshore accounts, assets or investments make a qualifying disclosure?

Yes, corporate holders of undeclared offshore accounts can make a qualifying disclosure.

4.7 What if a director of a closely held company holds an offshore account, asset or investment?

In such cases it may be difficult to determine whether the undeclared money was originally the company's money or the director's money. The most practical way to calculate the undeclared liabilities, including VAT, is to assume that the money and undeclared income belonged to the director, rather than the company, from the start. Any reasonable assumptions on this will not be challenged.

4.8 The person who held the offshore account is deceased. Can the executor or administrator make a qualifying disclosure?

Yes. If the account holder is deceased, the executor or administrator should make a qualifying disclosure and pay any liabilities in respect of which the executor or administrator is assessable in respect of the estate of the deceased. It should be noted that penalties do not arise where the account holder is deceased and consequently details of the settlement are not publishable.

In situations where an offshore account or other asset is not included in the estate of a deceased individual and the account/asset is inherited, you should contact Revenue to establish whether there are any outstanding tax liabilities.

5. DISCLOSURE FORM

5.1 What's the next step if I think I have a liability to disclose?

Having established that you have an outstanding tax liability, you must quantify the amount of tax, statutory interest and penalties due and submit a Disclosure Form to Revenue. This can be submitted online through MyEnquiries. Further information on how to submit your disclosure using MyEnquiries is contained in Section 7.

Depending on the nature of the liability, you may wish to consider obtaining independent advice.

5.2 Where will I find the Disclosure Form?

The Disclosure Form is contained the liabilities estimator provided by Revenue and can be found here: <http://www.revenue.ie/en/business/disclosure.html>.

5.3 What should the disclosure contain?

It should contain a completed Disclosure Form, including a declaration that the disclosure is complete, a tax, interest and penalty computation and payment.

5.4 What is involved in computing my liability?

There are four elements to the computation:

- the undeclared money;
- the tax and PRSI/levies/USC due on this money;
- the statutory interest due for late payment of the tax;
- a "tax-gearred" penalty.

5.5 Will I have to file tax returns?

Unless there are exceptional circumstances, you will not have to file tax returns when making a qualifying disclosure, regardless of whether or not you previously filed returns for a year when you failed to declare offshore assets. A tax computation, as outlined in section 5, will be acceptable.

6. TAX COMPUTATION

6.1 What is "undeclared money"?

The first thing to be determined is how much you have not previously declared for tax purposes. You must declare everything previously undeclared, not just the offshore element. Remember to include

any previously undeclared monies placed offshore, not just the interest or gains accumulated. If you are a shareholder in a non-Irish resident company or have settled money in a Trust which is administered by non-Irish resident Trustees, you may have a liability in relation to income or gains arising in such non-resident companies or Trusts.

6.2. No tax is due on the money I put offshore. How do I prove this?

You should retain all documentation that supports your claim that the funds placed offshore were either previously declared for tax purposes or are exempt from tax. You may be asked at some future stage to forward that information to Revenue.

6.3 What if I can't get full information about how much money I did not declare?

Where records are not available for earlier periods, estimates which can be shown to be best estimates based on reasonable assumptions should be used to calculate your liabilities. Provided reasonable assumptions are used in the calculations, problems should not arise in the course of any future enquiries by a Revenue official.

Calculation errors which are not significant will not invalidate the qualifying disclosure.

6.4 Am I entitled to any deductions in calculating this undeclared money?

In calculating the undeclared income, gains, gifts or inheritances, you can claim deductions permitted under the Taxes Consolidation Act 1997, the Value Added Tax Consolidation Act 2010, the Stamp Duty Consolidation Act 1999, or the Capital Acquisitions Tax Consolidation Act 2003, as appropriate, but you will have to show you are entitled to make these deductions and that you have not claimed them previously.

6.5 Do I get a credit for withholding tax deducted from interest earned offshore?

You are entitled to a credit for European Union Saving Directive (EUSD) withholding tax if it was applied to your account. However, only a small number of countries opted to deduct EUSD withholding tax. Credit may be allowed for other withholding tax deducted at source depending on the jurisdiction involved - <http://www.revenue.ie/en/practitioner/law/tax-treaties.html>.

6.6 Do I only pay tax at the standard rate on foreign deposit interest?

No. You may be liable to tax (plus PRSI, levies and USC, if appropriate) at your marginal rate on the income. In other words, if you paid tax at the higher rate in a year when you had foreign deposit interest, you pay tax on that income at the higher rate. If you paid tax at the standard rate in a particular year, you will pay tax at that rate on the foreign deposit interest until your income exceeds the threshold for that rate band.

6.7 I have always been a PAYE taxpayer, but I opened a foreign account and did not declare the interest earned on that account to Revenue. How do I work out what I owe?

You will have to establish your income in all years when you earned interest on the foreign account - that should be available on your P60. If you do not have your P60 for the year or years in question, you should ask your employer. Details of your income for the last four tax years are also available on PAYE Anytime. The rate of tax that applies to the interest earned on the foreign account will depend on your income and allowances and/or credits in those years.

6.8 Will Revenue calculate my liabilities for me?

No. To be a qualifying disclosure, the person making the disclosure must provide a full computation of tax, interest and penalty. A liabilities estimator is available at <http://www.revenue.ie/en/business/disclosure.html> to assist you in your calculations.

You may wish to obtain independent advice before calculating these liabilities. Revenue staff will provide assistance and information where possible but cannot calculate your liability for you.

6.9 How to calculate your Income Tax liabilities

After quantifying the undeclared income, you then calculate the tax, PRSI, levies and USC due.

Undeclared income will be subject to Income Tax, PRSI, levies and possibly USC. If you paid tax at the higher rate in years where you had undeclared income, you will be liable to pay tax at the high rate. If you paid tax at the standard rate in a particular year, you will pay tax at that rate on the foreign undeclared income until your income exceeds the relevant threshold and will be liable to pay the higher rate on the balance of the undeclared income.

PAYE taxpayers must pay PRSI on 'reckonable earnings'. Foreign income was not within the definition of 'reckonable earnings' in the Social Welfare (Consolidation) Act 2005 up to and including the tax year ended 31 December 2013, and was therefore not subject to PRSI for PAYE employees. With effect from 1 January 2014, this income is now subject to PRSI as long as the individual is a 'chargeable person' for Income tax purposes. A 'chargeable person' does not include a PAYE taxpayer (i) who does not have other income or (ii) who has an element of other insignificant income that is fully taxed through the Revenue Commissioners PAYE system.

Self employed taxpayers are liable to pay PRSI on all income.

The Income Levy was introduced in 2009 and the Universal Social Charge in 2011. To simplify the calculation process, Revenue has selected an Income Levy rate which applies to income exceeding €75,036 and a USC rate for total income less than €100,000 in our liabilities estimator. If your total income exceeds these thresholds you can still use the estimator. If however your income is below these thresholds you can choose to calculate your liabilities based on the Income Levy and USC rates which actually applied to you.

6.10 How do I use the liabilities estimator for Higher Rate PAYE Taxpayers and Self Employed

Insert your undeclared income for each tax year in the box provided in the liabilities estimator and the tax, PRSI, Levies, USC, interest and penalties due will be calculated automatically.

6.11 Calculations for Lower Rate PAYE and Self Employed

Add up all your income for a particular year and calculate the tax due on your income allowing for tax credits. Deduct the tax you have already paid and calculate interest and penalties due.

The figures for each tax year should be inserted on the Disclosure Form.

6.12 How do I use the liabilities estimator for Undeclared VAT and CGT

The liabilities estimator will only calculate the statutory interest and penalties due. When you have calculated the VAT/CGT due the figures can be input into the appropriate boxes in the estimator.

6.13 Other Taxes

The liabilities estimators provided refer to Income Tax for higher rate PAYE taxpayers and the self employed VAT and CGT only. You may have liabilities arising under other taxheads which should be calculated as appropriate, and the figures for each tax year inserted on the summary sheet in the Disclosure Form.

6.14 Do I have to use the liabilities estimator / forms supplied by Revenue?

No, you do not have to use the Revenue supplied form. However you do have to provide the same details i.e.

- A statement of the amounts giving rise to any liability including a calculation of all Tax (e.g. Income Tax, Value Added Tax, Capital Gains Tax, Capital Acquisitions Tax or any other tax under Revenue's care and management), Duties, PRSI, levies and USC which are outstanding, and
- A calculation of statutory interest and penalties (in accordance with the Code - <http://www.revenue.ie/en/practitioner/code-of-practice-revenue-audit.pdf>).

You should also include the background material as described in the Disclosure Form <http://www.revenue.ie/en/business/disclosure.html>

7. INTEREST AND PENALTIES COMPUTATION

7.1 What is "statutory interest"?

Statutory interest is charged for late payment of tax, PRSI, levies and USC. Statutory interest runs from the original due date for payment to the date the tax is paid. For Income Tax, payment is due by the preliminary tax date; different dates apply to the other taxes. The statutory interest is a

percentage of the tax, PRSI, levies and USC underpaid. It is currently charged at a rate of 0.0219% per day.

7.2 What is the penalty payable?

Generally the penalty payable is a percentage of the additional tax, PRSI, levies and USC due.

The Code (www.revenue.ie/en/practitioner/code-of-practice-revenue-audit.pdf) sets out the three categories of tax default which will attract a penalty: “**careless behaviour without significant consequences**”, “**careless behaviour with significant consequences**” and “**deliberate behaviour**”. (These categories relate only to the position subsequent to Finance (No.2) Act 2008. Please refer to the Code for the categories prior to that Act).

Revenue considers that the concealment of foreign income and assets is “deliberate behaviour” - it is difficult to see how a taxpayer might lodge undeclared money in a foreign account purely through carelessness, rather than with the intent to evade tax. If you meet the eligibility criteria to make a qualifying disclosure and you do so within the relevant deadlines and co-operate with Revenue, for periods ending after 5 April 1991 the penalty can be reduced to 10% of the tax due.

However, if you or your advisor considers that another penalty category may apply in particular circumstances, you may make a case to that effect, referring specifically to the terms of the Code.

If the tax default arose in a period ending on or before 5 April 1991 - that is, up to the tax year 1990/91 - by law, the penalty for underpaid tax cannot be reduced. In those periods, therefore, the penalty is 100% of the tax due.

7.3 If I use Revenue’s estimator will the computations be accepted?

Yes. The estimator charges the top rate of income tax applicable to each year and also includes PRSI, levies and USC where appropriate. In relation to the Income Levy and USC these have been fixed at certain rates and you can use these rates and if the rate is lower than the actual rate applicable to you, you can still use the estimator.

7.4 How do I work out the total amount due?

If you use one of the estimators provided by Revenue the total amount due will automatically be calculated for you. Otherwise the total amount due is calculated by adding all taxes, PRSI, levies, USC to the statutory interest and penalties due.

8. FILING A DISCLOSURE

8.1 Where do I find the Disclosure Form and Estimator?

These are available here <http://www.revenue.ie/en/business/disclosure.html>.

8.2 How do I File my Disclosure Form?

Customers can file their Disclosure Form and documentation online using the MyEnquiries contact facility on the Revenue website.

8.3 What documentation should I include with my Disclosure Form?

Customers should include the full calculations to support the disclosure. If further documentation is required Revenue will contact you.

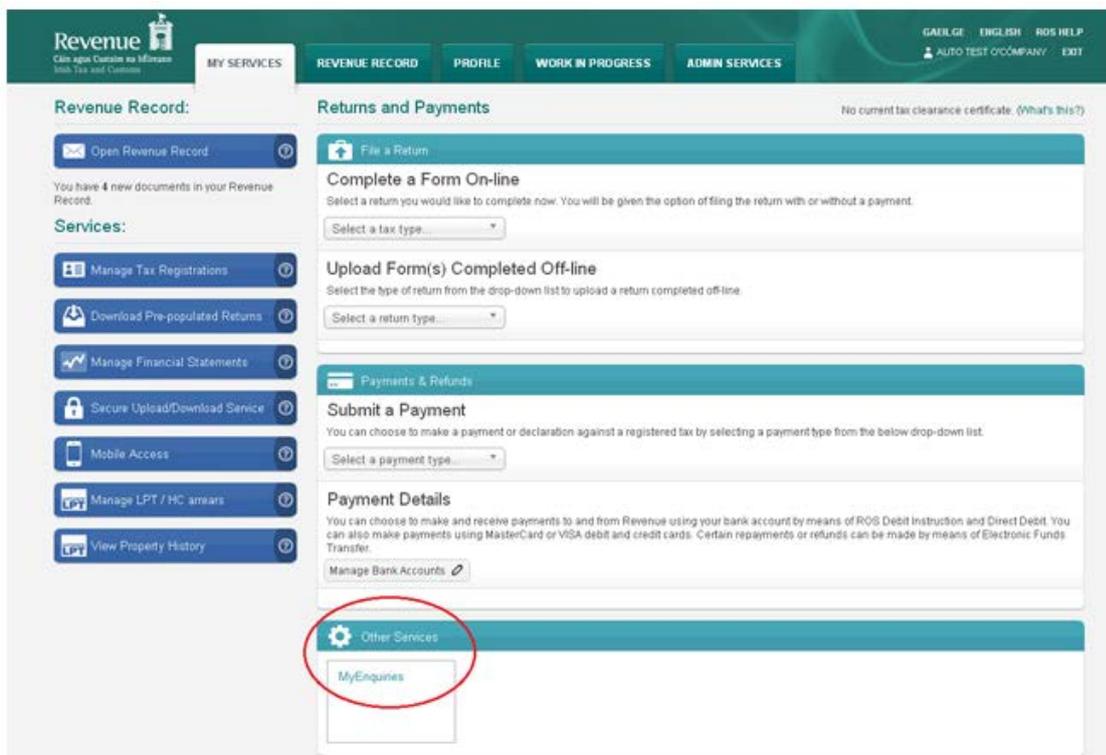
8.4 What is MyEnquiries?

MyEnquiries is an online contact facility that allows taxpayers to securely send and receive correspondence to and from Revenue.

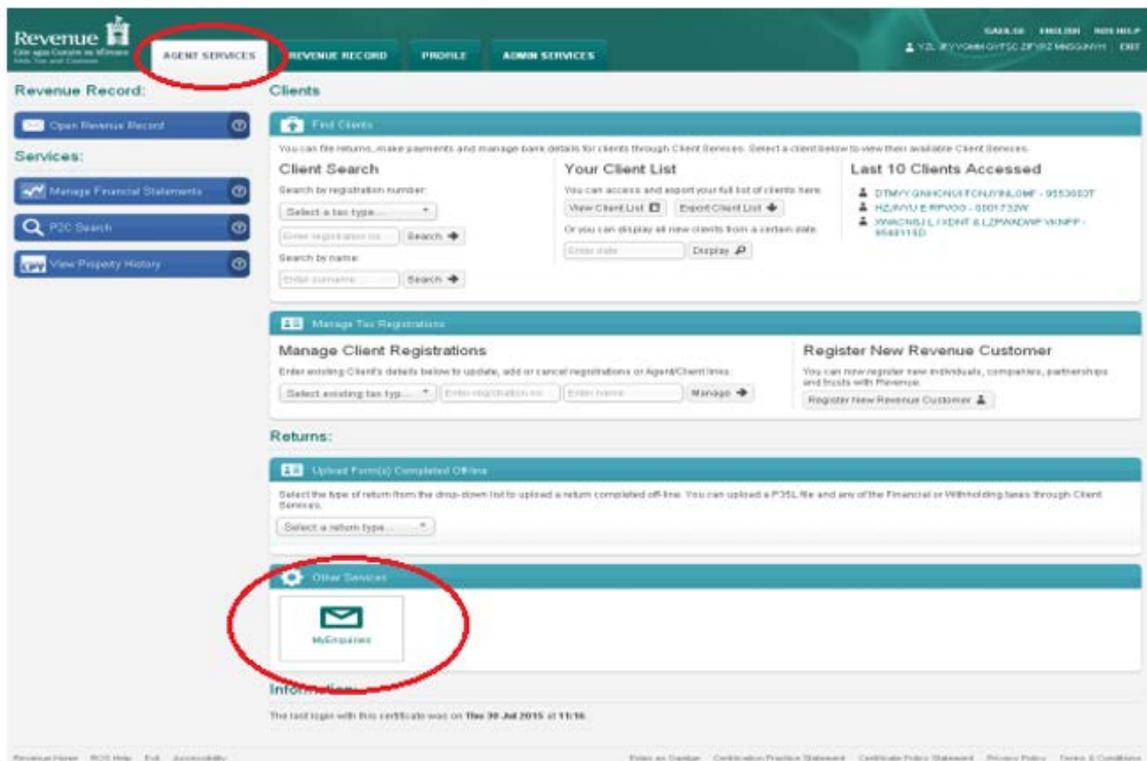
8.5 How do I access MyEnquiries?

Taxpayers who have a ROS digital certificate can access MyEnquiries via ROS.

The link to MyEnquiries can be found under the "My Services" tab in the "Other Services" section.

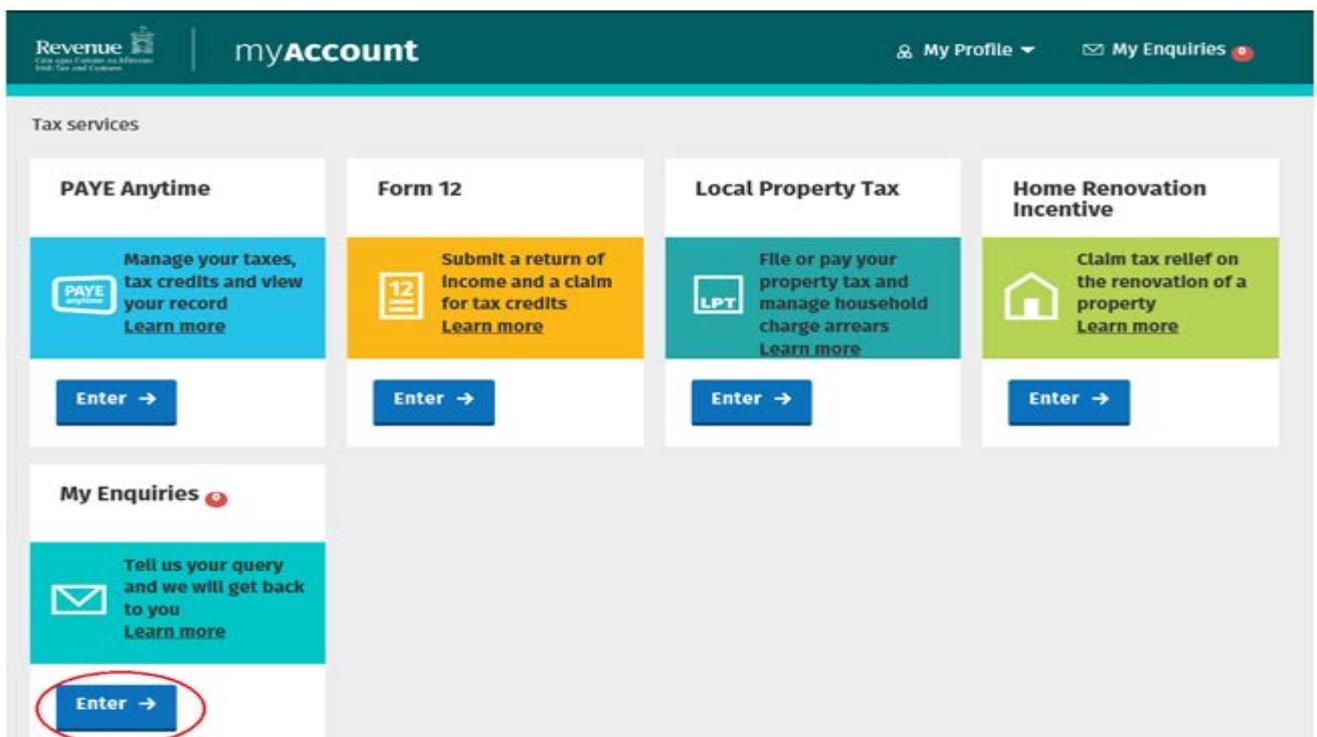


For agents, the MyEnquiries link can be found under the "Agent Services" tab in the "Other Services" section.



Taxpayers who do not have a ROS registration can access MyEnquiries via myAccount.

The MyEnquiries icon can be found at the bottom of the myAccount Homepage.



8.6 What is myAccount and how do I register?

myAccount is a single access point, with a single login and password, for a number of Revenue's online services including filing this disclosure.

Taxpayers who have registered for PAYE Anytime are able to login to myAccount using their existing PAYE Anytime PIN.

If you do not have a MyAccount, registration can be done on the Revenue website at <https://www.ros.ie/myaccount-web/register.html>.

8.7 What information do I need to register for myAccount?

In order to register for myAccount you must provide the following information:

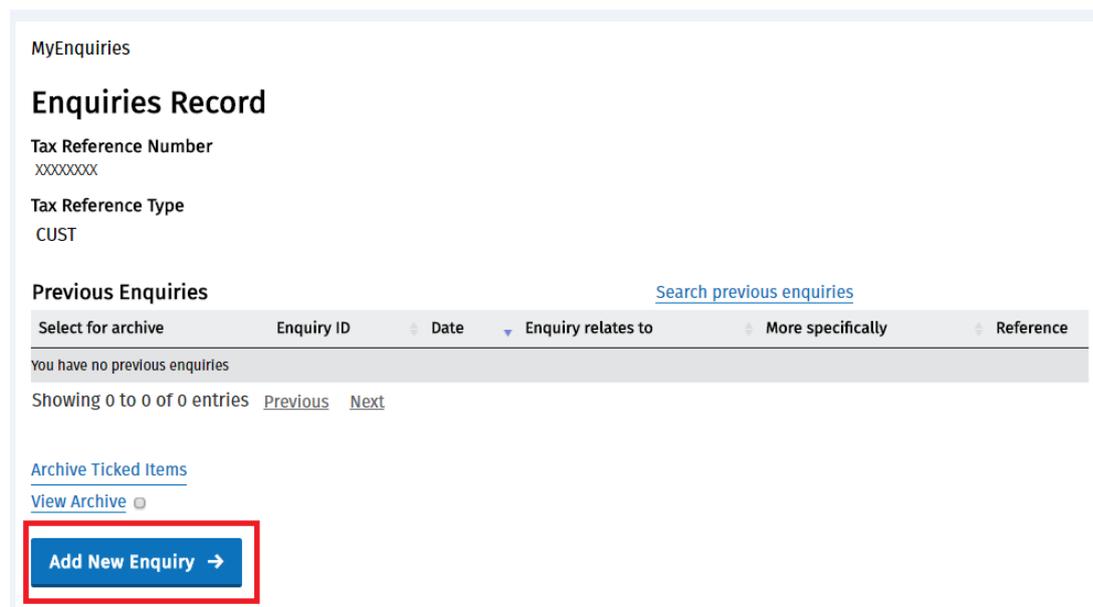
- Tax reference number or PPS number;
- Mobile number or landline number;
- Email address;
- Home address.

To gain instant access to myAccount, you can verify your identity with 2 of the following documents:

- Irish driving licence number;
- Information from your P60;
- Information from your Income Tax notice of assessment or acknowledgement of self assessment.

8.8 How do I file my Disclosure Form in MyEnquiries?

Disclosure Forms should be submitted by clicking the "Add New Enquiry" button on the MyEnquiries homepage.



The screenshot displays the MyEnquiries interface. At the top, it says "MyEnquiries" and "Enquiries Record". Below this, there are fields for "Tax Reference Number" (displayed as "XXXXXXXX") and "Tax Reference Type" (displayed as "CUST"). A section titled "Previous Enquiries" includes a "Search previous enquiries" link and a table with columns: "Select for archive", "Enquiry ID", "Date", "Enquiry relates to", "More specifically", and "Reference". The table content shows "You have no previous enquiries". Below the table, it says "Showing 0 to 0 of 0 entries" with "Previous" and "Next" links. At the bottom, there is a link for "Archive Ticked Items" and a "View Archive" button. A prominent blue button labeled "Add New Enquiry" with a right-pointing arrow is highlighted with a red rectangular box.

This will bring up the “Add a New Enquiry” screen. Once you have entered the “Add a new enquiry” screen, select the “Foreign Income and Assets Disclosure” option from the “Enquiry relates to” menu. You should then select “Disclosure Form” from the “More specifically” menu. Upon selection of the “Disclosure Form” option, attach your completed Disclosure Form using the “choose file” button located under the “Attach supporting documentation” heading at the bottom of the page. Once you have completed all of the relevant fields, you should click on the “Submit enquiry” button to complete your submission. Please note that you will **not** receive an email confirmation of your submission, however you will be able to view the submission in MyEnquiries.

[← Back](#) **Add a new enquiry**

Tax reference number

XXXXXXXX

Tax reference type

CUST

Enquiry relates to * ⓘ
Foreign Income & Assets [v]

More specifically * ⓘ
Disclosure Form [v]

My reference (optional)

You can add your own personal reference number

For attention of (optional)

Email addresses for your local Revenue office, the Collector General's and other Revenue offices can be found on our website [via the Contact Locator](#)

Enquiry details

Please enter further detail about your enquiry (up to 2,000 characters)

Please provide an email address below. Note your address will only be used to notify you when there has been activity on your enquiry.

Email Address

Test@test.com

Confirm email address

Test@test.com

Attach supporting information *
[▶ What file types can I attach?](#)
Choose file | No file chosen



Submit enquiry →

8.9 How do I submit a notice of intention online?

Where you wish to submit a notice of intention, you should do so via MyEnquiries. This can be done by selecting the “Add a new enquiry” option (as shown in question 7.8) from the MyEnquiries homepage. When you enter the “Add a new enquiry” screen, select the “Foreign Income and Assets Disclosure” option from the “My Enquiry Relates To” menu and “Notice of Intention to make a qualifying disclosure” from “More specifically” menu as shown below. When you select these options, the “Enquiry details” box will be pre-populated with the notice of intention text as shown below and to complete your submission select the “submit enquiry” button. Taxpayers should note that filing a notice of intention will not allow you to extend the filing of your disclosure beyond 1 May 2017.

[← Back](#) **Add a new enquiry**

Tax reference number
XXXXXXXX

Tax reference type
CUST

Enquiry relates to * ⓘ
Foreign Income & Assets [v]

More specifically * ⓘ
Notice of Intention to make a qualifying disclosure [v]

My reference (optional)
You can add your own personal reference number

For attention of (optional)
Email addresses for your local Revenue office, the Collector General's and other Revenue offices can be found on our website [via the Contact Locator](#)

Enquiry details

I hereby notify the Revenue Commissioners of my intention to make a Qualifying Disclosure.

I undertake to deliver the disclosure and pay the tax and interest within 60 days.

Please provide an email address below. Note your address will only be used to notify you when there has been activity on your enquiry.

Email Address
Test@test.com

Confirm email address
Test@test.com

Submit enquiry →

8.10 I have submitted a disclosure online, how do I make an enquiry regarding my submission?

Taxpayers can also submit general enquiries relating to a disclosure via MyEnquiries.

Select the “Add a new enquiry” from the MyEnquiries homepage (As shown in question 7.8). When you enter the “Add a new enquiry” screen, select the “Foreign Income and Assets Disclosure” option from the “Enquiry relates to” menu and “General Correspondence” from “More specifically” menu. The details of your enquiry should then be entered into the “Enquiry details” box and submitted using the “submit enquiry” button. The relevant options are illustrated below.

[← Back](#) **Add a new enquiry**

Tax reference number
XXXXXXXX

Tax reference type
CUST

Enquiry relates to * ⓘ
Foreign Income & Assets [v]

More specifically * ⓘ
General Correspondence v

My reference (optional)
You can add your own personal reference number

For attention of (optional)
Email addresses for your local Revenue office, the Collector General's and other Revenue offices can be found on our website [via the Contact Locator](#)

Enquiry details
Please enter further detail about your enquiry (up to 2,000 characters)

Please provide an email address below. Note your address will only be used to notify you when there has been activity on your enquiry.

Email Address
Test@test.com

Confirm email address
Test@test.com

Attach supporting information
[▶ What file types can I attach?](#)
 No file chosen

+

8.11 I can't file my Disclosure Form online, where can I send my Disclosure Form?

If you cannot complete your disclosure online, completed Disclosure Form and payment can be sent to the address below;

Office of the Revenue Commissioners,
Offshore Assets Group,
Ashtown Gate,
Navan Road,
Dublin 15,
D15 XKP4.

9. PAYMENT OPTIONS

9.1. How do I pay?

Liabilities relating to disclosures can be paid using Revenue’s online payment facilities. Customers with a ROS certificate should make their payments using ROS. Customers who do not have a ROS certificate can make their payment using MyAccount.

9.2 How can I make a payment on ROS?

Select the “Returns and Payments” tab on the ROS homepage. When you enter the “Returns and Payments” screen, select the “Foreign Income and Assets Disclosure” option from the “Submit a Payment”

Menu.

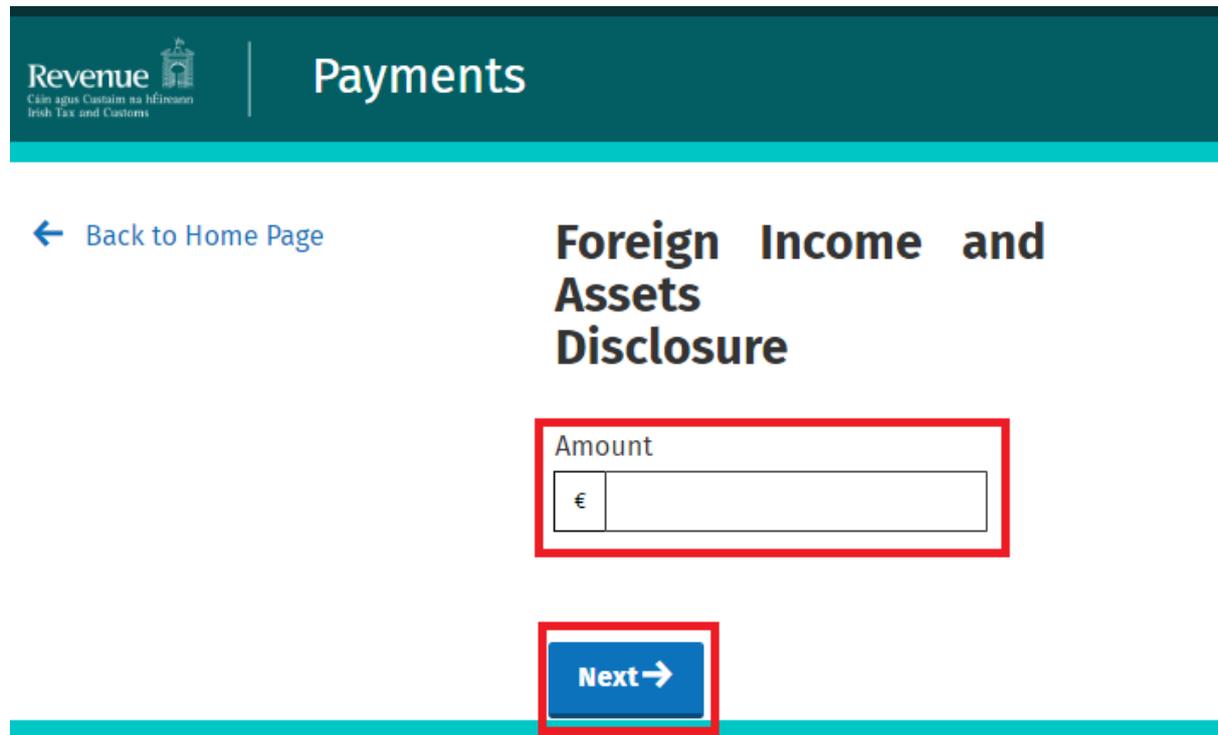
The screenshot displays the 'Returns and Payments' section of the ROS website. At the top right, it indicates 'Tax Clearance Issued.' The main content is divided into two primary sections: 'Complete a Form On-line' and 'Submit a Payment'.

Complete a Form On-line: This section allows users to select a return to complete. It includes radio buttons for 'Tax Registrations' (selected) and 'Reporting Obligations'. Below this is a dropdown menu labeled 'Select a tax type...'. The 'Upload Form(s) Completed Off-line' section below it has a similar dropdown for 'Select a return type...'. Both sections include instructions on how to proceed.

Submit a Payment: This section is titled 'Submit a Payment' and includes the instruction: 'You can choose to make a payment or declaration against a registered tax by selecting a payment type from the below drop-down list.' A dropdown menu is open, showing the following options: 'Tax Payment/Declaration', 'Interest Payment', 'Penalty Payment', 'Attachment', 'Audit', and 'Foreign Income and Assets Disclosure'. The 'Foreign Income and Assets Disclosure' option is highlighted with a red box. Below the dropdown, there is a brief explanation of payment methods: 'payments to and from Revenue using your bank account by means of ROS Debit Instruction and Direct Debit. You can also make payments using cards. Certain repayments or refunds can be made by means of Electronic Funds Transfer.'

At the bottom of the page, there is a navigation bar with six icons and their corresponding labels: 'Jobs and Pensions', 'MyEnquiries', 'Drivers & Passengers with Disabilities', 'VRT Certificate of Conformity', 'e-Repayment Claims', and 'Help to Buy Applicant'.

In the “Payments” screen enter the payment amount in the box entitled “Amount” and select the “Next” button.



The screenshot shows the Revenue Payments interface. At the top left is the Revenue logo with the text 'Cáin agus Cúistiam na hÉireann' and 'Irish Tax and Customs'. To the right of the logo is the word 'Payments' in a large, bold font. Below the logo, there is a blue link that says '← Back to Home Page'. The main heading of the page is 'Foreign Income and Assets Disclosure'. Below this heading is a form field labeled 'Amount'. The form field has a small box on the left containing the Euro symbol '€' and a larger empty box for entering the amount. Below the form field is a blue button with the text 'Next →'. The entire page has a teal header and footer.

You will be presented with a “payments method” screen and should select the payment method you wish to use. You also have the option of providing an email address to which a payment confirmation will be sent. Once you have made your payment method selection and entered your email details (if required), select the “next” button to continue.

[← Back to My Services](#)

How would you like to pay?

Total Payment Amount €250.00

By Credit card

By Debit card

Using my bank account

▶ [How do I pay using my bank account?](#)

If you wish to receive a confirmation email please enter your email address below

Next →

[← Back](#)

You should enter your payment details in the relevant boxes on the “How would you like to pay?” screen. When you have entered all of the details, select the “Next” button to complete the payment.

How would you like to pay?

Total Payment Amount €250.00

By Credit card

By Debit card

Using my bank account

BIC

IBAN

Please debit my account with the single amount specified.

By signing this mandate form, you authorise (A) the Revenue Commissioners to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from The Revenue Commissioners

As part of your rights, you are entitled to a refund from your bank under the terms and conditions of your agreement with your bank. A refund must be claimed within 8 weeks starting from the date on which your account was debited. Your rights are explained in a statement that you can obtain from your bank.

▶ [How do I pay using my bank account?](#)

A confirmation mail will be sent to the below address.

You can remove it if you do not want confirmation or change it to a different email address.

Next →

[← Back](#)

When the payment is complete, a payment confirmation screen will appear which contains a payment reference number. Taxpayers are advised to take note of this number for their records.

Payments

Your payment has been submitted

Your Payment Reference number is 4480878337

Done →

9.3 How can I make a payment on MyAccount?

Select the “Payments” option on the MyAccount homepage.

Tax services

<p>PAYE Services</p> <p>Employees and Pension Recipients: manage your tax record, claim credits, declare income, claim refunds, submit a return and register your new job or pension. Learn more</p> <p>Manage your tax 2017 Add Job or Pension Review your tax 2013-2016 (including Form 12) PAYE Anytime</p>	<p>Tax Clearance</p> <p>Apply for Tax Clearance assessment Learn more</p> <p>Enter →</p>	<p>Payments</p> <p>All your payments to Revenue in one place View Payments history Learn more</p> <p>Pay now →</p>	
<p>Tax Registrations</p> <p>Manage your tax Registrations Learn more</p> <p>Enter →</p>	<p>Drivers & Passengers with Disabilities</p> <p>Apply for Tax Relief on adapted vehicles and claim Fuel Grant Learn more</p> <p>Enter →</p>	<p>VRT Certificate of Conformity</p> <p>Upload a VRT Certificate of Conformity Learn more</p> <p>Enter →</p>	<p>Help To Buy</p> <p>View or Start Your Help To Buy Application Learn more</p> <p>Enter →</p>
<p>My Enquiries</p> <p>Tell us your query and we will get back to you Learn more</p> <p>Enter →</p>	<p>Receipts tracker</p> <p>Record and manage receipts for your expenses from 2016 onwards Learn more</p> <p>Enter →</p>		

Select the “Foreign Assets and Disclosure” option on the Payments screen and click on the “Next” button to continue.

Revenue
Cúin agus Cúistín na hÉireann
High Tax and Centres

Payments

[← Back to Home Page](#)

What type of payment are you making?

- Tax
- Interest
- Penalty
- Attachment
- Audit
- Foreign Income and Assets Disclosure

[I'm unsure what type of payment I am making.](#)

Next →

In the “Payments” screen enter the payment amount in the box entitled “Amount” and select the “Next” button.

The screenshot shows the Revenue Payments interface. At the top left is the Revenue logo with the text 'Cáin agus Cúistiam na hÉireann' and 'Irish Tax and Customs'. To the right of the logo is the word 'Payments' in a large, bold font. Below the logo is a blue link with a left-pointing arrow labeled 'Back to Home Page'. The main heading is 'Foreign Income and Assets Disclosure'. Below this heading is a form field labeled 'Amount' with a red border. The form field contains a small box with the Euro symbol '€' and a larger empty input box. Below the form field is a blue button with a white right-pointing arrow and the text 'Next', also with a red border.

You will be presented with a “payments method” screen and should select the payment method you wish to use. You also have the option of providing an email address to which a payment confirmation will be sent. Once you have made your payment method selection and entered your email details (if required), select the “Next” button to continue.

[← Back to My Services](#)

How would you like to pay?

Total Payment Amount €250.00

By Credit card

By Debit card

Using my bank account

▶ [How do I pay using my bank account?](#)

If you wish to receive a confirmation email please enter your email address below

Next →

[← Back](#)

You should enter your payment details in the relevant boxes on the “How would you like to pay?” screen. When you have entered all of the details, select the “Next” button to complete the payment.

How would you like to pay?

Total Payment Amount €250.00

By Credit card

By Debit card

Using my bank account

BIC

IBAN

Please debit my account with the single amount specified.

By signing this mandate form, you authorise (A) the Revenue Commissioners to send instructions to your bank to debit your account and (B) your bank to debit your account in accordance with the instructions from The Revenue Commissioners

As part of your rights, you are entitled to a refund from your bank under the terms and conditions of your agreement with your bank. A refund must be claimed within 8 weeks starting from the date on which your account was debited. Your rights are explained in a statement that you can obtain from your bank.

► [How do I pay using my bank account?](#)

A confirmation mail will be sent to the below address.

You can remove it if you do not want confirmation or change it to a different email address.

Next →

← Back

When the payment is complete, a payment confirmation screen will appear which contains a payment reference number. Taxpayers are advised to take note of this number for their records.

Payments

Your payment has been submitted

Your Payment Reference number is 4480878337

Done →

9.4 Some of my offshore accounts are not in Euro. What currency should I use when calculating my liability?

The liability should be calculated in Euro. Please convert from the foreign currency into Euro.

Conversion rates for the major currencies are available on [Central Banks exchange rate homepage](#).

9.5 What if I can't pay the liability in full?

If Revenue is satisfied that you cannot pay the liabilities in full at the time of making the disclosure, a phased payment arrangement may be considered.

If you wish to request a phased payment arrangement you must

- make a full disclosure on the Disclosure Form, and
- give a full account of your circumstances, including all your assets and liabilities.

You should also make a payment on account i.e. pay a substantial portion of your liability. If the amount is equal to or greater than the tax due then the amount of statutory interest will be fixed at the date the payment is received. If you do not make a payment on account, or if the payment is less than the tax due, statutory interest will continue to be charged on the balance outstanding on a daily basis until the tax is paid in full. You should explore options for paying the balance of outstanding liabilities.

Where a taxpayer fails to honour a phased payment arrangement, and Revenue are satisfied that the disclosure and intention to pay were not made in good faith, the disclosure will be deemed not to be a qualifying disclosure. Revenue reserves the right to initiate an investigation with a view to a criminal prosecution in such cases.

10. AFTER MAKING A DISCLOSURE

10.1 What happens once I submit my Disclosure Form?

The Disclosure Form will be examined for accuracy. A Revenue official may contact you or your advisor (if applicable) with queries.

If your disclosure is accepted as a qualifying disclosure you will receive written confirmation from Revenue.

10.2 What if I've made a mistake in my disclosure, or if I've understated the tax, interest and penalty due?

If it is accepted that you unintentionally understated the amount payable, you will be liable to pay the balance - the additional tax, statutory interest and penalty. The rates of statutory interest and penalty will stay the same, but the amounts will be higher because they will be based on a higher amount of tax. However you will still receive the benefits of making a qualifying disclosure.

If Revenue forms the view that the understatement was intentional, then the benefits associated with making a qualifying disclosure may no longer apply.

11. DISCLOSURES AFTER 1 MAY 2017

11.1 What if I have both liabilities from defaults arising within the State together with liabilities relating to offshore matters?

From 1 May 2017, if a taxpayer makes a qualifying disclosure of a purely onshore default and the person had offshore matters which Revenue are aware of or become aware of and which have not been disclosed, the disclosure shall not be a qualifying disclosure.

However, if the “offshore matters” do not result in a default that:

- gives rise to a penalty that exceeds the penalty applicable where the default was careless in nature rather than deliberate, i.e. 15%,
- the default was without “significant consequences” i.e. the underpayment did not exceed 15% of the total tax due in relation to a return,
- and the person co-operated fully with any Revenue investigation

that person will still be in a position to apply for the benefits of a qualifying disclosure.

11.2 When is a tax default considered to have “significant consequences” in the context of penalty categories?

“Significant Consequences” is deemed to be where the tax underpaid exceeds 15% of the tax correctly payable.

The penalty is associated with an individual return, and so where the underpayment in respect of any individual return exceeds 15% of the tax correctly due in respect of that return, the default is considered to be in the category of “with significant consequences”.

11.3 What if I identify a minor error relating to offshore matters after 1 May 2017?

The Code states that where the aggregate amount of a person’s tax or duty default is less than €6,000, and the default is not in the deliberate behaviour category, the default shall not render that person liable to a penalty.

If a taxpayer brings a default relating to Offshore Matters that falls into this category to Revenue’s attention after 1 May 2017, and corrects the error, the correction will be accepted without the application of a penalty.

11.4 I made a disclosure in 2010 that related to offshore matters. Does this disclosure exclude me from making a qualifying disclosure relating to liabilities in the State in future?

No. As long as your previous disclosure dealt with all offshore matters at that time, you would still be able, after 1 May 2017, to make a qualifying disclosure relating to liabilities in the State.

12. CONTACT DETAILS

12.1 Who do I contact if I have any questions?

You can ring the helpline on 01-8277500, email offshore@revenue.ie or write to:

Office of the Revenue Commissioners,
Offshore Assets Group,
Ashtown Gate,
Navan Road,
Dublin 15,
D15 XKP4.

13. TRACK CHANGES

FAQ 2.4 amended on 21.04.2017