



STATUTORY INSTRUMENTS.

S.I. No. 510 of 2018



UNIVERSAL SOCIAL CHARGE REGULATIONS 2018

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The Revenue Commissioners, in exercise of the powers conferred on them under section 531AAB of the Taxes Consolidation Act 1997 (No. 39 of 1997), hereby make the following Regulations:

Citation and commencement

1. (1) These Regulations may be cited as the Universal Social Charge Regulations 2018.

(2) These Regulations shall come into operation on 1 January 2019 in respect of any payment of relevant emoluments made on or after 1 January 2019.

Interpretation

2. (1) In these Regulations, except where the context otherwise requires—

“the Act” means the Taxes Consolidation Act 1997 (No. 39 of 1997);

“authorised officer” means an officer of the Revenue Commissioners authorised by them for the purposes of the Income Tax Regulations;

“Collector-General” means the Collector-General appointed under section 851 of the Act;

“cumulative relevant emoluments”, in relation to an employment of an employee and any date, means the total of—

(a) all payments of relevant emoluments made to the employee by the employer from the beginning of the USC year up to and including that date, and

(b) any relevant emoluments notified to the employer in a revenue payroll notification;

“cumulative USC”, in relation to an employment of an employee and any date, means the total amount of USC due at each of the rates from the beginning of the USC year up to and including that date;

“due date”, in relation to a month, means—

(a) the day that is 15 days from the last day of the month, or

(b) the day that is 24 days from the last day of the month where the following conditions are met:

Notice of the making of this Statutory Instrument was published in “Iris Oifigiúil” of 7th December, 2018.

- (i) the return and the remittance of the amount of USC due for the month are made by such electronic means as the Revenue Commissioners require;
- (ii) the return is made by the return filing date and the remittance concerned is made on or before the day that is 24 days from the last day of the month;

“electronic means” has the same meaning as in section 917EA of the Act;

“employee” means any person in receipt of relevant emoluments;

“employer” means any person paying relevant emoluments;

“Income Tax Regulations” means the Income Tax (Employments) Regulations 2018 (S.I. No. 345 of 2018);

“notional payment”, in relation to an employee who is in receipt of relevant emoluments in the form of—

- (a) perquisites and profits that are chargeable to USC by virtue of those perquisites and profits being chargeable to income tax under section 112 of the Act, or
- (b) the benefit of the private use of a car or a van that is chargeable to USC by virtue of the benefit of that use being chargeable to income tax under section 121 or 121A, as the case may be, of the Act,

means an amount equal to the amount that, on the basis of the best estimate that can reasonably be made, is the amount of relevant emoluments likely to be chargeable to USC in respect of the relevant emoluments referred to in subparagraph (a) or (b);

“personal public service number” has the same meaning as in section 262 of the Social Welfare Consolidation Act 2005 (No. 26 of 2005);

“rate” means any of the rates of USC specified in section 531AN of the Act;

“rate cut-off point”, in relation to an employee and a rate, means the amount in respect of such employee and such rate determined by the Revenue Commissioners and included on a revenue payroll notification;

“relevant emoluments” shall be construed in accordance with paragraph (a) of the Table to section 531AM(1) of the Act;

“relevant income” shall be construed in accordance with paragraph (b) of the Table to section 531AM(1) of the Act;

“return filing date” means, in relation to a month, the day that is 15 days from the last day of the month;

“Revenue officer” means an officer of the Revenue Commissioners;

“revenue payroll notification” means, in relation to an employment, the latest notification that—

- (a) is issued by or made available by the Revenue Commissioners to an employer in respect of an employee, and
- (b) contains information relating to the calculation and deduction of USC for the year in which relevant emoluments are paid;

“universal social charge” has the meaning assigned to it by section 531AM of the Act;

“USC” means universal social charge;

“USC year” means a year of assessment for the purposes of the Income Tax Acts.

(2) In these Regulations, except where the context otherwise requires—

- (a) references to a payment of relevant emoluments shall include references to notional payments in respect of relevant emoluments,
- (b) references to USC deducted or to be deducted, or to a requirement to deduct USC from a payment of relevant emoluments, include references to USC remitted or to be remitted, or a requirement to remit USC in respect of notional payments,
- (c) in relation to the period in respect of which relevant emoluments are paid, references to a week include references to a fortnight, 4 weeks, a month or any other longer interval or irregular interval at which relevant emoluments are paid, and
- (d) references to any document, including a certificate, notice, notification, form or return, authorised or required to be sent or given under these Regulations, include references to such a document otherwise made available or caused to be so sent, given or made available.

Intermediate employers

3. (1) Where an employee works under the general control and management of a person (in this Regulation referred to as the “principal employer”) who is not his or her immediate employer, that person shall be deemed to be the employer of the employee for the purposes of these Regulations, and the immediate employer shall give the principal employer such particulars of the employee’s relevant emoluments as may be necessary to enable the principal employer to comply with these Regulations.

(2) If the employee’s relevant emoluments are actually paid to him or her by the immediate employer—

- (a) the immediate employer shall be notified by the principal employer of the amount of USC to be deducted or repaid when the relevant emoluments are paid to the employee, and shall deduct or repay accordingly the amount so notified, and
- (b) the principal employer shall make a corresponding deduction or addition on making to the immediate employer the payment out of which the relevant emoluments are to be paid.

Liability for payment of deduction and entitlement to payment of repayment

4. Persons who are required to make any deduction or repayment of USC under these Regulations shall, in the case of a deduction (whether or not made), be accountable for the amount of USC, and be liable to pay that amount, to the Revenue Commissioners and shall, in the case of a repayment, be entitled, if it has been made, to be paid it, or given credit for it, by the Revenue Commissioners.

Authorisation of functions

5. Anything to be done by or under these Regulations by the Revenue Commissioners may be done by any Revenue officer or through such electronic systems as the Revenue Commissioners may put in place for the time being for such purpose.

Service by post or electronic means

6. Any notice, notification, certificate, requirement or revenue payroll notification which is authorised or required to be given, served, made, sent, issued or made available under these Regulations may be sent by post or done through electronic means.

Combined documents for USC and income tax

7. Any notice, notification, certificate, requirement, revenue payroll notification, form or return relating to USC may be combined with such a document relating to income tax and any document so combined may be modified by the Revenue Commissioners accordingly in relation to its application to USC and income tax or to USC only or to income tax only, as the case may be.

Determination of rate cut-off points

8. (1) Subject to paragraph (2), the Revenue Commissioners shall determine the rate cut-off points for an employee for a USC year.

(2) Where the Revenue Commissioners have reason to believe that the aggregate of the relevant emoluments and the relevant income of an employee for a USC year will not exceed the amount specified in section 531AM(2) of the Act, no rate cut-off points shall be determined for the employee for that USC year.

(3) Any of the following matters may be taken into account in determining rate cut-off points for an employee, namely—

- (a) the relevant emoluments of the employee for the USC year, or for any period within that year, whether for one employment or for more than one employment,

- (b) the relevant income of the employee for the USC year,
- (c) any request made by the employee under paragraph (4) in relation to the allocation of the rate cut-off points to different employments,
- (d) the age of the employee,
- (e) the full eligibility of the employee for services under Part IV of the Health Act 1970 (No. 1 of 1970), by virtue of sections 45 and 45A of that Act or Council Regulation (EC) No. 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems,
- (f) any reliefs from USC to which the employee is entitled for the USC year,
- (g) any USC overpaid for any previous USC year that has not been repaid to the employee,
- (h) any USC remaining unpaid for any previous USC year that is not otherwise recovered from the employee, and
- (i) such other adjustments as may be necessary to provide that, so far as possible, USC in respect of the employee's relevant emoluments for the USC year to which the rate cut-off point or points relate is deducted from the relevant emoluments paid in that USC year.

(4) Before a determination for a USC year has been made under paragraph (1), an employee may request that a portion of the rate cut-off points be allocated to different employments in such a manner as the employee directs and where any such request is made, any determination shall take that request into account without prejudice to the other matters to be taken into account under this Regulation.

Objection and appeal against a determination of rate cut-off points

9. (1) After the rate cut-off points appropriate to an employee for a USC year have been determined in accordance with Regulation 8, the Revenue Commissioners shall send, make available or cause to be made available a notice of the determination to the employee.

(2) If an employee is aggrieved by a determination of rate cut-off points under Regulation 8, he or she may give notice of his or her objection to the Revenue Commissioners, stating the grounds of the objection, within 21 days of the date on which the determination is notified to him or her and no later than 31 December in the USC year to which the determination relates.

(3) On receipt of a notice of objection, the Revenue Commissioners may amend the determination by agreement with the employee, and in default of such agreement with the employee, the employee may appeal the determination to the Appeal Commissioners within the period of 30 days from the date of the notice of objection.

(4) The Appeal Commissioners on appeal shall determine the rate cut-off points having regard to the matters set out in Regulation 8(3) and their determination shall be final.

(5) Where the rate cut-off points appropriate to an employee for any USC year have been amended under paragraph (3) or (4), the Revenue Commissioners shall send, make available or cause to be made available an amended notice of the determination to the employee.

(6) A revenue payroll notification appropriate to the amount of the rate cut-off points of an employee as determined by the Revenue Commissioners may be sent or made available to the employer, notwithstanding that the determination is the subject of an objection or appeal.

Revenue payroll notification to employer

10. (1) After the determination of rate cut-off points for a USC year in accordance with Regulation 8 or 9, the Revenue Commissioners shall send or make available to the employer of an employee a revenue payroll notification specifying, as appropriate,—

(a) the rate cut-off points appropriate to the employee and, where appropriate, details of cumulative relevant emoluments and cumulative USC deducted in respect of the employee's previous employment or employments for the USC year, or

(b) that the employee is exempt from paying USC,

and, except where these Regulations otherwise provide, the details contained in the notification shall be used by the employer for the purposes of calculating the cumulative USC in respect of the cumulative relevant emoluments of the employee in accordance with Regulation 14.

(2) If it appears to the Revenue Commissioners that an employee has more than one employment, the Revenue Commissioners shall, in respect of each employment, send or make available to the employer a separate revenue payroll notification showing the rate cut-off points applicable to the particular employment, but the aggregate amount of the rate cut-off points on each such notification shall not exceed the total amount of rate cut-off points for the employee for the USC year.

(3) (a) Before the making of any payment of relevant emoluments to an employee, an employer shall ensure that, where a relevant revenue payroll notification has been sent to or made available to the employer, the information on that notification is used to calculate the USC to be deducted or repaid.

(b) For the purposes of paragraph (a), the employer shall, as appropriate, access the electronic system referred to in Regulation 5.

Amendment of rate cut-off points

11. (1) If the rate cut-off points are found not to be appropriate because the actual circumstances are different from the circumstances by reference to which they were determined by the Revenue Commissioners or the Appeal Commissioners, the Revenue Commissioners may, and if so required by the employee shall, by reference to the actual circumstances, amend the previous determination.

(2) After the Revenue Commissioners have amended a determination under paragraph (1), the Revenue Commissioners shall give, make available or cause to be made available notice of the new determination to the employee not later than the day on which a new revenue payroll notification is sent or made available to the employer under Regulation 10.

(3) The provisions of Regulation 9 regarding objections and appeals shall apply in relation to an amended determination as they apply to a determination under Regulation 8.

(4) Where a determination of the Revenue Commissioners or of the Appeal Commissioners is amended after a revenue payroll notification has been issued, the Revenue Commissioners shall send or make available to an employer, and the employer shall thereafter use the information on, a revenue payroll notification which reflects the amended determination.

General provision for deductions and repayments

12. (1) Subject to paragraph (2), on payment of relevant emoluments by an employer to an employee, deductions or repayments of USC shall be made subject to, and in accordance with, these Regulations.

(2) Paragraph (1) shall not apply where Regulation 8(2) applies.

Notification of payment of emoluments

13. (1) On or before the making to an employee of any payment of relevant emoluments to which these Regulations apply, an employer shall notify the Revenue Commissioners, in respect of each employee, of—

- (a) the personal public service number of the employee,
- (b) the date of payment of the relevant emoluments,
- (c) the amount of the relevant emoluments,
- (d) the amount of USC deductible or repayable, and
- (e) where the employee is exempt from USC, a notification to that effect.

(2) On the making of any payment of relevant emoluments to an employee, an employer shall record, where relevant—

- (a) the date of payment of the relevant emoluments,

- (b) the amount of the relevant emoluments,
- (c) the rate or rates applied to the relevant emoluments,
- (d) the rate cut-off points where a revenue payroll notification is held,
- (e) the cumulative relevant emoluments,
- (f) the cumulative USC as determined in accordance with the formula in paragraph (2)(a) of Regulation 14, and
- (g) the amount of USC, if any, deducted or repaid on making the payment of relevant emoluments.

(3) An employer shall retain the information referred to in paragraphs (1) and (2) for a period of 6 years after the end of the USC year to which it refers, or for such shorter period as the Revenue Commissioners may authorise in writing to the employer.

Calculation and making of deduction or repayment

14. (1) On any payment of relevant emoluments to or on behalf of an employee in respect of whom a revenue payroll notification has been sent to or made available to the employer, that employer, except where these Regulations otherwise provide, shall ascertain—

- (a) the cumulative relevant emoluments of that employee at the date of payment, and
- (b) the cumulative USC.

(2) (a) The cumulative USC for the pay period shall be the amount represented by A in the formula—

$$A = (B \times F) + (C \times G) + (D \times H) + (E \times I)$$

where—

B is the amount (that may be nil) of the cumulative relevant emoluments up to and including the cumulative rate cut-off point for the pay period which is chargeable to USC at the rate specified in F,

C is the amount (that may be nil) of the cumulative relevant emoluments up to and including the cumulative rate cut-off point for the pay period which is chargeable to USC at the rate specified in G,

D is the amount (that may be nil) of the cumulative relevant emoluments up to and including the cumulative rate cut-off point for the pay period which is chargeable to USC at the rate specified in H,

E is the amount (that may be nil) of the cumulative relevant emoluments that exceeds the rate cut-off point referred to in the meaning of D,

F is the first rate specified in column (2) of Part 1 of the Table to section 531AN of the Act,

G is the second rate specified in column (2) of Part 1 of the Table to section 531AN of the Act,

H is the third rate specified in column (2) of Part 1 of the Table to section 531AN of the Act, and

I is the fourth rate specified in column (2) of Part 1 of the Table to section 531AN of the Act.

- (b) The cumulative rate cut-off point for the pay period in respect of a rate notified in a revenue payroll notification is—

the rate cut-off point notified in respect of that rate x J

K

where—

J represents the number of pay periods, including the current pay period, since the start of the USC year, and

K represents the total number of pay periods for the USC year.

- (c) In this Regulation, a pay period is the normal payment period in respect of which relevant emoluments are paid to an employee and the total number of pay periods for the year is—

(i) 52 where the employee is paid weekly,

(ii) 26 where the employee is paid fortnightly, and

(iii) 12 where the employee is paid monthly.

(3) If the cumulative USC determined in accordance with paragraph (2) exceeds the cumulative USC corresponding to the employee's cumulative relevant emoluments at the date of the last preceding payment of relevant emoluments (in this Regulation referred to as the "previous cumulative USC"), the employer shall deduct the excess from the relevant emoluments on making the payment of relevant emoluments.

(4) If the cumulative USC determined in accordance with paragraph (2) is less than the previous cumulative USC, the employer shall repay the difference to the employee on making the payment of relevant emoluments.

(5) If the cumulative USC determined in accordance with paragraph (2) is equal to the previous cumulative USC, the employer shall neither deduct nor repay USC on making the payment of relevant emoluments.

(6) Where the payment of relevant emoluments is the first such payment in the USC year, the employer shall deduct the cumulative USC as determined in accordance with paragraph (2) from the relevant emoluments on making the payment of those relevant emoluments and paragraphs (3), (4) and (5) shall not apply.

Deduction of USC in respect of notional payments

15. (1) An employer shall deduct USC in respect of a notional payment from any payment of relevant emoluments actually made by the employer to or on behalf of an employee on—

- (a) the day the notional payment is made, or
- (b) if no actual payment of relevant emoluments is made to the employee on that day, the earlier of—
 - (i) the next pay day following the day on which the notional payment is made, or
 - (ii) the 31 December in the year in which the notional payment is made.

(2) Where, by reason of an insufficiency of payments of relevant emoluments actually made to or on behalf of the employee in the USC year in which the notional payment is made, the employer is unable to deduct the amount (or full amount) of USC required to be deducted by virtue of paragraph (1), the employer shall be liable to remit that amount of USC to the Collector-General as if the amount to be remitted had been deducted in accordance with this Regulation.

(3) This paragraph applies to relevant emoluments being—

- (a) the benefit of the private use of a car or a van which is chargeable to income tax as a benefit in kind by virtue of section 121 or 121A, as the case may be, of the Act,
- (b) the benefit arising from a preferential loan which is chargeable to income tax as a prerequisite for the purposes of section 112 of the Act by virtue of section 122 of the Act, or
- (c) a benefit arising from an asset which belongs to the employer and the valuation of which is for the purposes of income tax determined in accordance with section 119 of the Act.

(4) Where a notional payment for a USC year is in respect of relevant emoluments to which paragraph (3) applies, the amount of that notional payment shall be apportioned over the period for which the benefit is available in that USC year and the employer shall deduct USC by reference to the part of that notional payment apportioned to each week in the period for which the benefit is available in that USC year.

Deduction in special cases

16. (1) This Regulation applies to—

- (a) payments of relevant emoluments made on 31 December in any USC year or, if that year is a leap year, on 30 or 31 December in that year, to or on behalf of an employee who is paid weekly or fortnightly, and
- (b) any other payments of relevant emoluments made to or on behalf of an employee to which the Revenue Commissioners direct that this Regulation shall apply.

(2) Regulation 14(1) shall not apply to payments of relevant emoluments to which this Regulation applies and on making any such payment an employer shall deduct therefrom the amount of USC which would have been deductible therefrom if the payment had been made on the previous 1 January.

Arrears of pay

17. (1) This Regulation applies to payments of relevant emoluments made to or on behalf of an employee after he or she has ceased to be employed by the person making the payments.

(2) On making any payment referred to in paragraph (1), an employer shall deduct USC—

- (a) in the case of an employee in respect of whom a revenue payroll notification has been sent to or made available to the employer, by reference to the rate cut-off points that would have applied to the payment if the employee was still employed by the employer on the date of payment and Regulation 14 had applied, or
- (b) in any other case, in accordance with Regulation 19(1).

Death of employee

18. (1) On the death of an employee, the date of death shall be treated as a date of cessation of employment.

(2) Where any relevant emoluments are paid by an employer after the date of an employee's death in respect of his or her employment with the employer, the employer shall, on making any such payment, deduct or repay USC as if the deceased employee was still in the employer's employment at the date of the payment.

Emergency basis of deduction

19. (1) Until a revenue payroll notification has been received or made available to an employer in respect of an employee, the employer shall, on making any payment of relevant emoluments to or on behalf of the employee, deduct USC from all such payments at the highest rate specified in column (2) of Part 1 of the Table to section 531AN of the Act.

(2) On making any payments of relevant emoluments to or on behalf of an employee after a revenue payroll notification in respect of the employee has

been received by or made available to the employer, the employer shall comply with Regulation 14 and, for this purpose—

- (a) any cumulative relevant emoluments notified to the employer in the revenue payroll notification shall be treated as if they represented relevant emoluments paid by that employer, and
 - (b) the cumulative USC before the first payment of relevant emoluments is made to or on behalf of the employee after the revenue payroll notification is received shall be taken to be the aggregate of any cumulative USC notified to the employer in that notification and any USC that the employer was liable to deduct from the employee's relevant emoluments under paragraph (1).
- (3) This Regulation shall not apply where—
- (a) the employee performs the duties of his or her employment wholly outside the State, or
 - (b) the employee is outside the State and the relevant emoluments are paid outside the State.

USC paid by employer to or for benefit of employee

20. Where an employer makes a payment to or for the benefit of an employee in respect of the employee's USC, the amount of the relevant emoluments which the employer pays to or on behalf of the employee shall be deemed for the purposes of deduction and repayment of USC under these Regulations to be such an amount as will include the amount assessable on the employee in respect of the payment made by the employer in respect of the employee's USC.

Repayment during sickness and unemployment

21. (1) If, owing to an absence from work through sickness or other similar cause, an employee is not entitled to receive relevant emoluments on the usual pay day, an employer shall, on application being made in person by the employee or his or her authorised representative, make such repayment of USC to the employee, as may be appropriate, having regard to his or her cumulative relevant emoluments at the date of the pay day in question and the corresponding cumulative USC.

(2) If, owing to an absence from work otherwise than mentioned to in paragraph (1), an employee is not entitled to receive relevant emoluments on the usual pay day, an employer—

- (a) shall make any such repayment of USC to the employee as would be appropriate under paragraph (1) if the absence from work was due to sickness, or
- (b) not later than the first usual pay day on which no relevant emoluments will be payable to the employee, shall send to the Revenue Commissioners a notification of the employee's absence from work and of the

employer's intention to make no repayment to the employee under subparagraph (a).

(3) Where the notification referred to in subparagraph (b) of paragraph (2) is sent within the timeframe specified in that subparagraph, an employer shall be relieved of the liability to make any repayment under subparagraph (a) of that paragraph.

(4) On an employee's return to work, an employer shall immediately notify the Revenue Commissioners accordingly and, for the purpose of deducting or repaying USC on the occasion of any subsequent payment of relevant emoluments to or on behalf of the employee during the USC year, shall deduct USC in accordance with Regulation 19 in the absence of a revenue payroll notification being issued or made available to the employer after the employee's return to work.

(5) In the case of a person who has ceased to be employed or with respect to whom a notification has been sent under subparagraph (b) of paragraph (2), any repayment that may be appropriate at any date, having regard to the person's rate cut-off points at that date and the corresponding cumulative USC, shall be made to him or her by the Revenue Commissioners.

Payment of USC by employer

22. (1) An employer shall remit to the Collector-General by the due date the amount calculated by the formula—

$$A + B - C$$

where,

A is the total amount of USC that the employer is liable under these Regulations to deduct from relevant emoluments paid by the employer during the relevant month,

B is the total amount of USC that was not so deducted but which the employer was liable to remit under Regulation 15 in respect of that month to the Collector-General in respect of notional payments made by the employer, and

C is the total amount of USC that the employer was liable under these Regulations to repay during that month.

(2) Where the Collector-General enters into an agreement with an employer under section 991A of the Act, that agreement may be extended by the Collector-General in respect of the USC liability in respect of all months in a USC year where—

(a) the total monthly payments by direct debit represent, based on the best estimate of the employer, the total amount of USC due under these Regulations in respect of those months,

- (b) each monthly payment is made no later than the due date in respect of the month prior to the month in which the payment is made, and
- (c) the employer has complied with all other requirements of these Regulations.

(3) Subject to paragraph (5), where an extended agreement referred to in paragraph (2) is entered into, the balance of the amount of USC due in respect of the months occurring in the USC year, after deducting all monthly payments made—

- (a) prior to the due date for the final month in the USC year, and
- (b) in respect of that USC year,

shall be due and payable by that due date.

(4) Where the total amount of monthly direct debits paid by an employer in respect of the months occurring in the USC year is less than 90 per cent of the USC due in respect of those months, the extended agreement referred to in paragraph (2) shall be deemed not to have entered into effect.

(5) An extended agreement referred to in paragraph (2) may be terminated by either the Collector-General or an employer and, where this occurs, the agreement shall be deemed not to have entered into effect.

- (6) (a) On payment of USC by an employer, the Collector-General may send to the employer concerned a receipt in respect of the payment.
- (b) The receipt referred to in subparagraph (a) may consist of—
 - (i) a separate receipt in respect of each such payment, or
 - (ii) a receipt for all such payments made within the period specified in the receipt.

Inspection of employer's records

23. (1) Upon request made to him or her at any premises of an employer by an authorised officer, the employer, his or her representative or a person employed by the employer at the premises, shall produce to the authorised officer for inspection all wages sheets, revenue payroll notifications, other documents and records whatsoever relating to the calculation or payment of the relevant emoluments, including notional payments, of employees of the employer or the deduction of USC from, or the remittance of USC in respect of, such relevant emoluments as may be in that person's powers, possession or procurement.

(2) Where in pursuance of this Regulation an authorised officer requests production of any documents or records, he or she shall, on request, show his or her authorisation for the purposes of this Regulation to the person concerned.

(3) The documents and records specified in paragraph (1), which may be held in any format including electronic format, shall be retained by an employer for a period of 6 years after the end of the year to which they refer, or for such shorter period as the Revenue Commissioners may authorise by notice in writing to the employer.

Death of employer

24. Where an employer dies, anything that the employer would have been liable to do under these Regulations shall be done by the employer's personal representative, or, in the case of an employer who paid relevant emoluments on behalf of another person, by the person succeeding the employer or, if there is no such person, the person on whose behalf the employer paid relevant emoluments.

Succession to a business, etc

25. (1) This Regulation applies where there has been a change of employer from whom an employee receives relevant emoluments in respect of his or her employment in any trade, business, concern or undertaking, or in connection with any property, or from whom an employee receives any annuity or pension.

(2) Where this Regulation applies, the change shall not be treated as a cessation of employment for the purposes of these Regulations, but, in relation to any matter arising after the change, the employer after the change shall be liable to do anything that the employer before the change would have been liable to do under these Regulations if the change had not taken place.

(3) The employer after the change shall not be liable for the payment of any USC that was deductible from relevant emoluments paid to the employee before the change took place.

Assessment of relevant emoluments

26. Nothing in these Regulations shall prevent an assessment to USC being made on a person in respect of his or her relevant emoluments for any USC year.

End of year review

27. The Revenue Commissioners may send to an employee, as soon as possible after the end of the USC year, a statement of his or her liability for that year showing how it is proposed to deal with any overpayment or underpayment of USC.

Recovery of underpayments

28. (1) If USC payable under an assessment to USC exceeds the total USC deducted from an employee's relevant emoluments during a USC year, the Revenue Commissioners, instead of taking the excess into account in determining—

(a) the appropriate rate cut-off points for a subsequent USC year,

- (b) the amount of tax credits (within the meaning of the Income Tax Regulations) for a subsequent USC year in accordance with section 531AY(4) of the Act, or
- (c) the standard rate cut-off point (within the meaning of the Income Tax Regulations) for a subsequent USC year in accordance with section 531AY(4) of the Act,

may require the employee to remit the excess to the Collector-General, and, where the Revenue officer so requires, the employee shall remit the excess accordingly on demand made by the Collector-General.

(2) For the purposes of determining the amount of any such excess, any necessary adjustment shall be made to the total USC in respect of any USC overpaid or remaining unpaid for any USC year.

Recovery of tax from employee

29. (1) Any USC that is to be remitted to the Collector-General under paragraph (1) of Regulation 28 shall be remitted within 14 days of the date on which the Collector-General first makes application therefor.

(2) Any USC that is to be remitted to the Collector-General by an employee may be recovered in the manner provided by Part 42 of the Act.

Revocation

30. (1) Subject to paragraph (2), the Universal Social Charge Regulations 2011 (S.I. No. 658 of 2011) are revoked.

(2) The Universal Social Charge Regulations 2011 (S.I. No. 658 of 2011) shall continue to apply to any payment of relevant emoluments made on or before 31 December 2018.

GIVEN this 4th day of December 2018.

NIALL CODY,
Revenue Commissioner.

EXPLANATORY NOTE

(This note is not part of the instrument and does not purport to be a legal interpretation)

These Regulations provide for the administration and operation of the Pay As You Earn system of taxation, as it applies to Universal Social Charge, from 1 January 2019 and replace the existing Regulations.

The Regulations include provision for—

- a. the transmission of information between revenue, employees and employers,
- b. the determination of rate cut-off points,
- c. objections and appeals against determinations of rate cut-off points,
- d. the making available of revenue payroll notifications to employers,
- e. the requirement on employers to provide payroll information to Revenue no later than the date of payment of relevant emoluments to employees,
- f. the calculation of USC deductible or repayable by employers on the payment of relevant emoluments, including notional payments, to employees,
- g. the inspection of records,
- h. the notification of liability to employees by Revenue, and
- i. the recovery of underpayments from employees.

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