



The Consultative Committee of Accountancy Bodies-Ireland

Chartered Accountants Ireland
The Association of Chartered Certified Accountants
The Chartered Institute of Management Accountants
The Institute of Certified Public Accountants in Ireland

Mr Joseph Howley
The Collector General
Collector General's Division
Sarsfield House
Francis St
Limerick
V94 R972

Sent via email

6 April 2022

Dear Joe,

Re: Debt Warehousing Scheme – 30 April 2022 deadline

We hope this letter finds you well.

We write to you in relation to the correspondence currently issuing from Revenue to advise businesses availing of the Debt Warehousing Scheme that they must file all outstanding tax returns by 30 April 2022, otherwise all debt will be payable immediately and the normal interest rates of 8 percent or 10 percent will apply instead of the scheme's reduced interest rates of 0 percent and 3 percent. The CCAB-I would like to express concern about the difficulties that many businesses will face in meeting this short deadline.

The Debt Warehousing Scheme has been a vital support to businesses suffering the long-lasting economic effects of the Covid-19 pandemic. The ability to 'park' certain tax debts on an interest free basis until either 31 December 2022 or 30 April 2023 has provided an invaluable liquidity support to many businesses across the country.

You noted in a press release dated 31 March 2022 that Revenue will begin to write to businesses currently availing of the Debt Warehousing Scheme "over the next few days." This timeframe suggests that some businesses will begin to receive correspondence towards the end of the first week of April at the earliest, leaving just three weeks for all returns to be filed. This timeframe is dramatically reduced when Easter holidays are considered.

While the CCAB-I understands the rationale that outstanding tax returns must be filed to continue to benefit from the scheme, we are extremely concerned about the tight timeframe between

correspondence issuing from Revenue and the 30 April deadline, not helped by the fact that agents do not receive a copy of the correspondence. In that regard, we are asking that Revenue considers extending this deadline until 31 May 2022 at the earliest.

We understand that 40 percent of letters will be delivered to the ROS inbox, with the remaining 60 percent delivered via post. Delays in deliveries by An Post, not helped by staff shortages due to Covid-19, are well documented and will inevitably have an impact on the delivery timeframe for some Revenue correspondence. Members have reported to us that several of their clients have yet to receive correspondence, without which many may be unaware of what returns are outstanding.

Members have also reported concerns that there will be incidences where correspondence has been received by a business but there will be a significant delay in these notices being passed on to agents, who will be tasked with filing the outstanding returns. Agents have also reported difficulties in establishing from ROS a list of all clients that are availing of the scheme and what returns are outstanding.

Members have also noted that because the scheme has been extended a number of times and different deadlines apply depending on whether a business was impacted by the December 2021 public health restrictions, there is a level of confusion among businesses with regards to which deadlines apply to them. While the current correspondence will go a long way in alleviating this confusion and set out the filing requirements, the short deadline in which to meet filing obligations remains.

For those that have received correspondence, included for some is a requirement to file historic VAT Return of Trading Details and Form 46Gs, some dating as far back as 2015. Given that there is no tax take from such returns, this is unreasonable, and we ask that the benefits of the scheme are not lost when returns of this nature remain outstanding.

To conclude, CCAB-I believes that the limited timescale between the issuing of Revenue correspondence and the 30 April 2022 filing deadline is unreasonable and puts unnecessary pressure on businesses and agents that continue to operate under difficult conditions with limited resources due to the ongoing high rates of Covid-19 infections.

We ask that the deadline to file all outstanding returns to continue to receive the benefits of the scheme is extended until at least the 31 May 2022, that statistical returns (such as VAT RTDs, Form 46Gs) are not reckoned when determining ongoing access to the Debt Warehousing Scheme, and that you give this request your careful consideration.

Yours sincerely



Peter Vale
Chair, CCAB-I Tax Committee