

ROI PAYROLL UPDATE 2024

As the 2024 tax year for Ireland approaches, we draw your attention to some important payroll updates.

Enhanced Reporting Requirements (ERR) - Returns by Employers in Relation to Reportable Benefits

New legislation will go live on 1 January 2024 that requires mandatory real-time reporting to Revenue Commissioners of 'reportable benefits' provided to employees and directors. Such reportable benefits are made without deduction of tax and include:

- The remote working daily allowance of €3.20
- The payment of travel and subsistence expenses
- The small benefit exemption

The legislation requires employers to notify Revenue Commissioners on or before the provision of any of the above benefits.

Employers must determine in advance of the payment being made, if the condition for payment without the deduction of tax has been satisfied and if so, report details to Revenue Commissioners. After submission details will be visible in the employees myAccount dashboard.

Reporting will be through a new ERR facility on Revenue Online Services (ROS) and submissions can be made by:

- ROS online form
- ROS file upload
- Directly through payroll system

If you require any assistance with the new reporting requirements, please contact us.

Increase to National Minimum Wage

Minimum wage will increase from 1 January 2024. Employers should ensure their employees hourly rates comply with minimum wage. Rates are as follows:

Age of Employee	Minimum Hourly Rate 2023	Minimum Hourly Rate from 1 January 2024
20+	€11.30	€12.70
19	€10.17	€11.43
18	€9.04	€10.16
Under 18	€7.91	€8.89

Jobs Service – operated via myAccount

From 2nd September 2023 employees are unable to register a second job or change of job through the Jobs & Pensions service on myAccount. Registration of these jobs is now made by the employer applying for a RPN. The aim of the change is to eliminate the issue of duplicate employments arising where both the employee and employer register the new job. The service is still to be used by employees to register their first job in Ireland.

Auto-Enrolment Retirement Savings System (AERSS)

The Auto-Enrolment Retirement Savings System (AERSS) will enrol employees into an occupational, employer provided pension scheme, based on age and an earnings trigger from day 1 of employment. Contributions will commence at 1.5% for employee and employers and the state will contribute 33c for each €1 the employee contributes up to €80,000.

The original aim was for the system to be implemented on 1 January 2024 however legislative progress means that the AE Heads of Bill is still under design/review. There is suggestion that the third quarter of 2024 is now the target date.

Employers should begin thinking about how to prepare of AERSS, if existing pension arrangements will need to be updated, and communicating with employees regarding the changes.

Statutory Sick Pay (SSP)

Under the Sick Leave Act 2022, employee entitlement has been extended from 3 to 5 statutory sick days with pay for illness or injury per annum, with effect from 1 January 2024. Employees must have 13 weeks continuous service to qualify, and the provisions apply to employees and apprentices including agency staff employed under a contract of employment.

Company car – BIK Tax

The government have continued their 'green-up' initiative by extending the temporary universal relief of €10,000 to original market value (OMV) of electric vehicles for 2024 & 2025. With the 4,000km reduction in the highest mileage band also extended to 31 December 2024, an employee with an electric vehicle could see an overall BIK OMV relief of €45,000 in 2024.

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