

### Subsistence Rates



Where certain conditions are met, subsistence allowances based on Civil Service rates and criteria can be paid to employees tax free as an alternative to reimbursing receipted expenditure.

The Minister for Public Expenditure and Reform recently published a circular containing revised rates of subsistence allowances and standard distance requirements. In summary, the rates have been simplified and increased but the minimum distance between the temporary workplace and the normal place of work or home have also been increased. The increased distance criteria could cause problems for businesses.

#### Rates

The rates effective from 1 July 2015 are outlined below:

#### Domestic subsistence rates from 1st July 2015

Overnight rates			Day rates	
Normal rate	Reduced rate	Detention rate	10 hours or more	5 hours but less than 10 hours
€125.00	€112.50	€62.50	€33.61	€14.01

#### Day subsistence allowance

From 1 July 2015, a day allowance is not payable for an absence on business that is within 8km of an employee's normal place of work or home. The current distance criteria is 5km.

#### Overnight subsistence allowance

From 1 July 2015, an overnight allowance will not generally be payable in respect of an absence on business that is within **100km** of an employee's home or normal place of work. The new rules allow for an overnight allowance in "exceptional circumstances" where the distance is in excess of 50km.

#### Action point

The new rules are to be integrated into Revenue rules. Companies will need to consider policy and update procedures to comply with tax obligations. In summary, some payments which currently may be paid tax free will be taxable under the PAYE system in the future.

The closing date for making a Personal Fund Threshold (PFT) application to the Revenue Commissioners is **2 July 2015**.

This application and deadline is relevant for pension scheme members with pension assets in excess of the Standard Fund Threshold of €2,000,000 as at 1 January 2014.

Impacted individuals need to act quickly, as certain preparatory steps must be undertaken before this online application can be made.

- Obtain statements or certificates of value from each pension scheme administrator or provider.
- Register for ROS (Revenue Online System) PAYE Anytime. The PFT application must be made online via ROS. The ROS application system will not be available after 2 July 2015.

# Pension Deadline - High Value Pension Funds



The closing date for making a Personal Fund Threshold (PFT) application to the Revenue Commissioners is **2 July 2015**.

This application and deadline is relevant for pension scheme members with pension assets in excess of the Standard Fund Threshold of €2,000,000 as at 1 January 2014.

Impacted individuals need to act quickly, as certain preparatory steps must be undertaken before this online application can be made.

- (a) Obtain statements or certificates of value from each pension scheme administrator or provider.
- (b) Register for ROS (Revenue Online System) PAYE Anytime. The PFT application must be made online via ROS. The ROS application system will not be available after 2 July 2015.

If we can assist you or your employees on either of the above matters please do not hesitate to contact your usual KPMG contact or any member of the employment tax team.



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