



# Irish Taxation Institute

Educating, Developing & Representing

Draft

For Discussion by TALC Audit Sub-Committee member only  
17 August 2009

Not Revenue Approved

## Qualifying Disclosures – Definition of Payment

A taxpayer will be regarded as fulfilling the payment criteria for a Qualifying Disclosure in the following circumstances:-

1. Full payment of Tax and Interest arising from the audit settlement.
2. A substantial payment on account and a commercially viable agreed phased payment arrangement for the balance due including any additional statutory interest arising from the continuing late payment
3. No payment on account but a commercially viable agreed phased payment arrangement for the entire audit settlement including additional statutory interest arising from the continuing late payment.

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### Penalties:

While it is not a provision of the Qualifying Disclosure legislation that penalties are paid at the time of making the disclosure, the agreed penalties must be paid as part of the settlement. Where penalties are not paid, Revenue will ask the Courts to determine any penalty due and seek an order for recovery.

### Inability to Pay

Where it can be shown that there is a current genuine Inability to Pay situation, a taxpayer will be entitled to the benefits of a Qualifying Disclosure providing that all the other criteria for such a disclosure are met.

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Proving a genuine Inability to Pay situation will involve the taxpayer providing objective evidence to support the claim.

Such evidence may include:

- A formal offer document
- A statement of net worth signed by the taxpayer including all assets, business and non-business, and all liabilities

**Comment [m1]:** We assume the reference that was in place to a certified statement of affairs refers to that signed by the taxpayer.

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- Calculations of anticipated income/expenditure
- Any other relevant information

In situations where current genuine inability to pay is proven, the question of ability to pay will be reviewed at a later stage.