

HR / Payroll

Winter Newsletter

**Russell
Brennan
Keane**
HR Solutions



Welcome to the latest edition of our HR newsletter!

In this edition of our HR Newsletter, we look at areas of HR that may affect your business in the coming year, 2017.

National Minimum Wage:

It is important to note that since the 1st of January 2017, the National Minimum Wage in Ireland has increased 10c. The new National Minimum Wage in Ireland is **€9.25**, as opposed to the previous figure of €9.15. It is important that any employees on minimum wage are made aware of this change and to ensure that their wage per hour goes up to the new figure of €9.25 effective from the 1st of January 2017.

Public Holidays:

There are currently nine public holidays in the Republic of Ireland listed below. Public Holiday legislation is governed by the Organisation of Working Time Act 1997 and the relevant dates that they fall on in 2017 can be seen below:

- > New Years Day – 1st January 2017
- > St. Patrick's Day – 17th March 2017
- > Easter Monday – 17th April 2017
- > First Monday in May – 1st May 2017
- > First Monday in June – 5th June 2017
- > First Monday in August – 7th August 2017
- > Last Monday in October – 30th October 2017
- > Christmas Day – 25th December 2017
- > St. Stephens Day – 26th December 2017

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We have seen a significant increase in the amount of WRC inspections taking place

If an employee works any of the above Public Holidays, they are entitled to their basic rate of pay for working that day, as well as benefiting from any of the below:

- > A paid day off within one month
- > An extra days annual leave
- > An extra days pay
- > A paid day off on the holiday

If the Public Holiday falls on a day the employee worked or is normally required to work, then they are entitled to remuneration equivalent to the hours the employee worked on their last working day before the holiday. If it is a day they are not normally required to work or did not work, then the employee is entitled to remuneration equivalent to one-fifth of their last normal working week.

If you have any more queries on Public Holidays, please do not hesitate to contact the HR Solutions team to have a discussion on this.

Compliance / WRC Inspections

In the last few months, we have seen a significant increase in the amount of WRC inspections taking place at all sectors around the Country.

WRC Inspections look at various aspects of the business, such as contracts of employment for all employees, records of their hours of work and rest periods taken, pay slips and many more.

If there is any information missing or any breaches identified during the inspection it can lead to hefty fines, repeat inspections or payment of arrears for Public Holidays and Sunday Premiums if they have not been paid.

We are giving RBK clients the opportunity to avail of a **free HR telephone audit** which will determine if your business is ready for an inspection or not. RBK will then be happy to provide a precise and competitive fee quote to rectify the identified shortcomings. Should you wish to avail of this offer, please do not hesitate to contact the HR Solutions team on (090) 6480600.

Employees Under the Age of 18:

Many businesses in Ireland take on staff that are under the age of 18 for weekend and seasonal work. It is important to note that employees under the age of 18 are entitled to different rest periods and rates of pay, which can be seen below:

- > The maximum daily hours a 16 or 17 year old employee can work is 8 hours.
- > The maximum weekly hours a 16 or 17 year old employee can work is 40 hours.
- > After 4.5 hours of work, a 16 or 17 year old employee is entitled to a 30 minute rest period.
- > Employees that are age 16 or 17 must have a daily rest break of 12 consecutive hours.
- > Employees that are age 16 or 17 must have weekly rest breaks of 2 days (consecutively if possible).
- > The earliest start time a 16 or 17 year old employee can start work is 6 am.
- > The latest finish time a 16 or 17 year old employee can finish work is 10 pm.

The Minimum Wage for employees under the age of 18 or in their first year of employment is:

- > €6.48 for employees under the age of 18.
- > €7.40 for employees who are over the age of 18 and in their first year of employment.

It is very important that rest periods are adhered to correctly. It is also important to display a poster outlining the minimum rest periods for employees under the age of 18 in the workplace. Should you require a copy of this poster, please do not hesitate to contact us.

RBK Payroll Solutions:

As the new tax year commences it is a good time to review your payroll and take the appropriate actions to ensure that you are compliant from a Revenue perspective and employee rights perspective. There are a number of payroll related issues to be aware of for 2017 as listed below. If you require any further information please contact the RBK Payroll Solutions team.

P35 2016

The P35 deadline is February 15th 2017 extended to 23rd February for filing and paying the liability on-line.

Local Property Tax (LPT)

If employees opted to have their LPT paid via payroll, this will have to be returned on the P35. You should check your tax certificates for 2016 and 2017 to determine if any of your employees have LPT on their certificate. LPT should be deducted from employee's net pay and paid over to the Revenue Commissioners with the P30 liability.

Tax Certificates for 2017

The tax certificates for 2017 have now issued to employers. Please check that you have a certificate for all employees. If an employee is exempt from USC on the certificate and you know that their Income for the year will exceed the €13,000 threshold you should advise the employee to contact Revenue and have this changed otherwise they will have an underpayment at the end of the year.

Notice for Employers and Employees

MyAccount is a new service on the Revenue website which enables all employees to carry out various tasks online such as changing their tax credits, changing employments, claiming tax refunds etc. The Revenue Commissioners no longer accept paper copies of Forms 12A for new employees. Payroll providers can continue to register employees on line for employers but only if they have a Form P45 from the last employer.

Registering New Employees - First Job

Employees with first time employment must now register on-line through the MyAccount option on ROS. They will need:

- > PPS number
- > Date of Birth
- > Mobile number / landline
- > Email Address
- > Home Address

Instant access will be given to my account if they have:

- > Irish driving license number
- > Information from P60
- > Information of assessment or acknowledgement of self assessment

More information on:

<https://www.ros.ie/myaccount-web/home.html>

Minimum Wage

The Minimum wage is increasing from the 1st January 2017 to €9.25. Please contact us if you require calculations or further information.

Budget 2017

There is no change to standard rate cut off point or tax credits for 2017 however the USC rates have reduced slightly therefore employees will have a little more take home pay in 2017.

Medical Insurance: Bik / Medical Allowance

Providing medical insurance as a benefit in Ireland can be a nightmare for employers as it must be taxed through payroll. The administrative side can be confusing for both employers and employees. In some cases the employees have not claimed their tax credits and employers have not paid over the TRS amount to Revenue. The Revenue Commissioners are currently looking at this and will be following up Employers if amounts are outstanding. An alternative to the Medical Insurance Benefit is to offer a replacement Medical allowance to simplify the process. We have compiled an explanatory note on the tax treatment of medical Insurance for your information and you can contact the Payroll team in RBK for a copy of this document.

The HR Solutions Team:

The HR Solutions Team at Russell Brennan Keane have the expertise to support business to apply HR Best Practice. Our areas of specialisation include, but are not limited to, the following:

- > HR Compliance (audit review of HR Documentation)
- > HR Consultancy Support – Change Management, Organisational Review and Design, Performance Management, Disciplinary and Grievance, Workplace Investigations and Talent Management
- > HR Helpdesk Support
- > Recruitment
- > Training

Contact Us

If you are interested in discussing any of the above, please get in touch with a member of our HR Solutions Team.



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