ONESOURCE™ CORPORATE TAX

IRELAND RELEASE NOTES

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Document Version 1

THOMSON REUTERS®

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DOCUMENT HISTORY

VERSION NUMBER	VERSION DATE	SUMMARY
1	12/08/2022	ONESOURCE Corporate Tax v15.0 release

ONESOURCE CORPORATE TAX RELEASE NOTES

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CHANGES AND UPDATES

Changes are available for new 2022 files only, unless stated otherwise.

AREA OF CHANGE	DETAILS AND LIMITATIONS
New CT1 forms	We have updated ONESOURCE to include the latest version of the Corporate Tax return (Form CT1) and associated e-filing rules and validations for 2021 and 2022. An error message will appear on existing 2021 files prompting you to erase and re-develop the return forms. There are a number of changes in the 2022 return, requiring changes to other computation sheets. These changes are described below. **IMPORTANT NOTE**: There were issues with the original 2022 schema released by the Revenue, in particular with the **Interest Limitation** section. We are aware that a very recent update was made to ROS Offline to rectify some of the issues, however there are still some issues remaining, including the need for an amended schema to be released. We will continue to discuss the ongoing issues with the Revenue, and we will release a patch once all the issues have been resolved.
Other templates	The group module template, and the Form 46G template, are also available for 2022.
Company Details – Transfer pricing	In the 2022 return, the company may now state whether or not the company is part of a multinational group which is required to file a country-by-country report (in any jurisdiction). If yes, the name and tax residence is required to be entered.
Company Details – Controlled Foreign Companies	If the company or a connected company is liable to a CFC charge under the provisions of Part 35B, there is a new box to tick if it is because Section 835YA apples.

AREA OF CHANGE	DETAILS AND LIMITATIONS
Company Details – Interest Limitation	The 2022 return contains a new section in respect of the new interest limitation rules, which apply for accounting periods commencing on or after 1 January 2022. For companies filing a 2022 return where the accounting period commenced before 1 January 2022, we have been advised by the Revenue that "Yes" can be selected to the first mandatory question "*Is the company a standalone entity within the meaning of Sec. 835AY?*". We would recommend this is confirmed with the Revenue before submission** As noted above, a number of ongoing issues prevent the completion and successful e-filing of the new interest limitation section, and so the new interest limitation sheets are not currently available. We will provide a patch as soon as all the issues have been resolved, which will include the new sheets. Once available, the new **Interest Limitations** sheet will be developed from the **Information For The Return** sheet for users wishing to complete the interest limitation section. If the company is the reporting company for the interest group, there will be an additional **Interest group members** sheet to be developed and completed. Please also note that users will have to ensure that any interest restrictions are entered manually in the relevant place in the computation. Further functionality will be provided in due course. ***As at the date of release, we are aware that a very recent update to ROS has introduced a tickbox for the company to state whether the accounting period commenced on or before 31 December 2021. Unfortunately, an updated schema including this new tickbox has not yet been released. We will update ONESOURCE to support this once the Revenue make the new schema available.*
Trading Results	Where allowances have been claimed under section 285D (farm safety equipment), the 2022 return requires users to split the amount claimed between the relevant qualifying certificate numbers. If "Farm safety equipment - S. 285D" is selected on the **Plant And Machinery** sheet in respect of a current period addition, an error will appear prompting the new **Farm safety equipment certificates** sheet to be inserted, where the certificate details can be entered.
Extracts from Accounts	The 2022 return contains a new option within "Expenses and Deductions" for "Total CRSS and BRSS payments received". This option has been added to the ROS category drop-down on the **Profit And Loss Account** sheet and the **Extract From Accounts** sheet has been updated accordingly.

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Irish Rental Income – Non-resident Landlords	For accounting periods commencing on or after 1 January 2022, non-resident landlords are chargeable to Corporation Tax in respect of their Irish rental income. The 2022 return contains a new section to be completed by non-resident landlords; this has been added to the **Information For The Return** sheet. The company's country of residence is required, together
Irish Rental Income – Non-resident Landlords	with whether a Collection Agent has been used or tenants have withheld tax on gross rents. If tenants have withheld tax, the new **Non-resident landlord tenants** sheet should be inserted to provide details of each tenant. The total tax withheld is credited against the company's tax liability. Where the company is a non-resident landlord, a new column will appear on the **Plant and Machinery** sheet for whether each asset was acquired before or after 1 January 2022. For assets acquired before 1 January 2022, any balancing allowance or charge arising on disposal of the asset will be adjusted in line with Section 308(2B).
Irish Investment and Other Income – Reverse Hybrid Mismatches	The 2022 return contains a new section for companies suffering a Corporation Tax charge as a result of a reverse hybrid mismatch outcome under Section 835AVD. If this applies, the new **Reverse hybrid mismatches** sheet should be inserted to enter details of all relevant participators giving rise to the reverse hybrid mismatch outcome.
Close Company Surcharge	Where an election is made under Section 434(3A)(a), the TRNs of both the company paying the distribution and the company receiving the distribution are now required.
Recovery of Income Tax	The 2022 return contains new fields to complete if the company has applied the practice set out in either Paragraph 9.1 (for payments of interest) or Paragraph 9.2 (for payments of royalties) of Tax and Duty Manual 08-03-06. For paragraph 9.1, the required information is present in the **Information For The Return** sheet. For paragraph 9.2, the required information will be automatically linked to the return if the new option "Patent royalty payments - under TDM 08-03-06" is selected on the **Charges** sheet.

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Dividend Withholding Tax	The 2022 return contains a specific field to enter the TRN of a non-resident beneficial owner or participator. This is dealt with on the **DWT details** sheet by adding a new tickbox for the user to select whether the beneficial owner or participator is non-resident. If ticked, the validation on format of the TRN entered is removed.
Start-up Relief	In line with Section 486C, the **Start up relief** sheet has been amended so that the length of the “relevant period” is increased from three years to five years where the company commences to carry on the qualifying trade on or after 1 January 2018.
IP allowances	A new **IP summary schedule** sheet has been created, developable from the **Adjustment Of Profit** sheet, which provides a split of figures between pre-October-17 IP and post-October-17 IP. The sheet is purely for review purposes and is available for new 2021 and 2022 files as well as existing 2021 files that have not already been e-filed.
Plant & Machinery allowances	A button has been added on the **Plant And Machinery** sheet below the main table to sort the table alphabetically by “Category”.
Losses offset against balancing charges	We have corrected an issue on the **Profit Summary** where the use of current period losses against balancing charges was not being shown correctly for leasing businesses or where the trade was treated as Case III or Case IV.
Interaction of DTR and IP deductions	We are aware that the interaction of foreign tax expense relief and deductions for IP-related interest and capital allowances is complex. To ensure that the interaction is properly reviewed, we have added a clearable error on the **Adjustment Of Profit** sheet where both expense relief and IP deductions are present, to confirm that this review has taken place.

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Fixes to computation files	In addition to the corrections noted above, the following errors have been identified and corrected for new 2021 and 2022 files and will be corrected in existing 2021 files that have not already been e-filed:
	• On the **Capital items expensed** sheet, if there was any expenditure allocated to 'Motor vehicles – emissions category', there was an unclearable check error on the **Motor Vehicle Allowances – Emissions Category** sheet. This has been fixed so that total additions on the sheet is now calculated correctly.
	• Where there was a transfer of an R&D expenditure credit from a predecessor company, this caused an error to appear on the return. This error has been removed
	• Two errors have been fixed for companies with brought forward development land losses:
	    ○ The figure on the return for "Unused Loss(es) from prior accounting period(s) allowable against the above gain(s)" has been amended to show the losses utilised against current period gains, not the losses available.
	    ○ Where there are no current period disposals, the schema will now e-file zeroes for total consideration on disposal and total capital gains tax due to prevent e-filing validation errors arising.
	• An error has been corrected on the non-developmental land capital gains return form to bring through gains on disposals to which Section 581 applies. Additionally, where there is a loss on a disposal to which Section 581 applies, this may cause an e-filing validation error due to ROS automatically offsetting the loss against current period gains. A review note to this effect has been added to the bottom of the sheet.
	• On the **Plant And Machinery** sheet, validations have been added to the IP depreciation columns to prevent accidental usage when a non-IP category has been selected. Additionally, a further validation has been added to the TWDV c/f column to prevent a manual entry of IP depreciation causing a negative TWDV c/f.