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	11/09/2023	ONESOURCE Corporate Tax v16.0 Ireland content update

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RELEASE SUMMARY

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This release covers two areas: R&D and Interest Limitations. The R&D changes deal with the recent 2022 Form CT1 update that includes two new tickboxes related to R&D tax credit claims. The Interest Limitation changes comprise some minor bug corrections and enhancements. Details of all the changes made are included below.

Unless otherwise stated, all changes detailed are available for 2022 and 2023 files only.

FORM CT1 UPDATE

<table>
<tr><th>AREA OF CHANGE</th><th>DETAILS AND LIMITATIONS</th></tr>
<tr><td>New CT1 forms</td><td>We have updated ONESOURCE to include the latest version of the Corporate Tax return (Form CT1) and associated e-filing rules and validations for 2022 and 2023. An error message will appear on existing 2022 and 2023 files prompting you to erase and re-develop the return forms.

IMPORTANT NOTE

In the previous release notes, we described an e-filing validation error in 2022 and 2023 returns in relation to the interest limitation section, when the following scenario was present:
The company is not a standalone entity;
The company is not a member of an interest group;
The de minimis exemption does not apply.
We are pleased to report that the recent update by the Revenue appears to have resolved this issue for 2022, and we are hopeful that the upcoming 2023 Form CT1 update will similarly resolve the issue for 2023.</td></tr>
<tr><td>Research & Development Tax Credit</td><td>The updated 2022 Form CT1 includes the following two questions at the start of the Research & Development Credit panel:
Indicate by ticking this box if you are making a claim under section 766C and/or section 766D.
Indicate by ticking this box if you are making the under transitional measures – Claim for payment of excess Research & Development Tax Credit in accordance with section 766(4D) and/or section 766A(4C) TCA 1997.
In either case, a specified return is required to be submitted via MyEnquiries.

We have added these two questions to the top of the Research and Development Expenditure Credit Summary sheet. Please note that the questions are only relevant for R&D claims made in respect of 2022.

We are still waiting for an updated Form CT1 for 2023 to be released that will deal with R&D tax credit claims under the ‘new’ rules.</td></tr>
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OTHER CHANGES

AREA OF CHANGE	DETAILS AND LIMITATIONS
Interest limitation – New sheets	We have also made the following changes to the detailed ILR sheets in new and existing 2022 and 2023 files: **ILR calculation** The formulae for 'Allowable amount', 'Difference between exceeding borrow costs and allowable amount' and 'Disallowable amount' have been amended so that these show as nil if the equity ratio election has been made. **Carry forwards** An adjustment row has been added in the calculation of deemed borrow costs carried forward. This is to deal with situations where all or part of the current period disallowable amount should not be carried forward as a deemed borrowing cost, for example when all or part of the disallowable amount is referrable to an amount of IP-related interest.
Other changes	In files greater than 12 months long, double tax relief entered on the **Foreign income** sheet that was taken to the '*Additional Foreign Credit (Schedule 24 Paragraph 9I) – amount of relief claimed under subparagraph (4)(b)*' box in the second period Form CT1 was not being picked up on e-filing. This has been corrected for new and existing 2022 and 2023 files.