



ITI calls for major simplification of reliefs for PAYE taxpayers

4-point plan to tackle unclaimed tax reliefs outlined

“One claim, one form” & Taxpayer Advocate proposed

Wednesday, January 17, 2007: The Irish Taxation Institute (ITI) has proposed a 4-point plan to tackle the problem of unclaimed tax reliefs. The ITI plan includes a “one claim, one form” proposal to replace what it described as the “confusing, cumbersome and complex” method currently used to claim your tax reliefs.

ITI also proposed the establishment of a Taxpayer Advocate to independently protect taxpayers and the setting up of a PAYE Customer Satisfaction Unit within Revenue.

ITI made the proposals at a special meeting of the Oireachtas Finance Committee, called to discuss the issue of unclaimed tax reliefs. A recent ITI survey found that 1 million people or 1 in every 2 PAYE taxpayers do not understand the tax system. The Chairman of the Revenue recently estimated that as much as €100million is left unclaimed every year by taxpayers.

The ITI delegation who attended the Oireachtas Committee included ITI President, Dermot O'Brien, ITI CEO, Mark Redmond and ITI Director, Cora O'Brien.

Speaking at the Committee, Mr Redmond said: “It is clear from what we’ve seen that our tax administration system is not customer focussed. As it stands, the language of tax is confusing and intimidating. Equally, tax forms are cumbersome and complex. This need not be the case and were it to continue to be so, we would be failing PAYE taxpayers.”

Calling for a more customer focussed tax system, Mr Redmond proposed four key tests which the system must pass. These are:

1. **Quantify:** firstly establish how much is forgone in tax reliefs every year.
2. **Simplify:** replace the current plethora of tax forms to a “one claim, one form” approach to securing your tax reliefs.
3. **Swift:** if you make a claim, you should receive your refund in a timely manner.
4. **Educate:** educate PAYE taxpayers about the tax system and their entitlements.

Mr Redmond said a Tax Advocate type figure, independent of Revenue should be established and that a new PAYE Customer Satisfaction Unit should be established within the Revenue Commissioner's Office.

A key role of the PAYE Customer Satisfaction Unit would be to ensure a major simplification of the tax relief process following consultation with taxpayers through a process of customer panels.

ENDS

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