



## **PAYE - TAX EXCLUSION ORDER INFORMATION**

### **Further information from Revenue:**

Information about “Double Taxation Agreements” is available [here](#)

Information about “PAYE Exclusion Orders” is available [here](#)

### **Issues with PAYE Exclusion Order:**

Revenue has contacted Payroll with concerns about employees who apply for tax exclusion orders based on their first contract, but do not take into consideration that their contract could be extended bringing their residency in Ireland to over 2 years.

If an employee remains in Ireland after two years, the double taxation rules for most countries (*it is the individual's responsibility to establish if this rule applies to them*) states the tax and USC must be paid back to the Irish Revenue for the 2 years they were exempt for tax and USC in Ireland. This is causing a lot of hardship for employees that are left with a tax bill when they remain in Ireland after the two years.

### **When should you apply:**

If the individual will definitely leave Ireland before the 2 years are up then they may apply for a tax exclusion order at any stage once they have all the necessary documentation. Revenue will then decide if a tax exclusion order will be issued. You are advised that you should contact Revenue directly to discuss your eligibility prior to contacting Human Resources.

**Advice from Revenue:** An employee may apply at the end of their employment contract for a tax exclusion order if their stay in Ireland is under 2 years. If granted, Revenue will then refund their tax & USC paid whilst in employment in Ireland. The individual should ask Revenue for further information about this option.