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Republic of Ireland – Budget 2025 Update and Payroll Year End

What we're going to cover today

1. Introduction

2. Summary of Budget 2025 payroll impacting changes

3. ROI Payroll Year End reporting

4. Q&A

Budget 2025

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ROI Budget 2025 Summary of Changes

Tax

- Increase to the Annual SRCOP
- Increase to Annual Tax Credits
- Emergency Basis of Tax Updated

USC

- 2% rate threshold increases to €27,382
- 4% rate of USC reduces to 3%
- No change to the USC exemption threshold of €13,000
- No change to the 8% emergency rate

Small Benefit Exemption

- Limit increased from €1,000 to €1,500 per annum
- Number of benefits allowed increased from 2 to 5 subject to the limit of €1,500 above

BIK Company Vehicles

- €10,000 OMV reduction for vans and cars in categories A-D is retained
- €35,000 OMV reduction for electrical vehicles remains
- Lower mileage limit in highest band remains at 48,000

Social Welfare Payments

- Majority increase by €12 pw
- State Pension increases from €277.30 pw to €289.30 pw
- Illness Benefit increases from €232 pw to €244 pw
- Maternity Benefit increases by €15, from €274 to €289

Other areas

- National Min Wage increases to €13.50 ph
- PRSI Class AL weekly threshold increases to €527 due to increase in NMW
- For the Public Sector there are no changes to ASC rates and thresholds

ROI Budget 2025 Pension Auto-enrolment

Latest Update from Minister Humphries

- Start date was announced as 30th Sept 2025

- Tata Consultancy Services has won the contract to provide for the technology and managed service component of the scheme

- The scheme will be called My Future Fund

- The Department of Social Protection has yet to appoint a pool of investment managers to manage the funds

- A new independent body National Automatic Enrolment Retirement Savings Authority (NAERSA) will oversee the running of the scheme

- The Department of Social Protection and Tata Consultancy Services will begin to host workshops with payroll suppliers from mid-November with system design expected to take several months

- Zellis plans to host an Auto-enrolment webinar early in the new year to update our clients on the latest developments. We plan to host regular webinars thereafter and will be publishing blogs also

- Zellis will be commissioning a Client Auto-enrolment Readiness-check service early in the new year, more information to come on that

Useful Links

PRSI Advance Notice of 2025 Changes

Budget 2025: Key changes for payroll in Ireland - Zellis

Pension auto-enrolment Ireland: implementation update - Zellis

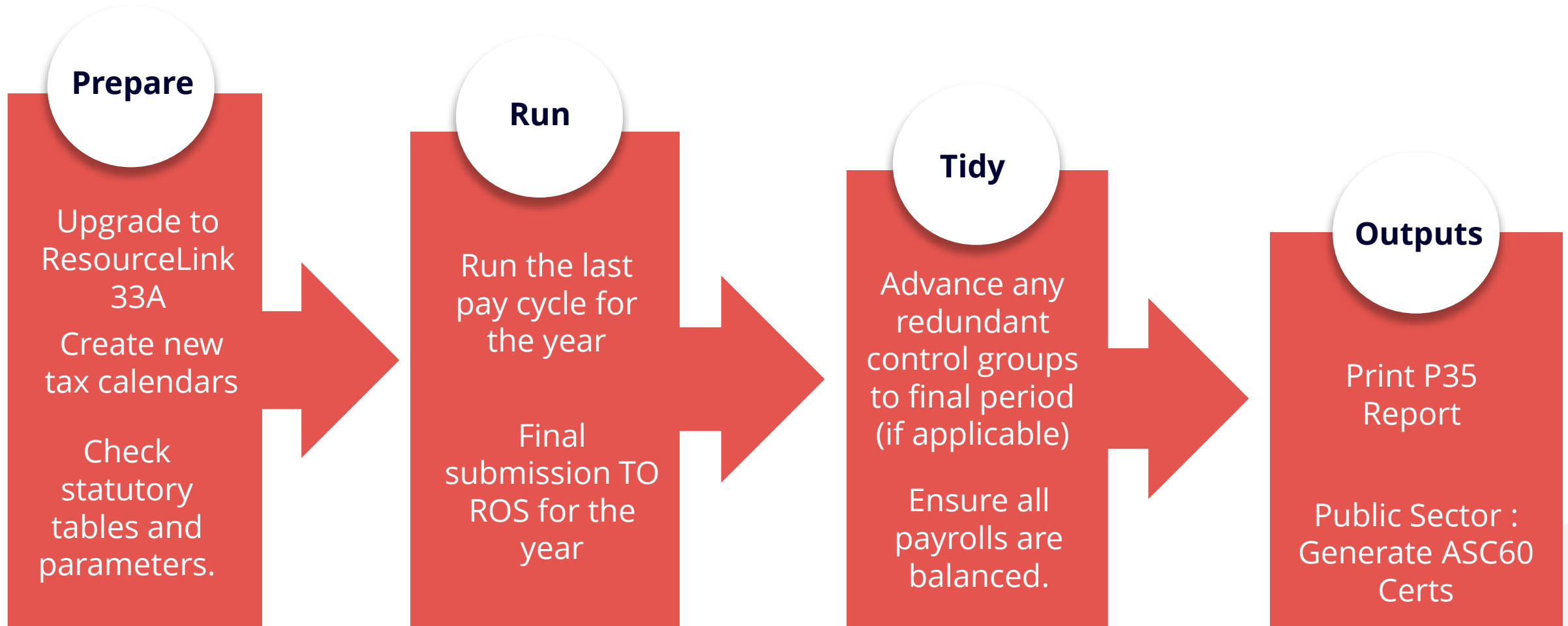www.gov.ie auto-enrolment

ROI Payroll Year End

ROI – Payroll Year End processing 2024

No additional requirements announced by Revenue for 2024 Payroll Year End Processing

All of the rate and threshold changes announced in Budget 2025 will automatically be applied to your system during the upgrade

You may check all applied rates and thresholds by accessing the payroll background, ROI Statutory Parameters menu structure

Year end process in ResourceLink

Prepare

Upgrade to ResourceLink 33A

Create new tax calendars

Check statutory tables and parameters.

Run

Run the last pay cycle for the year

Final submission TO ROS for the year

Tidy

Advance any redundant control groups to final period (if applicable)

Ensure all payrolls are balanced.

Outputs

Print P35 Report

Public Sector : Generate ASC60 Certs

Help and support

Tax year ending 31st December 2023
Republic of Irelan[d] year-end processi[ng]
ResourceLink 31a

8 Appendix

8.1 Republic of Ireland year-end proc[essing]

You can print this checklist to record completed action[...] copy for each pay group, or do whatever you find usef[...]

You may also find this checklist useful when planning [...] that you may require from your database administrat[or...] may also want to file it for future reference.

Action to be completed

Arrange additional assistance/training (internal/exter[nal])

Install legislation software (ResourceLink 31a for tax [...])

Define extra period (if required)

Run last pay cycle for the year

Close any pay groups open at previous pay periods a[nd...] applicable)

Print the employee details summary report (if requir[ed...])

Make database backup

Run year-end process

Advance payroll to new tax year

Check control group year-end details (if required)

Check employee year-end details and amend (if requ[ired...])

Create tax calendar for following tax year

Check and update statutory tables

Define standard dates (if required)

Clear down pay element accumulating balances (if re[...])

Create new year holiday entitlement (if required)

Process increments (if required)

Review and amend monetary tables and pay element values where applicable (if required)

Set LPT payslip parameters (if required)

Balance year-end output

Print P35 report (if required)

8.2 FAQs: Republic of Ireland year-end processing

Why can't I open the new tax year?

You need to create the tax calendar for the new tax year first.

While trying to print the P35 for a specific payroll, the error message 'Error - Year and Current flag are inconsistent - Previous year record exists for year' is displayed. What should I do?

Move the current tax period to the new tax year to resolve this issue with the P35 run and end-of-year reports. If this does not resolve the issue, you may be accidentally selecting pay groups which were not processed in this tax year. Deselect these pay groups.

How do I advance a control group that was closed during the year end?

Set the tax calendar to the final tax period for a control group which was closed during the year and where all employees were transferred to another control group (for example, lunar to monthly). ResourceLink will display the following warning message:

Warning-Selected details do not match the next unused entry.

This is a warning to alert you that one or more periods have been skipped. As this is intentional in these circumstances, ignore the warning.

Can I process a new tax-year period before producing my end-of-year returns?

Yes. The data that is used for year-end returns is stored in separate tables to those used to store current data. Therefore, you can run the year-end clear down process, and run the first period of the new tax year before producing your electronic returns or print outs.

I received the error message 'Current period = 53 is not maximum period (52)'. What should I do?

This issue is caused by having 53 weeks in the tax period calendar, but only 52 weeks defined in the tax period set. Amend the tax period set, to add the extra week.

I used to produce a P60 form for my employees at the tax year end. Is this still a requirement?

Since the 2019 tax year, employers were no longer obliged to produce P60 forms and issue them to employees. Since 1st January 2020, Revenue have been publishing replacement P60 forms, called Employee Details Summary forms, and providing them to employees via MyAccount on the Revenue online service (ROS)

I used to produce and upload a P35 file to ROS each year. Do I still need to do this?

No. Employers are no longer obliged to produce and upload P35 files at year end. Instead, employers have been submitting in-year statutory figures to Revenue following each payroll run. Therefore, Revenue have been receiving this information in real-time from employers since the beginning of the 2019 tax year.

Remember to download the Release Notes from our Knowledgebase

R33A/HCM 9.1 Release Notes

Let's take a look

Questions?

Upcoming Webinars

Sign up to our upcoming webinars

Managed services customers: Zellis Portal

Thursday 12th December, 10:00am

Thursday 9th January, 10:00am

Thursday 13th February, 10:00am

Thursday 13th March, 10:00am

Thursday 10th April, 10:00am

Public Sector Job-Levelling

Wednesday 22nd January 10:00am

Customer learning

Wednesday 22nd January 10:00am

Housekeeping

Thursday 6th February, 10:00am

AMS

Thursday 27th February, 10:00am

Payroll year-end (UK)

Thursday 20th February, 10:00am

Pay transparency in the public sector

Thursday 25th March, 10:00am

Thank you