



Code: QA326
Title: **University payment of Subscriptions/Membership fees etc. for staff**
Date: Meán Fómhair 2018
Approval: FRC/Údarás 10/10/2018

1.0 Purpose

To ensure adherence to relevant regulations and legislation in the payment of Membership(s) Subscription(s), Professional/Academic/Society Fees etc. for University staff from University controlled funds.

2.0 Description

Taxation of 'Benefits in Kind' (BIK) - Guidance from Revenue Commissioners

In 2011, Revenue clarified that employers may pay (or reimburse to a member of staff) without deduction of tax/other statutory deductions, those professional subscriptions/membership fee(s) paid to professional bodies that satisfy **either** of the following conditions:

1. *There is a statutory requirement for the employee's membership of a professional body, **or***
2. *There is a requirement for an employee to have a current practicing certificate or licence issued by a professional body before they can carry out their duties,*

Revenue also clarified that professional membership fees/subscriptions paid by employers (or reimbursed to employees) are not be liable to a PAYE, PRSI, USC & PRD deduction where **all** of the following conditions are met:

- *the duties of the employee and the duties of the employment require the exercise or practice of the occupation or profession in respect of which the annual membership fee refers;*
- *the employee so exercises or practices the occupation or profession in respect of which the annual membership fee refers; **and***
- *membership of the professional body is an indispensable condition of the tenure of the employment*

In **January 2018**, Revenue re-confirmed their position that the payment of subscriptions/membership fees by employers to a professional/academic/society body for/on behalf of their employees is taxable as a BIK and further restricted the 'tax exempt' scenarios to the following:

1. There is a legal requirement for:
 - membership of a professional body, or
 - a practising certificate or licence.OR
2. The role of the employee requires them:
 - to be a member of a professional body, or
 - to hold a practising certificate or licence, and

- the employee cannot exercise the full duties of the employment without that membership or certificate.

2.1 Multiple Subscriptions/Membership Fees etc.

Revenue use the example below to demonstrate that payment of more than one subscription or membership fee etc. by an employer on behalf of their employee may not be tax exempt. If payment of a single subscription/membership fee etc. facilitates the employee in fulfilling their role, then any additional such payments by the employer for their employee are taxable.

Revenue's example: (see <https://www.revenue.ie/en/tax-professionals/tadm/income-tax-capital-gains-tax-corporation-tax/part-05/05-02-18.pdf>.)

An employee of a professional firm is member of both an accountancy body and a taxation body. Such employee may be required to appear and plead on behalf of the firm's clients before the Tax Appeals Commission. As both bodies are recognised as allowing their members a right to be heard before the Tax Appeals Commission, it is not necessary for the employee to have both memberships in order to represent clients at Tax Appeals.

The Revenue position is that one of the membership fees should not be treated as allowable. Where both fees are paid by the employer, Statutory Deductions (PAYE/PRSI etc.) should be applied to one of them.

3.0 Policy

Remuneration/pay of University employees is strictly controlled under a framework that restricts payments to agreed salary scales and allowance rates. The framework therefore precludes payment of subscription(s)/membership fee(s) as outlined in Revenue guidance above. Any such payments (outside of Revenue guidance) are at the personal discretion of the beneficiary and may not be defrayed from University controlled funds.

3.1 Completion of forms

In all cases, the form at appendix 1 herewith must be completed, authorised, and submitted/attached to relevant source documents submitted for payment processing.

4.0 Approvals

The following table outlines approvals required in authorising payment of subscription(s) or membership fee(s) etc. in accordance with this policy.

Expense Claimant	Approver
President	Chair of Governing Authority
Registrar and Deputy-President	President*
Other UMT members: - Bursar - Chief Operating Officer - An Rúnaí - Director of HR	President*
Vice-Presidents: - Vice-President for Research - Vice-President for Equality and Diversity - VP: International (when appointed) - VP: Development (when appointed)	President*

President's Direct Reports: - Director of Risk and Internal Audit - Director of Marketing and Communications - Director of Planning and Administration - Director of Public Affairs	President*
All Deans including Executive Dean of Science and Engineering (when appointed)	Registrar and Deputy-President*
Academic Secretary	Registrar and Deputy-President*
Head of School	Head of affiliated College*
Head of Discipline	Head of affiliated School*
Head of Administrative Unit	Relevant UMT member*
Research Institute Director	Head of affiliated College*
Research Centre Director	Head of affiliated School*
Research Budget Holder	Head of affiliated School*
Researcher	Research Budget Holder*
All Other Staff	Head of Academic / Administrative Unit*

* Or authorised nominee. While authorised nominee(s) may approve/process payment of subscription(s)/membership fee(s) via expense claims 'on-line' on behalf of budget holders, the onus is 'Approvers' to ensure compliance with policy

5.0 Responsibilities

Each and every claimant/beneficiary/authoriser/approver of subscription/membership payments etc. from University controlled funds is responsible for adherence to this policy.

'Ownership' of this policy rests with the Director of Financial Accounting.

6.0 Related Documents

Appendix 1 herewith comprised the authorisation form to be completed and returned to Financial Accounting for all/any subscription/membership payments by the University on behalf of its staff.



Professional Fees / Subscriptions

Revenue Commissioners guidance:

<https://www.revenue.ie/en/employing-people/benefit-in-kind-for-employers/other-benefits/examinations-courses-and-professional-subscriptions.aspx>

Professional subscriptions/Membership fees etc.

If you pay a subscription to a professional body for your employees, that payment is taxable. However, in limited and restricted circumstances, you may pay professional subscriptions without deduction of tax.

You can pay subscriptions to a professional body for an employee without deduction of tax where there is a legal requirement for:

- **Membership of a professional body**
or
- **A practising certificate or licence**

You can also pay the subscription without deduction of tax if the following apply, and the duties of your employee require them:

1. **To be a member of a professional body**
or
2. **To hold a practising certificate or licence**
and
3. **Your employee cannot exercise their duty without that membership or certificate.**

Please complete the following as appropriate:

Employee Name:	<input type="text"/>
Job Title:	<input type="text"/>
Membership:	<input type="text"/>
Value €	<input type="text"/>
Other M'ship/subs paid for this EE?	<input type="text"/>

I confirm that I have read and understood the University's policy on paying subscription(s) and/or membership fee(s) on behalf of its employees from University controlled funds. I certify that payment of attached subscription/membership fee etc. is wholly, exclusively, and necessary for the employee in question to fulfil their duties in the University.

Signed: _____

Print full name: _____

Date: _____