



**Purcell McQuillan – Annual Membership Fees of a Professional Body  
Employees and Office Holders**

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We are pleased to announce a relaxation in the operation of the BIK rules for Professional Subscriptions as set out in the Revenue e-Brief Issue 19/11 which was published last Friday, 25 March 2011 (<http://www.revenue.ie/en/practitioner/ebrief/2011/no-192011.html>).

Finance Act 2011 had recently removed the BIK exemption for annual memberships of a professional body paid by employers on behalf of their employees where the particular membership was relevant to the business of the employer.

Under the e-Brief, for ease of administration, the Revenue will not seek to collect PAYE, PRSI and the Universal Social Charge from employers in respect of professional subscriptions paid on behalf of employees provided certain conditions exist. A number of examples have been provided in the e-brief which illustrate the circumstances in which the e-brief can be availed of. In summary, an employer will not be obliged to operate PAYE/PRSI/USC on the deemed benefit in kind in the following circumstances:-

- 1 where there is a statutory requirement for the employee to be a member of a professional body,
- 2 where there is a requirement for a practising certificate or licence to be used by the relevant employee,
- 3 where an employee is required by the terms of his/ her employment contract to be a member of a professional body and also exercises or practices the occupation or profession to which the annual membership relates in carrying out his/her employment duties.

In some cases, it may be necessary to amend contracts of employment. If you require any further information on the above please do not hesitate to give any of your PMQ contacts a call.

*While every care and attention has been taken to ensure the accuracy of the information contained in this email, specific professional taxation advice and clarification should always be sought.*

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