



Purcell McQuillan – PAYE Position of Directorship Fees and Salaries

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The Revenue recently issued a Tax Briefing setting out their views on the PAYE position of directorship fees and salaries. The Revenue state that PAYE must be deducted on directorship fees notwithstanding that they are mandated to a third party. The Revenue will allow partners of legal and accountancy firms to receive directorship fees without PAYE provided certain circumstances are met and prior Revenue approval has been received.

It is important that companies review payments made to corporate entities for directorship fees to ensure there is no PAYE exposure. Similarly individuals and companies should review the terms of their relationship to ensure that consultancy services can be distinguished from directorship fees.

Purcell McQuillan Tax Partners would be happy to assist and would welcome an opportunity to meet with you to discuss any issues arising from the above note. Should you wish to discuss any point in this memorandum or meet with us please speak with your PMQ contact.

This memorandum does not purport to provide comprehensive tax advice and no steps should be taken in reliance on these notes without first obtaining detailed tax advice.

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