



Pay Related Social Insurance (PRSI) Employer Guide

2023



An Roinn Coimirce Sóisialaí
Department of Social Protection

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1: Introduction to Pay Related Social Insurance

Pay Related Social Insurance (PRSI) is collected alongside Income Tax and Universal Social Charge under the Pay As You Earn (PAYE) system of tax collection.

Employers are legally obliged to ensure that the correct amount of PRSI is deducted from their employees and they are required to remit it, together with the PRSI which the employer is liable to pay, to the Revenue Commissioners under the PAYE system.

In cases where the incorrect amount of PRSI is deducted from an employee and it is not recovered from that employee, the employer shall be required to make up any shortfall. This obligation applies whether the PRSI liability is calculated manually or using payroll software. For details of how underpayment of employee PRSI may be recovered refer to **section 16**.

Employers must provide the following information to the Revenue Commissioners on or before the date of each payment made to each employee:

- the date of payment;
- pay for employee PRSI purposes;
- pay for employer PRSI purposes;
- if the employee is exempt from PRSI in Ireland, (a certificate notifying exemption and reason must be retained.);
- PRSI exemption reason if applicable;
- PRSI Class and Subclass;
- the number of weeks of Insurable Employment relating to the pay period;
- employee PRSI paid;

- employer PRSI paid; and
- the pension tracing number. This is a number assigned to a sponsored occupation pension scheme by the Pensions Authority where the employee is a member of the scheme. This number does not have to be included in every Payroll Event if it has already been provided to the Revenue Commissioners.

Providing the correct details of the employee also ensures that their PRSI record is accurate for the purposes of claiming social insurance entitlements.

In addition, employers must keep a record of the following for each contribution year:

- the amount of each payment made to each employee or self-employed worker;
- the PRSI amount paid by the employee or self-employed worker;
- the total PRSI payable by both employer and employee;
- the dates of commencement and cessation, if they occur in the contribution year;
- the number of weeks of employment or self-employment; and
- in the case of an employee, details relating to:
 - ◇ the Class and Subclass. See **section 12: PRSI Class and Subclass** at the start of the year or on commencing employment during that year;
 - ◇ the dates of any change of Class and Subclass;
 - ◇ the new Class and Subclass;
 - ◇ the Class and Subclass applicable at the end of the contribution year or upon cessation; and
 - ◇ the number of weeks at each Class and Subclass.

In the case of a self-employed person coming within PAYE, such as certain company directors, the Class and Subclass of PRSI is subject to the same requirements.

Employers must keep these records for a period of six years after the end of the income tax year to which they refer and, on request, make them available for inspection by authorised officers of the Revenue Commissioners or the Department of Social Protection.

Note: The collection of PRSI is not statute barred and an investigation is not limited to six years.

2: Employee Identification

All employees must have a Personal Public Services (PPS) Number which must be provided on payroll submissions. For details of how an employee can obtain a PPS Number visit **www.gov.ie/ppsn**.

Every effort should be made to obtain an employee's PPS Number immediately, as continued failure to obtain it will trigger relevant Revenue Commissioner compliance interventions.

An employee's PPS Number should be included on the first payroll submission to ensure that the employee is correctly identified and has their correct tax credits applied.

Employers should take all reasonable steps to ensure that the PPS Number is correct and can use the PPS Number checker on ROS to verify it.

Where the employee's PPS Number is not available, the employer must create a unique Employer Reference and report this on each payroll submission until such time as the employee's PPS Number is notified to the employer. The employee's first name, family name, date of birth and address should all be provided. These details must remain consistent in order to facilitate the linking process when the PPS Number is available for submission. Any errors identified (e.g. incorrect spelling of the employee name) can be corrected once the link has been made. For further information search on **www.revenue.ie** for information on payroll submissions or click **[here](#)**.

Note: In order to work in Ireland a non-EEA National, unless they are exempted, must hold a valid Employment Permit.

For further information visit:

- **Employment-Permits (www.enterprise.gov.ie).**
- **Irish Residence Permit (www.irishimmigration.ie).**
- **Employment Rights Information (www.workplacerelations.ie).**

3: Employment IDs

Where a worker has multiple employments with the same employer it is important to identify each of the employments separately. A different Employment ID number is required for each employment, and a separate entry should be recorded for each unique Employment ID.

Example:

A worker is an employed contributor for PRSI purposes, and also receives director's fees. The income from employment and from director's fees should each be recorded under separate Employment IDs. Payment of the Employee and Employer PRSI charge should be recorded under the designated Employment ID. Payment of the PRSI for self-employed contributors should be recorded under the Employment ID designated for the director's fees.

A different Employment ID is required where a worker ceased employment and subsequently returns to the same employer in the same tax year.

4: Employment Start Date and Leaving Date

Start Date

Employers are obliged to register new employments, in all circumstances, except where it is the employee's first **employment** in the State. The employment start date must be provided for each new employment. The start date should be before or the same as the first pay date for the employment.

To ensure that they are correctly registered and receive their tax credits employees must register their first employment in the State, using the online service **Jobs and Pensions**.

Leaving Date

The date of leaving is the date the employee ceases to be insurably employed for PRSI purposes – which may be different to the last day they worked. Workers may be entitled to holiday pay at the end of their employment contract for example. If so, their date of leaving will be the date the holiday pay ceases.

Example:

Paul ceases work on Friday, 7 August and is entitled to one week's holiday pay. Paul's date of leaving to be notified to the Revenue Commissioners is Friday, 14 August.

5: Pay for Employee PRSI

Pay for Employee PRSI is the amount on which PRSI will be charged on an employee's income.

Pay for Employee PRSI includes:

- gross salary, notional pay, other benefits-in-kind and non-cash benefits, which are taxable;
- Share-Based Remuneration. The amount or the value of Share-Based Remuneration must also be recorded separately. See **section 9**; and
- any pension payments made by an employee. The amount of pension payments made must also be recorded separately. See **section 7**.

Pay for Employee PRSI does not include:

- pension payments made by an employer. The amount of pension payments made must be recorded separately. See **section 8**; and
- income which is exempt from PRSI. See **section 11**.

Note: If a worker pays PRSI as a Class S self-employed contributor, or is paid director's fees, this income must be included as Pay for Employee PRSI only. It should not be included in Pay for Employer PRSI.

6: Pay for Employer PRSI

Pay for Employer PRSI is the amount on which PRSI will be charged to an employer on an employee's income.

Pay for Employer PRSI includes:

- gross salary, notional pay, other benefits-in-kind and non-cash benefits, which are taxable; and
- any pension payments made by an employee in the private sector only. The amount of pension payments made must also be recorded separately. See **section 7**.

Pay for Employer PRSI does not include:

- pension payments made by the employer once within Revenue limits. The amount of pension payments made must be recorded separately. See **section 8**;
- pension payments made by employees in the public sector. The amount of pension payments made must be recorded separately. See **section 7**;
- Share-Based Remuneration. The amount or value of Share-Based Remuneration must be recorded separately. See **section 9**;
- income paid to a worker who is a self-employed Class S contributor which is liable to employee PRSI;
- director's fees; and
- income which is exempt from PRSI. See **section 11**.

7: Employee Pension Payment

Pay for Employee PRSI

Employee PRSI is charged on pension payments made by employees and should be included in Pay for Employee PRSI. Pension payments include:

- superannuation contributions;
- permanent health benefit schemes, including income continuance schemes;
- Revenue Commissioners' approved schemes established under irrevocable trusts;
- overseas pension schemes and other Revenue Commissioners' exempt approved schemes;
- Personal Retirement Savings Accounts and Revenue Commissioners' approved retirement funds; and
- payments by civil and public sector employees to their pension (previously the Pension Related Deduction and from 2019, the Additional Superannuation Contribution).

The amount of the pension payment made by the employee must be declared on the payroll submission as a separate data item.

Pay for Employer PRSI

Pension payments made by the employee in relation to all private sector employment pensions should be included in Pay for Employer PRSI.

Pension payments include:

- superannuation contributions;

- permanent health benefit schemes, including income continuance schemes;
- Revenue Commissioners' approved schemes established under irrevocable trusts;
- overseas pension schemes and other Revenue Commissioners' exempt approved schemes; and
- Personal Retirement Savings Accounts and Revenue Commissioners' approved retirement funds.

The amount of the payment made by the employee should be provided separately.

Civil and public sector employers do not pay Employer PRSI on the pension payments made by their employees (previously the Pension Related Deduction and from 2019, the Additional Superannuation Contribution). The amount of these payments should not be included in Pay for Employer PRSI.

The amount of the pension payment made by the employee must be declared on the payroll submission as a separate data item.

Example One:

Mary is a private sector employee who earns €500 per week paid on a weekly basis. Mary makes a €50 payment from her earnings, per week, towards her pension.

PRSI is charged on the total weekly earnings of €500 for both Pay for Employee PRSI and Pay for Employer PRSI.

Example Two:

John is a weekly paid public sector employee who earns €500 per week. John makes a €50 payment from his earnings, per week, towards his pension. This pension deduction is paid through the

public service Additional Superannuation Contribution (ASC).

Employee PRSI is charged on the full weekly earnings of €500.

For public sector employments, there is PRSI relief on employee pension contributions for the purposes of charging Employer PRSI. Therefore, Employer PRSI is charged on €450 (€500 weekly earnings less €50 ASC).

8: Employer Pension Payment

PRSI relief applies to payments made by the employer to their employees' pension. The amount of these payments should not be included in either Pay for Employee PRSI or in Pay for Employer PRSI.

The amount of the pension payment made by the employer to the employee must be declared on the payroll submission as a separate data item.

9: Share-Based Remuneration

Share-Based Remuneration (SBR) refers to remuneration given to an employee in the form of shares, including stock and securities, in the company in which the employee holds their office or employment, or in a company which has control of that company.

Shares in any other company do not come within the definition of SBR.

All types of share option gains also come within the definition of SBR.

The receipt of shares by an employee is treated as a perquisite for income tax purposes and the rules that apply to the taxation of notional pay also apply for PRSI purposes. Revenue guidance on share schemes is available [here](#).

In the case of share options exercised by an employee, PRSI is calculated on the net gain to the employee.

Employer PRSI is not chargeable on SBR and should not be included in Pay for Employer PRSI. SBR, other than gains from certain share options, is included in Pay for Employee PRSI.

The PRSI charged on share options is collected as follows:

- for Save As You Earn share option gains where the employee continues to work for the employer which issued the option, PRSI on these gains should be deducted through payroll. The amount of the gains should be included in Pay for Employee PRSI. They do not attract Employer PRSI and should not be included in Pay for Employer PRSI;
- for Save As You Earn share option gains where the employee has left the employer which issued the option, are paid directly by the employee within 30 days of exercising the option to:

PRSI Special Collection Section
Department of Social Protection
Government Offices
Cork Road
Waterford
X91 EH04

- for taxable share option gains PRSI should be paid, along with Relevant Tax on Share options and USC, directly to the Revenue Commissioners within 30 days of exercising the option.

For further information search on **www.revenue.ie** for Revenue approved share schemes or click **here**.

Example:

John aged 63 commences employment with ABC Ltd. His annual salary is €25,000. He also receives €5,000 worth of shares in ABC Ltd. The Pay for Employee PRSI is €30,000. The Pay for Employer PRSI is €25,000. The €5,000 value of the shares is not included in Pay for Employer PRSI.

10: Exclusion Orders

An employee working in Ireland, but who is temporarily working abroad may be required to pay taxes in the country where they perform those work duties. In such circumstances, a PAYE Exclusion Order may be applied for from the Revenue Commissioners, which removes the employer's obligation to deduct PAYE and USC for the period working abroad.

However, the employees temporarily working abroad may retain attachment to Irish social insurance for that period. Continued attachment to Irish social insurance over periods of temporary work abroad must be evidenced by:

- an A1 Portable Document issued under EU Regulation 883/2004, confirming attachment to the Irish social insurance system;
- a certificate of coverage under a Social Security Bilateral Agreement showing attachment to the Irish social insurance system; and
- a notification issued under national legislation, confirming the retention of a worker in the Irish social insurance.

Employers must continue to return PRSI in Ireland for employees that hold PAYE Exclusion Orders if the employee remains attached to Irish social insurance. In those circumstances, employers should not cease the employment of such employees on their payroll system, rather they must continue to deduct PRSI through the payroll as normal.

In the vast majority of circumstances, PRSI due in Ireland can continue to be remitted as outlined. However, in cases where an employer has no access to an Irish payroll and where PRSI remains compulsorily due in Ireland, then PRSI must be remitted directly

to the Department of Social Protection under special collection provisions. Further advice on this and other special collection scenarios is available from:

PRSI Special Collection Section
Social Welfare Services Office
Department of Social Protection
Cork Road
Waterford
X91 EH04

Telephone: 0818 690 690 or (01) 471 5898.

For further information on PRSI special collections system visit
www.gov.ie/PRSIspecialcollection.

11: PRSI Exempt Income

Employee Exempt

There are a number of instances where employees may not be liable to pay PRSI in Ireland. These include:

- workers who are temporarily posted to Ireland and in respect of whom one of the following has been issued by the appropriate authority in their home country:
 - ◊ an A1 Portable Document from an EU Member State;
 - ◊ a certificate of coverage under a Social Security Bilateral Agreement; and
 - ◊ a notification of exemption for posted workers, other than indicated above.
- employment of certain family members;
- employees under 16 years of age; and
- employees and self-employed workers over pensionable age which currently is 66 years of age.

In all cases where the employee is not required or liable to pay PRSI the employer must:

- indicate that the worker is exempt from PRSI;
- indicate the reason for the exemption from PRSI;
- insert Class M in PRSI Class (Class J if the employee is aged 66 or over);
- insert the weeks of Insurable Employment number to which the exemption from PRSI refers; and
- return '0' for both Pay for Employee PRSI or Pay for Employer PRSI, as appropriate.

PRSI Exempt Income

Where some or all of the income paid to an employee is exempt from PRSI, the employer should not include the amount of exempt income in Pay for Employee PRSI or in Pay for Employer PRSI.

Where the amount is fully exempt from PRSI, the employer must:

- insert Class M in PRSI Class;
- insert the number of weeks of Insurable Employment to which the exemption from PRSI refers; and
- return '0' for both Pay for Employee PRSI and Pay for Employer PRSI.

Where the payment to the employee is a combination of exempt income and income which is liable to PRSI, the employer must:

- return only the amount on which PRSI is chargeable, in Pay for Employer PRSI or in Pay for Employee PRSI, as appropriate;
- not include the amount of income, which is exempt, in Pay for Employer PRSI or in Pay for Employee PRSI;
- return both Class M and the PRSI Class appropriate to the income on which PRSI is charged in PRSI Class;
- insert the number of weeks of Insurable Employment appropriate to the income which is liable to PRSI; and
- insert the number of weeks of Insurable Employment appropriate to the income which is not liable to PRSI.

Where an employee receives income, some of which is liable to PRSI under a single PRSI class and some of which is exempt, separate Employment IDs are not required. Separate Employment IDs are only required where the two forms of income both attract a PRSI charge. See **section 3**.

Example:

John aged 63, has retired from working in DEF Ltd. but continues to be a director. The payments made by the company to John are:

- a director's fee of €100 per week. Class S PRSI is chargeable on director's fees; and
- an occupational pension of €200 per week, which is exempt from PRSI.

€100 is returned in Pay for Employee PRSI in respect of the director's fees, which are liable to PRSI Class S. John's pension of €200 per week is not recorded in Pay for Employee PRSI as it is exempt from PRSI. Classes S and M (which is recorded for exempt income) are returned in the PRSI Class and one week of Insurable Employment is returned for that week for each Class of PRSI.

12: PRSI Classes and Subclasses

The correct PRSI Class and Subclass must be recorded.

The PRSI Class will determine the rate at which PRSI is charged.

The PRSI Class to use will depend on the nature of employment. Details of PRSI classes are provided on the next pages.

PRSI Classes

In general, the PRSI Class will be one of the following:

- Class A applies to private sector employees and civil and public servants recruited on or after 6 April 1995;
- Classes B, C and D applies to civil and public servants recruited before 6 April 1995;
- Class E applies to Ministers of Religion employed by the Church of Ireland Representative Body;
- Class H applies to NCOs and enlisted personnel of the Defence Forces;
- Class J applies to a number of categories of employees not otherwise insured for PRSI purposes, but are insured for Occupational Injuries Benefits, such as:
 - ◇ people in industrial, commercial and service-type employment who are employed under a contract of service and whose gross earnings are less than €38 per week from all employments;
 - ◇ people insured for Occupational Injuries Benefits only, for example employees aged 66 years or over;
 - ◇ people whose employment is of a subsidiary nature or of inconsiderable extent as specified in regulations;

- ◇ attendants at Department of Education and Skills exams;
 - ◇ presiding officers and poll clerks at elections; and
 - ◇ Reserve Defence Force, such as the former Foras Cosanta Áitiuil and An Slua Muirí, on training camps provided that the course is less than three consecutive weeks.
- Class K applies to certain public office holders with an income in excess of €100 a week. The public office holders affected include:
 - ◇ The President, members of the Oireachtas, the judiciary, certain military judges, the Attorney General, the Comptroller and Auditor General and certain members of the European Parliament. These public office holders pay a contribution at the rate of 4%;
 - ◇ Any of these specified public office holders who earn €5,200 a year or less, that is €100 or less a week, have a nil PRSI liability – see Class M; and
 - ◇ Class K also applies to modified rate contributors, for example civil and public servants recruited prior to 6 April 1995, with self-employed earned income from a profession or trade, and any other unearned income, such as rental income, investment income, dividends and interest on deposits and savings.
 - ◇ Class K may also apply to the unearned income of employed contributors and occupational pensioners aged under 66 years of age where this is the only additional income.
- Class M applies to people with no contribution liability such as:
 - ◇ employees under 16 years of age;
 - ◇ people of pensionable age, which is currently 66 years of age, or over including those previously liable for Class S;

- ◇ persons in receipt of occupational pensions or lump-sum termination payments on that portion of income only; and
- ◇ people within Class K with a nil liability which is public office holders with a weekly income of less than €100 a week.

Examples of where Class M should not be recorded are:

- ◇ on Share-Based Remuneration. Employer PRSI is not charged on Share-Based Remuneration, while Employee PRSI is. Class M should not be returned. The PRSI Class appropriate to that employment, that is Class A, should be returned; and
 - ◇ where employee PRSI is not payable, for example, weekly earnings are less than €352, Employer PRSI is payable. Class M should not be returned. The PRSI Class appropriate to that employment, that is Class AO, should be returned.
- Class P applies to an optional additional PRSI remitted by Share Fishermen and Fisherwomen in exchange for enhanced short-term benefit cover. Class P is paid in addition to PRSI paid at Class S.
 - Class S applies to workers who are self-employed contributors for PRSI purposes, for example, certain directors of companies, and to income received in the form of director's fees. Class S also includes earned income derived from a profession or trade and unearned self-employed income such as income from investments and rents. From 1 January 2017 Class S applies to income paid to members of a local authority. The minimum annual contribution for Class S is €500.

PRSI Subclass

Within each PRSI Class, different Subclasses may apply, depending on the level of weekly earnings.

If the Pay for Employee PRSI and Pay for Employer PRSI result in different Subclasses, the employee's Subclass should be submitted.

This arrangement also applies when an employer pays holiday pay when an employee leaves the employment.

For full details on PRSI Classes, Subclasses and the rates of charge please visit **www.gov.ie/prsi**.

13: The PRSI Charge

Once the PRSI Class for a particular employment is determined, the rate of PRSI applicable to that Class is charged and submitted. The PRSI Subclass is determined by the level of earnings, for example, if the employee's weekly earnings are €340 Subclass AO is returned but if the employee's weekly earnings increase to €360, Class AX is submitted.

Where the employee and employer have different PRSI subclasses, the Class applicable to the employee must be returned.

Example:

Jack is a weekly paid private sector employee who earns €450 per week. Included in these earnings are €50 of Share-Based Remuneration (SBR).

This SBR is liable to Employee PRSI but not Employer PRSI. Therefore, Pay for Employee PRSI is €450 while Pay for Employer PRSI is €400. Jack's employer should make a PRSI return showing Jack's Subclass as Class A1, earnings in excess of €441.

For full details on PRSI Classes, Subclasses and rates of charge please visit www.gov.ie/prsi.

Employed Contributors

PRSI for employed contributors, Classes A, B, C, D, E, H and J, is charged on a "week-one" or non-cumulative basis. This means that the calculation of PRSI is based on the amount paid to an employee for a particular week only and does not take account of payments made in respect of any other period.

This is unlike the calculation of liabilities for income tax and USC which are calculated on a cumulative or annual basis.

Example:

If an employee is paid on a fortnightly or monthly basis, the PRSI charge is calculated on the amount paid to the employee in respect of each week worked during that fortnight or month. The appropriate employer and, if appropriate, employee PRSI rate is applied depending on the level of weekly earnings.

The following table is an example which sets out the change in PRSI Class/Subclass over a four week period where weekly income varies.

Week	Gross Pay	PRSI Class and Subclass	Employee PRSI rate	Employee PRSI Charge	Employer PRSI Rate	Employer PRSI Charge
1	€350	AO	0%	€0.00	8.8%	€30.80
2	€375	AX	4%*	€6.83*	8.8%	€33.00
3	€426	AL	4%	€17.04*	8.8%	€37.49
4	€447	A1	4%	€17.88	11.05%	€49.39

*The PRSI Credit applies to the Employee PRSI charge. The PRSI Credit reduces the Employee PRSI charge for those earning between €352.01 and €424.00.

If an employee works for different employers in the same income tax week, each employer should make sure that contributions are at the percentage rate that applies to the employment with him or her only.

The PRSI charge arises at the time when the employer pays the employee for their work. The week of Insurable Employment refers to the week in which the work was done.

For example, an employee is paid in March 2023 in respect of work carried out from December 2022 to January 2023. The PRSI rate applicable is the March 2023 rate. The appropriate number of weeks of Insurable Employment should be submitted for both 2022 and 2023. For details on how to correctly submit the weeks of Insurable Employment see **section 15**.

There are employments that are specifically excluded from PRSI under Social Welfare regulations. Those employments are:

- employment in the service of the spouse or civil partner of the employed person;
- employment of a casual nature otherwise than for the purposes of the employer's trade or business, and otherwise than for the purposes of any game or recreation where the persons employed are engaged or paid through a club; and
- employment by a prescribed relative of the employed person, being either employment in the common home of the employer and the employed person or employment specified by regulations as corresponding to employment in the common home of the employer and the employed person.

No PRSI is charged and Class M is recorded for these employments.

Further details on employment by a relative are available at **www.gov.ie/PRSIfamilyemployment**.

If there is any doubt as to the insurability of an employee contact Scope Section of the Department of Social Protection.

The Scope Section deals with employers and employees, or their representatives, who may apply to have an employment investigated to make sure that the correct class of PRSI is applied. Social Welfare Inspectors may also identify cases during the course of their inspection work which warrant investigation by Scope Section. Insurability cases may also arise during the course of claims processing. The Redundancy and Insolvency area in the Department of Social Protection may also request confirmation of insurability. Where there is a doubt, the case will be formally decided by a Deciding Officer in Scope Section.

The Scope Section can be contacted at:

Phone: (01) 673 2585

Email: scope@welfare.ie

Write: Department of Social Protection, 5th Floor, Áras Mhic Dhiarmada, Store Street, Dublin 1, D01 WY03.

For further information on the Scope Section visit www.gov.ie/insurability.

Self-Employed Contributors

Workers who are self-employed contributors for PRSI purposes generally return PRSI under Class S. For further details of Class S contributors refer to **section 12**.

The Class S PRSI charge is calculated on an annual cumulative basis, similar to income tax and USC.

If a self-employed individual's annual income from all sources exceeds €5,000, they become liable to PRSI Class S. Once that PRSI liability is discharged, the individual is attributed a full annual complement of 52 Class S contributions. The minimum annual contribution for Class S is €500.

14: Weeks of Insurable Employment

The number of weeks worked by an employee and for which they were paid, including pay in respect of holidays, should be recorded under weeks of Insurable Employment.

Only one contribution should be recorded for each week of Insurable Employment for which the employee worked and was paid. The week of insurable employment for PRSI purposes may be different to the pay week. The week of insurable employment starts on 1 January each year and continues for each successive period of seven days. For example, week 1 starts on 1 January of each year, week 2 starts on 8 January and so on.

Where holiday pay is included with a current payment, it is important to separately determine the correct Subclass for each week to which the salary and holiday pay refer.

Example:

Mairead is an employee of GHI Ltd. and is paid €350 weekly. She is taking a two week holiday and receives two weeks holiday pay in advance, in addition to her current week's wages. In total she received €1,050 that week.

The €1,050 payment is in respect of three weeks of insurable employment, that is €350 per week, so three weeks of Insurable Employment should be returned at Class AO.

If a part-time employee receives a payment in respect of a period when they were not working, but payment is made each week on a pro-rata basis; a week of Insurable Employment should not be recorded for the week not worked. Only the weeks in which the employee worked should be recorded.

For example, where an employee works week-on/week-off and is paid €1,000 every four weeks, the following table sets out the number of weeks of Insurable Employment to submit.

Week	Hours Worked	Hourly Rate of Pay	Gross Income	PRSI Class Returned	Weeks of Insurable Employment
1	20	€25	€500	A1	1
2	0	0	0	n/a	n/a*
3	20	€25	€500	A1	1
4	0	0	0	n/a	n/a*

*In any PRSI week that no payment is made, no PRSI Class or week of Insurable Employment are submitted by the employer.

The employer should therefore return the rate of PRSI as two Class A1 weeks of Insurable Employment. This also applies where the employee works week-on/week-off and is paid every two weeks.

Where PRSI is applied to a back-payment in respect of a previous period for which weeks of Insurable Employment have already been recorded, that is a retrospective pay increase/bonus for prior service, an additional week of Insurable Employment should not be submitted. Where the back-payment is the only payment being made and being submitted in the current period, “0” weeks of Insurable Employment should be submitted.

Where an employee starts an employment in mid-month, the number of weeks of Insurable Employment should reflect only the weeks worked by the employee since the commencement of the employment.

Similarly, if the employee leaves before the end of the month, the number of weeks of Insurable Employment returned should reflect only the weeks worked, including any holiday pay period, by the employee before their departure.

15: Correct Recording and Return of Weeks of Insurable Employment

Weeks of Insurable Employment should be recorded and returned to reflect the period in which an employee worked.

In the normal course, weeks of Insurable Employment are returned relating to when the work was undertaken and the payment to the employee was made. The number of weeks of Insurable Employment will reflect the number of weeks in that period in which the employee worked and for which they were paid.

Where an employee worked for only one week in a pay period, only one weeks of Insurable Employment will be recorded. If they worked for two weeks, two weeks of Insurable Employment will be recorded, and so on.

It is important to note that the number of weeks of Insurable Employment to be returned is the weeks of employment in that pay period only. Employers must not return the cumulative number of weeks in the year or the week number.

Where a payment is made to an employee in respect of weeks worked prior to the current month, but in the same calendar year, and these weeks of Insurable Employment were not included in the previous return, the weeks of Insurable Employment should be made in the current return. This only applies where the weeks worked, but not previously returned, occur in the same contribution (calendar) year.

For example, where an employee is paid in June 2023 for 13 weeks worked in January, February and March 2023, 13 weeks of Insurable Employment should be submitted in June 2023.

Where the employment commenced in a prior calendar year and continued into the current year and payment for that work was made in the current year, the number of weeks of Insurable Employment submitted should be allocated accurately between the two contribution calendar years.

For example, if an employee is paid in March 2022 in respect of 8 weeks work carried out in December 2021 (4 weeks) and January 2022 (4 weeks), the number of weeks of Insurable Employment returned in March 2022 should be 4 (in respect of 4 weeks worked in January 2022). It will be necessary to amend the December 2021 return already submitted to the Revenue Commissioners to record the 4 weeks of Insurable Employment worked in December 2021. For details of how to amend a prior year return see **section 16**.

16: Corrections

The rules for correcting the underpayment or overpayment of PRSI and for reporting errors, including errors relating to weeks of Insurable Employment and other information relevant to PRSI, are detailed in:

- for software providers: **Line Item Correction Rules**.
- for employers: **Guidance on statements and resolving common issues where differences arise** - point 5, Making Corrections.

Overpayment Example

If an employee has been overpaid wages in an employer's payroll process, the correction to recover this overpayment should be fixed in the next payroll run.

Paul gets paid €500 per week. In Week 1 he was paid an additional €100 for overtime but this was an error as he had not worked overtime. However, he was paid €600 and not the correct amount of €500.

Paul's employer recovers the overpayment of €100 in the next payroll run. Paul gets paid €500 weekly, so in Week 2 his gross pay will be reduced to €400. In this way Paul's Revenue record of pay and statutory deductions will match what was in the payroll submission relating to Paul for each of the two weeks.

Underpayment Example

If an employee has been underpaid in a payroll event, the correction of the underpayment should be rectified in the next payroll run.

Máire gets paid €500 per week. In Week 1 Máire worked overtime which meant she should have been paid an additional €100. However, the payroll operator wasn't informed on time and so she was only paid €500 instead of €600.

Máire's employer pays her €100 for the overtime worked in the next payroll run. Máire's gross pay is €500 per week so her gross pay is increased to €600 in Week 2 to correct the underpayment. In this way Máire's Revenue record of pay and statutory deductions will match what was in the payroll relating to Máire for each of the two weeks.

17: PRSI Refunds

Refunds of PRSI may be made to employers and employees where contributions have been paid in error. Applications for refunds cannot be made earlier than the last day of the contribution year in respect of which the contributions were paid. An application for a PRSI refund must be made within four years of the last day of the contribution year in respect of which the contributions concerned were paid.

In cases where a refund is due, amendments to the social insurance record of the person involved may be required. Requests for refunds can be initiated by an employee, an employer or their accountant, the Revenue Commissioners, the Department of Social Protection's Pensions Services Office or the Scope Section.

To apply for a PRSI Refund online, visit **www.MyWelfare.ie**.

Further information on PRSI Refunds can be found by visiting **www.gov.ie/PRSIrefunds**.

18: Penalties for Failure to Comply with PRSI Contributions

Employer's duties and responsibilities with regard to the deduction and submission of PRSI are laid down in law.

Failure to comply with these legal obligations will have serious consequences for employers including:

- court proceedings to recover PRSI as a debt to the State; and
- repaying the Department of Social Protection any social protection payment made to an employee because of an employer's failure to:
 - ◇ pay PRSI for him or her,
 - ◇ give accurate information, or
 - ◇ keep accurate records.

The legislative provisions with respect to offences, proceedings and penalties are set out in Chapter 4 of Part 9 of the Social Welfare Consolidation Act 2005 (as amended). Employers who do not obey the law with respect to their PRSI obligations and are found guilty of an offence under this Act can be fined up to €13,000 or be imprisoned for up to three years or both.

A running consolidated version of the Social Welfare Consolidation Act 2005 (as amended) can be found by visiting www.gov.ie/SWconsolidationact2005.

19: Correcting Employee PRSI Payroll Item

Making Corrections through a Payroll Package

- compare the information in Revenue Online Services (ROS) to the information in the payroll package to identify the necessary changes.
- the payroll software package should allow employers to submit missing submissions, to delete duplicate submissions or to amend incorrect submissions. Refer to the payroll software documentation for assistance.
- verify that the corrections are correctly submitted by viewing the revised statement in ROS.

Making Corrections through Revenue Online Service (ROS)

- employers can use ROS to amend any previous submission, even if it was submitted through a payroll package. However, if employers use a payroll package then it is preferable to use that payroll package to make the necessary corrections.
- corrections and deletions to submissions made through ROS must be completed one at a time. There is no facility in ROS to make bulk updates; this facility is available through the payroll package software.
- care should be taken to ensure that the Employment ID used in making submissions is the correct Employment ID for the employee. Using an incorrect Employment ID will create unintended employments and Revenue Payroll Notifications (RPNs). Use ROS to view the active employments to establish the correct Employment ID before making a submission.

Where there are duplicate submissions; delete incorrect submission line

To delete an existing incorrect submission line item:

1. Use ROS to locate the submission line item.
2. Click on 'View' to view the detail of the submission line item.
3. Once satisfied that it is the line item the employer wishes to delete, select the delete option.

The tables on the following pages set out the procedures to follow in respect of errors in PRSI made in the current year and in a previous year, respectively.

Correcting Employee PRSI Payroll Items through Revenue Online Service (ROS)

Data Items	Error Occurred in Current Year	Error Occurred in Previous year
PRSI Class and Subclass Insurable Weeks	<p>Fix the next Payroll Event</p> <p>To amend the Insurable Weeks or PRSI Class/ Subclass values for an in year employee submission:</p> <p>In the next payroll event, enter either:</p> <p>A negative value for too many incorrectly recorded Insurable Weeks or PRSI Class/ Subclasses, or; A positive value for too few incorrectly recorded Insurable Weeks or PRSI Class/Subclasses.</p> <p>The amendment should ensure that the year-to-date Insurable Weeks or PRSI Class/Subclasses are correct</p> <p>Where a submission is missing:</p> <p>Create a new submission. Specific instructions for creating a new submission are available on Revenue.ie.</p>	<p>To amend the Insurable Weeks or PRSI Class/ Subclass values in an out of year employee submission:</p> <p>For the year in which the error occurred submit a 'Nil Return', that is a zero value return, in all fields except Insurable Weeks or PRSI Class/Subclass, depending on the field to be amended.</p> <p>An appropriate negative or positive value can be entered instead.</p> <p>The amendment should ensure that the cumulative Insurable Weeks or PRSI Class/ Subclasses for the year are correct.</p>

Correcting Employee PRSI Payroll Items through Revenue Online Service (ROS)

Data Items	Error Occurred in Current Year	Error Occurred in Previous Year
Employee PPS Number	Amend original submission.	Amend original submission.
Employment ID	To amend the values in an employee submission:	To amend the values in an employee submission:
Exclusion Order	Modify an existing incorrect submission line item.	Modify an existing incorrect submission line item.
Employee is Exempt from PRSI in Ireland	1. Use ROS to locate the submission line item for amendment.	1. Use ROS to locate the submission line item for amendment.
PRSI Exemption Reason	2. Click on 'View' to view the detail of the submission line item.	2. Click on 'View' to view the detail of the submission line item.
Pension Tracing Number	3. Once satisfied that it is the line item for amendment; select the 'amend' option and change the values of the submission.	3. Once satisfied that it is the line item for amendment; select the 'amend' option and change the values of the submission.
Share Based Remuneration		

Correcting Employee PRSI Payroll Items through Revenue Online Service (ROS)

Data Items	Error Occurred in Current Year	Error Occurred in Previous Year
<p>Pay for Employee PRSI</p> <p>Pay for Employer PRSI</p> <p>Employee PRSI Paid</p> <p>Employer PRSI Paid</p>	<p>If the error meant that the employee was overpaid in the current year:</p> <p>Fix in the next Payroll Event by recouping the overpayment</p> <p>If the error meant that the employee was underpaid in the current year:</p> <p>Fix in the next Payroll Event(s) by repaying the correct amount.</p> <p>If there was a reporting error which cannot be fixed in the next Payroll Event(s):</p> <p>The original submission must be corrected i.e. amend the values in an existing incorrect employee submission line item.</p> <ol style="list-style-type: none"> 1. Use ROS to locate the submission line item for amendment. 2. Click on 'View' to view the detail of the submission line item. 3. Once satisfied that it is the line item for amendment; select the 'amend' option and change the values of the submission. 	<p>Amend original submission.</p> <p>To amend the values in an employee submission:</p> <p>Modify an existing incorrect submission line item.</p> <ol style="list-style-type: none"> 1. Use ROS to locate the submission line item for amendment. 2. Click on 'View' to view the detail of the submission line item. 3. Once satisfied that it is the line item for amendment; select the 'amend' option and change the values of the submission. <p>Note: Amendment to Employee or Employer PRSI Paid may also be required.</p>

www.gov.ie/dsp

For more information

- Visit: **www.gov.ie/dsp** and **www.gov.ie/prsi**; or
- Contact your local Intreo Centre, Social Welfare Office or any Citizens Information Centre.

You can find the name and address of your local Intreo Centre or Social Welfare Office by visiting **www.gov.ie/intreocentres**.

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This booklet is intended as a guide only and is not a legal interpretation.