

New Share Reporting Obligations for Employers



Companies operating Restricted Stock Units (RSUs) and Employee Share Purchase Plans, to name but two, will now have additional Revenue reporting requirements beginning with the tax year 2020. The filing deadline for 2020 is 31 August 2021.

The Finance Act 2020 provided for the electronic reporting of share-based remuneration plans that, historically, had no prescribed format for reporting outside of the payroll process. This new reporting requirement will require an employer to file an **Employer's Share Awards** return for share awards, including:

- Restricted Stock Units (RSUs)
- Discounted shares
- Restricted shares
- Convertible shares
- Forfeitable shares
- Any other award with cash-equivalent of shares.

The filing deadline for this electronic return, as with all other share-based awards, will be 31 March of the following year. However, for the tax year **2020** alone, the filing deadline has been extended to **31 August 2021**, as the electronic return is in the final stages of development and is only expected to be available in June 2021.

The format is expected to be similar to the existing electronic forms currently in place for share option reporting (Form RSS1) whereby a pre-formatted spreadsheet is uploaded directly to the Revenue Online Service (ROS).

Existing Share Reporting Requirements

Unapproved Share Options

The Form RSS1 must be submitted in electronic format. It requires reporting of the grant, release, assignment, and exercise of options awarded to directors and employees only.

Key Employee Engagement Programme (KEEP)

The KEEP is a focussed share option programme aimed at small and medium sized enterprises. The Form KEEP 1, like the RSS1, must be submitted in electronic format. It requires reporting of the grant, release, assignment, and exercise of options awarded to directors and employees only.

Approved Profit Sharing Schemes (APSS)

Employers are obliged to report details of certain events and transactions in shares held by an APSS trust on a Form ESS1. From the tax year 2020, the Form ESS1 must be filed in electronic format.

Save As You Earn (SAYE) plans and **Employee Share Ownership Trust (ESOT)** transactions continue to be filed in paper format.

The Employment Tax team in BDO can assist you with all Revenue reporting obligations for share plans.

For further information please contact,



Mark Hynes,
Head of Employment Taxes
at mhynes@bdo.ie
or +353 1 470 0283