

Employers - PRSI is your Responsibility



1. What are my Responsibilities?

As an employer, your duties and responsibilities in relation to PRSI for your employees are laid down in LAW. If you fail to meet your obligations the consequences are serious. Failure to meet your responsibilities can mean that:

- PRSI which has not been paid in respect of all employees can be recovered in court as a debt to the State
- An employer is required to repay to this Department any Social Welfare Insurance or Assistance payment paid to an employee because the employer:
 - failed to pay PRSI for him or her
 - did not give accurate information
 - failed to keep accurate records.

Note

Employers should ensure that the correct Personal Public Service Number (PPS No.) (was RSI Number) is quoted on all communications especially on Form P35. Otherwise essential details concerning the employee's insurance history may not be credited to his/her record and s/he may experience difficulty and delay in obtaining Social Welfare Benefits later on.

2. PRSI Inspections

A major crackdown on PRSI fraud is underway. Every year, Department of Social and Family Affairs Inspectors visit up to 10,000 employers. The Inspectors are paying particular attention to those employers working in the " Black Economy" including those who:

- do not pay any PRSI contributions for their employees
- do not keep proper records for them
- encourage employees to claim Social Welfare Payments
- understate wages being paid to employees.

The Department's Inspectors have the power to inspect records and there are PENALTIES for people who obstruct, refuse to supply information, fail to keep or produce records/documents.

Now is the time to ensure that you are operating PRSI properly - otherwise the LAW will be strictly enforced.

3. What Penalties can be Imposed?

Employers who do not obey the LAW can be fined up to €12,697.38 or be imprisoned for up to 3 years or BOTH.

4. Checklist of your Responsibilities as an Employer

Can you answer "YES" to these KEY QUESTIONS?

- Is the correct PPS No. properly recorded for all your employees?
- Is PRSI deducted on ALL relevant payments to all employees, that is:
 - wages and salaries? • bonuses?
 - fees? • overtime payment?
 - part-time pay? • Christmas bonuses?
 - tips and gratuities?
- Are you deducting PRSI under the correct contribution class for each employee?
- Has the Health Contribution been deducted from all relevant payments to all employees?
- Are records accurate and up to date (inclusive of the last pay day)?
- Are your PRSI payments paid by the 14th day of each month?
- Do you send in your P35 annually?
- Can employee records for the last 6 years be easily located?

5. Where can I get more Information?

For more information on PRSI you should contact your local Social Welfare Office.

Information on Social Welfare Services is available on the Internet at **www.welfare.ie** and AERTEL, RTE's teletext service.

Information booklets/leaflets and application forms are also available

- from your local Social Welfare Office
or
- on the Internet at **www.welfare.ie**
or
- by telephoning the Department's LoCall Leaflet Request Line at **1890 20 23 25**.

*“The Department of Social and Family Affairs,
keeping you informed....”*

For further information contact your local Social Welfare Office.

Issued by:

Information Services

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This leaflet is intended as a guide only, and does not purport to be a legal interpretation.