



Tax Systems

Alphatax Ireland

Release Notes

Version 23.0

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1. Introduction

About version 23.0

Welcome to the version 23.0 edition of Alphatax Ireland. This release includes the following:

- Form CT1 2022 update
- Form CT1 2023
- Finance Act 2022
- Interest Limitation Rules update
- Miscellaneous Changes

Technical support

We provide a technical support help desk for users requiring assistance. The help desk can be contacted by telephone between the hours of 9.00 am and 5.30 pm, Monday to Friday excluding public holidays.

If you require help or further information, please contact the support team on:		
UK	Tel: +44 (0) 1784 777 666	Email: support@taxsystems.com
Ireland	Tel: +353 (0)1 661 9976	Email: support@taxsystems.ie

Note: We recommend that you use the E-mail Support option from the Help menu if you need to share screenshots or other attachments directly with Support.

2. Technical requirements

The minimum and recommended workstation specification is as follows:	
Hardware requirements	<ul style="list-style-type: none"> Any PC capable of running the supported operating systems listed below. Fixed disk – 500MB free space for the application
Valid operating systems (mandatory)	<ul style="list-style-type: none"> Windows 10 32/64 (recommended) Windows 11 All Windows Server Platforms from 2012
Valid Windows Office (optional but some functionality relies on the Office suite)	<ul style="list-style-type: none"> MS Office 2016 MS Office 365
Additional Information	<ul style="list-style-type: none"> Virtualisation Platforms fully supported. Citrix compatible E-Filing requires internet access to ROS (HTTPS port 443) Alphapack is a set of WCF services running under IIS 6.0 or later and .NET 4.8 or later.
The minimum and recommended server specification is as follows:	
Database servers (running either)	<ul style="list-style-type: none"> SQL Server 2014 or later SQL Server 2019 (recommended) SQL Server 2022 Oracle 19c (recommended)
Other information	
<p>If you plan to use more than one application at a time, more memory may be required to ensure proper and efficient operation.</p> <p>To print tax return forms, it is advised that you have a laser or inkjet printer capable of printing graphics at least at 300 dots per inch (dpi).</p>	

3. Third party end of life information

Important: Coming soon

End of support for Alphatax with Oracle

Please note that from Alphatax 24.0, due in Spring 2024, we will cease support for the Oracle platform for Alphatax. If you use Alphatax with Oracle, please contact your Account Manager to discuss your options.

End of life notifications

Windows Server 2012/2012 R2

Microsoft will end support for Windows Server 2012/2012 R2 on October 10, 2023.

Further information can be found here:

<https://learn.microsoft.com/en-us/lifecycle/announcements/sql-server-2012-windows-server-2012-2012-r2-end-of-support>

In line with this, we will be ending support for Windows Server 2012/2012 R2 in the Alphatax 23.1 release due later this year.

End of life

To view our **End-of-Life policy**, please go to this link and select the policy from the Mandatory Policies section:

<https://www.taxsystems.com/legal-policies/>

4. Installation

Installation key

Your 16-digit Alphatax installation key is provided in the email that you received announcing the release. The Alphatax installation key is required to both download and install Alphatax.

Should you have any queries, please contact the support team on 01 6619976 or at support@taxsystems.ie.

Downloading and installing Alphatax

Please download the copy of Alphatax from the releases download site <https://releases.taxsystems.com>, which will require you to enter your email address and your 16-digit Alphatax installation key. This process will generate an automated email with a unique URL which will be sent to your email address.

The URL will allow you to download the Alphatax installer along with other applications which you are registered to use and also installation guides and release notes.

Click on 'Alphatax v23.0.exe' to initiate the installation process for which the Alphatax installation key will again be required. Press the Enter key at the prompts.

The installation process will override the old version of Alphatax. For detailed information on the installation process refer to the *ATAXIE Installation Guide*. This can be retrieved from the user documentation section of the download screen.

Enterprise users, using the Oracle or MSSQL databases, should also run the database update script from within the Enterprise Manager utility. The database version is now 47. The Enterprise Manager is automatically extracted from within the Alphatax Installer package.

Templates

The installation will reinstall the standard Alphatax templates to ensure that you have the latest version.

To allow you to retrieve your own versions of these templates, if applicable, the old templates are stored in a new folder called BACKUPXn (where n is a number incremented for each new installation).

Note: This part of the process may take some time. A progress bar displays the names of templates as they are being copied. Folders called BACKUPXn created in the version 22.2 release are removed with this release.

5. Important notices

Microsoft OLE DB Provider for SQL Server (SQLOLEDB)

Microsoft no longer maintains the legacy Microsoft OLE DB Provider for SQL Server (SQLOLEDB).

Microsoft recommends upgrading to the new Microsoft OLE DB Driver (MSOLEDBSQL) for SQL Server. In line with this we would also recommend that you download and install this new driver.

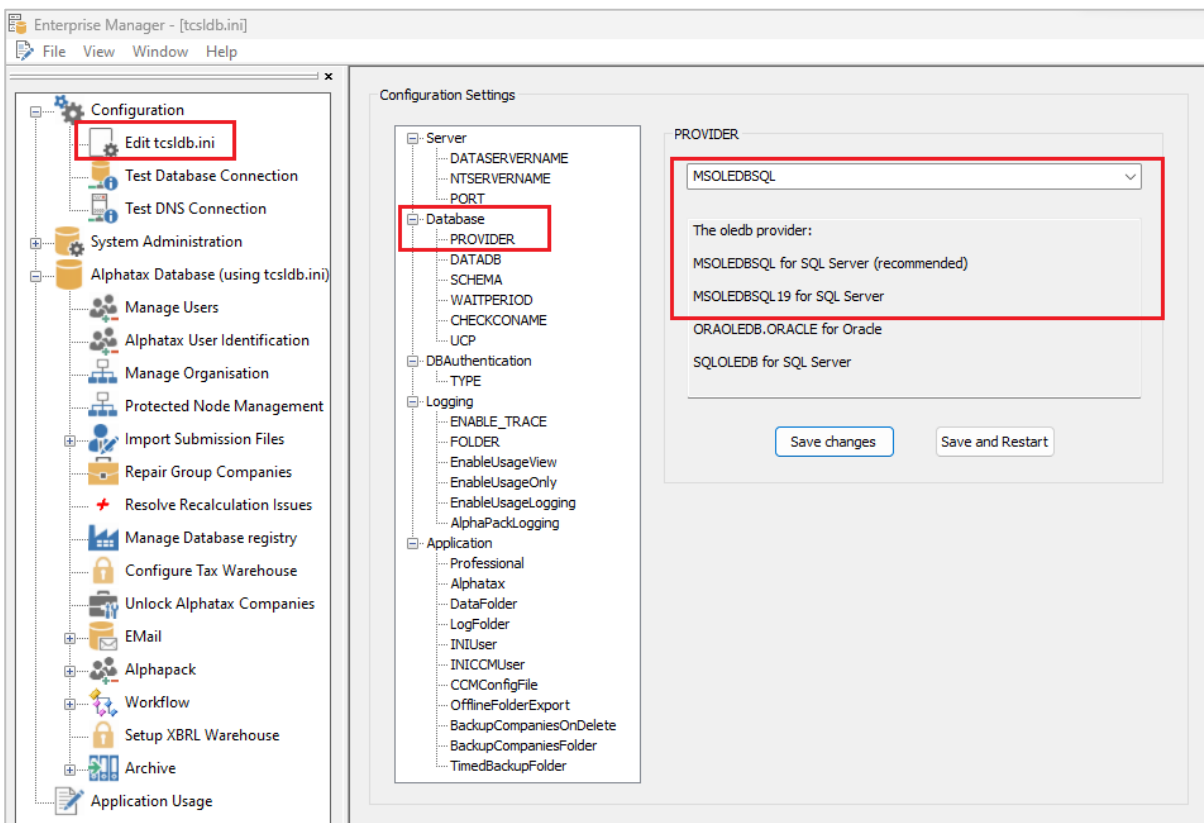
For further information, please see the following Microsoft technical documentation:

<https://learn.microsoft.com/en-us/sql/connect/oledb/oledb-driver-for-sql-server?view=sql-server-ver16>

When you have upgraded to the new driver, you will need to update the tcsldb.ini configuration settings and change the Database PROVIDER as follows:

FROM: PROVIDER=sqloledb

TO: PROVIDER=<select the driver you have upgraded to>



6. Form CT1 2022 update

The Revenue Commissioners have amended the schema for the Form CT1 2022 since the prior release and these changes are reflected in this release, along with minor wording corrections. The change is summarised as follows:

The Research & Development panel has two new questions at the start, to be answered when the entity completing the return is claiming Accelerated R&D refunds, or making a new R&D claim under section 766C or 766D, in line with Finance Act 2022. These indicate that a Specified Return is being completed separately and submitted by the entity. These can be populated from the new Research & Development input form as below.

C5

Use this statement for claims under section 766C introduced in Finance Act 2022

Is the company making a claim under s786C and or s786D?

Is the company making a claim under s786(4D) and or s786A(4C)?

Second instalment of prior period credit

Instalment two of prior period credit - before decision to allocate as payment

Allocate as payment against corporation tax [enter "Yes" to allocate all the instalment against corporation tax or a number to allocate some of it]

Allocate second instalment from prior period as a corporation tax payment

Second instalment from prior period to be repaid

Third instalment of prior period credit

Instalment three of a prior period's credit - before decision to allocate as payment against corporation tax

Allocate as payment against corporation tax [enter "Yes" to allocate all the instalment against corporation tax or a number to allocate some of it]

Allocate third instalment from a prior period as a corporation tax payment

Third instalment from a prior period to be repaid

7. Form CT1 2023

Alphatax has been updated with the Form CT1 2023 and the xml schema 2023 which enables e-filing for companies with a period end in 2023.

Please note that at the time of release we have been advised by The Revenue Commissioners that an updated CT1 2023 with a new Research & Development panel will soon be issued. Alphatax will be updated for the next version of the CT1 2023 in due course.

8. Finance Act 2022

Research & Development- Section 766C & 766D

New input forms have been included, to enable users calculate R&D credit entitlements under the new rules, where an entity elects for early adoption.

Current year expenditure	
Enter expenditure incurred on R&D in the relevant period	
Credit	10,000
	10,000
Current period R&D tax credit	2,500
Surrender to key employees	
Credit available after surrender	2,500
First instalment	
Lower of:	
Monetary amount per legislation	25,000
Credit available after surrender	2,500
Lower of monetary amount and credit available after surrender	2,500
Credit available after surrender multiplied by 50%	1,250
Instalment one before allocation as payment [greater of the above]	2,500
Instalment one to treat as a payment of corporation tax [enter "Yes" to allocate all the instalment against corporation tax or a number to allocate some of it]	No
Instalment one amount - after allocation as payment	2,500
Second instalment of current period credit for claim in future period	
Credit available after surrender [above]	2,500
Less instalment one before allocation as payment [above]	(2,500)
Credit remaining	-
Instalment two of current period credit - before decision to allocate as payment - 3/5 of above	-
Third instalment of current period credit for claim in future period	
Credit available after first and second instalment [above]	-

Research & Development- Section 766(4D) and 766A(4C)

New cells have been included on existing forms, to enable users calculate R&D accelerated refund entitlements under the new rules, where an entity elects for early adoption.

Research & Development- Micro and Small Company Rate

The 30% rate of Research & Development has been removed from Alphatax in line with Finance Act 2022, having never been brought into effect in the interim.

Knowledge Development Box

The Knowledge Development Box input form now allows users to indicate whether Finance Act 2022 changes to the reduction rate from 50% to 20% have taken effect as the changes are dependent on a ministerial order. Alphatax will then apportion the reduction in the period accordingly.

Patent Income

A new input form has been added to populate the new Patent Rights section of CT1 2023, in the Irish Investment Income and Other Irish Income panel. The net proceeds chargeable will be taxed as Case IV income.

C6	
<ul style="list-style-type: none"> Simplified View > Administration > Compliance process > Return information > Corporation tax computation > Trading sources list > Investment income <ul style="list-style-type: none"> Rental income summary Franked Investment Income Foreign income Irish source interest Foreign currency gains Patent income > Capital gains > Deductions > Accounts analysis > Tax accounting 	<p>Resident Company - Patent rights sold for capital sums in current accounting period s757(1) - net proceeds <input type="text"/></p> <p>Non-resident Company - Patent rights sold for capital sum in current accounting period s757(2) - net proceeds <input type="text"/></p> <p>Patent Rights purchased for capital sum in current accounting period - cost <input type="text"/></p> <p>Patent Rights purchased to which S757(4A) applies:</p> <p>Name of the other company <input type="text"/></p> <p>Tax Reference of other company <input type="text"/></p> <p>Tick "Yes" if making a joint election under section 617(4) <input type="text" value="No"/></p> <p>Patent Rights sold to which S757(4A) applies:</p> <p>Name of the other company <input type="text"/></p> <p>Tax Reference of other company <input type="text"/></p> <p>Tick "Yes" if making a joint election under section 617(4) <input type="text" value="No"/></p> <p>Deemed sale of patent rights (withdrawal of intra-group transfer relief availed of under 757(4A) - net proceeds <input type="text"/></p> <p>Amount chargeable to tax in AP under s757:</p> <p>Net Proceeds chargeable in current year from sale in this accounting period <input type="text"/></p> <p>Net Proceeds chargeable in current year from sale in previous accounting periods <input type="text"/></p>

9. Interest Limitation Rules

Enhanced functionality has been included in Alphatax for Interest Limitation Rules calculations.

- EBITDA value now populates automatically on the CT1 from the “Interest Limitation Rules – Calculation” input form.
- Additional functionality now available around the interaction between section 291A restrictions and Interest Limitation restrictions.
- Allocation of disallowed interest in long periods has now been amended, to feed seamlessly into EBITDA calculation, with options to make one adjustment to the period of account’s profit and the option for a period 1 and period 2 adjustment. The default option has been changed to be one adjustment for period 1 and another for period 2.
- EBITDA calculation updated, to improve accuracy of calculation and narratives. This includes
 - Alphatax now pulls in trading losses after capital allowances, rather than before, to the Relevant Profit calculation
 - Value-based relief amounts utilised in current year are added back to relevant profits calculation
 - Trading losses brought back from future periods, on KDB income, now has the correct narrative linked.
- A number of input amounts have been revised to allow negative values, in line with recent Revenue guidance. These include, on both the “Interest Limitation Rules - CT1 Details” and “Interest Limitation Rules – Calculation” input forms, the following items
 - Equity Ratio values, including company, group and worldwide group’s Equity, and Assets.
 - Net Interest Expense, arising on Long-term infrastructure projects
- Population of Group Reporting Company’s membership disclosures updated by including zero values instead of blank values. This is in line with the Revenue Preparation Facility.
- For section 110 entities with disallowed interest amounts, the disallowed amount can now feed through automatically to Securitisation Summary.
- A display issue on CT1 pdf resolved, where Single Company Worldwide Groups were marking a box with a “t” instead of an “X”.
- In short periods, these now display a reduced de minimis threshold, for users’ benefit to facilitate review of the calculation already being implemented. This involves no calculation change.

10. Miscellaneous Changes

Close Company Section 434(3A) Election

For the CT1 2022, where close companies are in receipt of a distribution for which they wish to make a section 434(3A) election, there is now an option to populate panel 13 with details of this. By default, Alphatax only populates this for the company making the distribution as in previous releases. Note the narrative in Revenue's Return Preparation Facility for the [CT1 2023](#) states that it is the company making the distribution that should make the election.

Complete the connected parties column if the distribution is received from a connected party						Company
Name of Irish company paying distribution	Amount	Reference Number	Election s434(3A)?	Display election on CT1 2022?	Making distribution Reference number	Date
Subsidiary Co	10,000	1234567T	Yes	Yes	1234567T	01/06/2022
			No	No		
			No	No		
			No	No		
			No	No		

Knowledge Development Box

The Knowledge Development Box input form now includes the option to include further non-qualifying expenditure in the calculation of relief.

Intangible Capital Allowances

The Intangible Capital Allowances input forms now allow the profit-split between the intangibles eligible for 100% relief and those eligible for 80% relief to include a loss on either profit stream.

Participation Exemption

Resolved an issue where disclosure of some section 626B disposals on the CT1 was not displaying on the pdf correctly.

Reverse Hybrid Entities

For reverse hybrid entities, the CT1 disclosure of the participator's percentage holding will now populate on the Return Preparation Facility to two decimal places.

11. Platform Enhancements

SQL Server

We have added support for SQL Server 2022.

As previously indicated, as of Alphatax V23.0, we no longer support SQL Server 2012. Microsoft ceased support for this product in July 2022 and it will no longer receive security or non-security updates. If you use SQL Server 2012 you should upgrade your version immediately.



Tax Systems


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