

An Roinn Oideachais & Scileanna
An Rannóg Párola
Cor na Madadh Luain
Baile Átha
Co. na Íarmhí



Payroll Division,
Dept. of Education & Skills
Cornamaddy
Athlone
Co. Westmeath

Circular Letter 64/2010

To the Management Authorities of Primary, Secondary, Community and Comprehensive Schools

Travel Pass Scheme for 2011 (Tax Saver Commuter Tickets)

1 Introduction

The Minister for Education and Skills wishes to inform management authorities of Primary, Secondary, Community and Comprehensive Schools of the availability of the Travel Pass Scheme for the 2011 Tax Year. The scheme will apply to teachers, special needs assistants, clerical officers, caretakers and child care workers paid on payrolls operated by the Department of Education and Skills as paymaster.

Legislation was introduced in the Finance Act 1999 which allows an employer to incur the expense of providing an employee with an annual bus/rail pass, without the employee being liable for benefit-in-kind taxation. The Revenue Commissioners have agreed that the benefit-in-kind tax exemption will apply in the context of salary sacrifice, that is, where an employee agreed to forego or sacrifice part of his/her salary in lieu of the provision of the travel pass by the employer. The employee will not pay tax, PRSI, income levy or pension related deduction on the remuneration sacrificed.

For the purpose of the Travel Pass Scheme, any reference to employer in this circular can be taken as a direct reference to the Department of Education and Skills, as paymaster. Any reference to employee relates to the individual primary or second level teacher, special needs assistant, clerical officer, caretaker or child care worker paid on payrolls operated by the Department of Education and Skills as paymaster.

2. Commencement of the 2011 scheme

The 2011 scheme will become operational on 1 January 2011.

3 Requirements of the scheme

Salary sacrifice by an employee in lieu of the provision of a travel pass by an employer will be acceptable to the Revenue Commissioners as being effective for tax purposes under the following conditions:

- There must be a bona fide and enforceable alteration to the terms and conditions of employment, i.e. exercising a choice of benefit instead of salary;
- The alteration must not be retrospective and must be evidenced in writing;

- There must be no entitlement to exchange the benefit for cash;
- The choice exercised (benefit instead of cash) cannot be made more frequently than once a year and then only with the consent of the employer.
- The choice exercised must be irrevocable for the relevant year for which it is made.

The salary sacrifice will have no impact on pension contributions or on pension benefits

4 Benefits for Employee and Employer

Because the non-taxable benefit replaces the salary foregone, the employee will not be liable to tax, PRSI, income levy or pension related deduction on the cost of the travel pass provided by the employer. The Travel Pass Scheme underpins Government policy on the wider use of public transport.

5 Application For Travel Pass

Employees wishing to avail of the travel pass will be required to:

- complete an Application Form (Appendix 1) which outlines the options for annual tickets being offered by transport providers, and
- sign an Authorisation Form and familiarise themselves with the conditions governing the scheme (Appendix 2).

These forms can be downloaded directly from this Department's website www.education.ie, completed and forwarded to the address provided.

On receipt of completed application and authorisation forms, the Department will place an order with transport providers for the issue of annual passes in respect of the employee who opted to take up the scheme. The Department will then issue the pass to each employee.

It is important to note that the travel pass is issued to the applicant by registered post. It is therefore essential that the address supplied on the application form is the address where the applicant will be, in order to accept delivery. A school address should not be used for this purpose.

First time applicants who do not already have a Photo I.D. card for the relevant transport company must obtain one.

An Irish Rail photo I.D. can be obtained by submitting either a digital photograph or a passport photograph, with your application form. The preferred method is a digital photograph on a C.D.

A Luas photo I.D. is only valid when signed and with a photograph affixed. It is available free of charge from Veolia Transport.

A C.I.E. Adult Photo Identity Card is available from Dublin Bus, 59 Upper O'Connell Street, Dublin 1. Your photo will be taken when you call to the office. There will be a charge of €3.00.

6 Closing date for receipt of applications

The closing date for receipt of applications is Friday 12th November 2010.

This closing date will be strictly adhered to and no exceptions can be made.

7 Dissemination of Information

Management authorities are requested to bring the contents of this Circular to the attention of all teachers, special needs assistants, clerical officers, caretakers and child care workers in their schools paid on payrolls operated by the Department of Education and Skills as paymaster. This circular can be accessed on the Department of Education and Skills web page: www.education.ie.

8 Queries

Queries regarding the operation of this scheme should be directed by email to the appropriate Payroll area:

Primary teachers please email prmtch_payroll@education.gov.ie

Post Primary teachers please email pppayroll@education.gov.ie

Non teaching staff please email NTSPayroll@education.gov.ie

**P. Maloney,
Principal Officer.**

October 2010

Annual Ticket Choice

Prices below are as quoted from the Service Providers on 21st October 2010

Please indicate your choice by ticking the relevant box provided.

- A. Annual Bus Travelwide** €980
Offers unlimited travel for one year on all Dublin Bus services including Nitelink and Airlink (Ferry services and Tours excluded).
- B. Annual Rail Outer Short Hop** €1030
Offers unlimited travel for one year on all Dublin Commuter Rail and DART services Between Balbriggan, Kilcoole, Hazelhatch, Dunboyne and Maynooth
- C. Annual Bus and Rail Short Hop** €1190
Offers unlimited travel for one year on all Dublin Bus services, including Nitelink and Airlink (Ferry services and Tours excluded), and on Dublin Commuter Rail and DART services between Balbriggan, Kilcoole, Hazelhatch, Dunboyne and Maynooth
- D. Annual Bus & Luas** €1130
Offers unlimited travel for one year on all Dublin Bus services, including Nitelink and Airlink (Ferry services and Tours excluded), and on Luas services between Sandyford & St. Stephens Green and Tallaght and Connolly Station
- E. Annual Rail & Luas** €1430
Offers unlimited travel for one year on Dublin Suburban Rail and Dart services between Balbriggan, Kilcoole, Hazelhatch & Maynooth and on Luas services between Sandyford & St. Stephens Green and Tallaght & Connolly Station
- F. Dart Commuter, Dublin Bus & Luas Annual Ticket** €1750
Offers unlimited travel for one year on Dublin Commuter Rail and Dart services between Balbriggan, Kilcoole, Hazelhatch, Dunboyne & Maynooth and on Luas services between Sandyford & St. Stephens Green and Tallaght & Connolly Station and all Dublin Bus services, including Nitelink and Airlink (Ferry services and Tours excluded)
- G. Annual Commuter Rail & DART + Feeder Services NEW** €1270
Offers unlimited travel for one year on all DART, and Commuter Rail services between Maynooth, Balbriggan, Hazelhatch, Dunboyne and Kilcoole plus feeder bus services 90/92 and Luas between Heuston and Connolly station.
- H. Iarnród Éireann Rail Point-to Point Annual Ticket**

From: _____ To: _____ Amount: _____

(Please specify stations - Price will depend on the point to point travel involved)

Do you require Bus/Luas connection from Heuston Station to City Centre? **Yes/No**

(A supplement of €240 per annum applies for the Bus Route 90/145 and Luas connections between Heuston Station and the city centre. Amount: _____)

Total: _____

Iarnród Éireann All Services Ticket	€ 3400	<input type="checkbox"/>
Iarnród Éireann & Bus Eireann All Services Ticket	€ 3800	<input type="checkbox"/>
Iarnród Éireann, Bus Eireann & Dublin Bus All Services Ticket	€ 4500	<input type="checkbox"/>

I. Bus Éireann Point to Point Annual Ticket

From: _____ To: _____ Amount: _____
 (Please specify locations - Price will depend on the point to point travel involved)

J. Luas Only (please select 1, 2, 3 or 4 and write your chosen option in the box)

(1) Luas Annual Green Line **€710**
 Offers unlimited travel from Sandyford to City Centre

(2) Luas Annual Red 4 – Red 2 **€670**
 Offers unlimited travel from Tallaght to Heuston

(3) Luas Annual Red 3 – Central 1 **€670**
 Offers unlimited travel from Red Cow to City Centre

(4) Luas Annual Red & Green Lines **€760**
 Offers unlimited travel on both lines

K. Other Annual Pass issued by an Approved Transport Provider

Name of provider: _____
 (approved transport provider)

From: _____ To: _____ Amount: _____

(Please specify locations - Price will depend on the point to point travel involved)

Please opt for whichever ticket suits your needs and sign the Authorisation Form below after you have read and understood the conditions of the scheme.

The closing date for receipt of applications is Friday 12th November 2010.

This closing date will be strictly adhered to and no exceptions can be made.

Appendix 2

**Travel Pass Scheme
Authorisation Form**

In respect of Option _____ above, I wish to sacrifice or forego the charge in respect of the cost of the above option from my annual salary in lieu of the provision of this annual travel pass from the Department of Education and Skills. I realise that this arrangement will operate for a period of one year and that the salary sacrifice will be reflected in my pay slips over that period. I hereby undertake that in the event of my resigning, taking a career break or not being in a position to have a full 12 months deductions withheld from my salary that I agree to reimburse the Department of Education and Skills the full difference between the cost of my Travel Pass and the amount of deductions already made.

I have read and I agree to the conditions overleaf.

NAME _____
BLOCK CAPITALS PLEASE

PPS No.: (as on payslip)

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Signed: _____

Date: _____

Official Use Only

Ticket No. Issued: _____

Travel Pass ID Number: _____

Data Protection

The Department of Education and Skills will treat all personal data you provide on this form as confidential and will use it solely for the purpose intended. The information will only be disclosed as permitted by law or for the purposes listed in the Departments registration with the Data Protection Commissioner - REF 10764/A

If the information you have provided is to be used for purposes other than outlined in the Departments registration with the DPC your permission will be sought.

Travel Pass Scheme: Conditions

1. The applicant must be employed in a Permanent, Contract of Indefinite Duration (C.I.D), fixed term, or Regular Part Time capacity at the date of application. The employment must be capable of lasting until the salary sacrifice has been recouped. It is not possible for casual or non casual employees to avail of the scheme.
2. The employee must sacrifice or forego part of his/her annual basic salary in lieu of the provision of the annual travel pass by the Department. This arrangement will operate for a period of one year and the salary sacrifice will be reflected in his/her pay slips over that period.
3. In the event of an employee changing schools (but still being paid directly by the Department of Education and Skills or the relevant the travel pass will transfer with the employee. In doing so, there will be no change to the terms and conditions of the scheme. However, if an employee avails of unpaid leave of absence, or ceases employment prior to the expiration of the one year period of participation in the Travel Pass Scheme, he/she must surrender his/her annual pass. The Department of Education and Skills will then seek a refund from the transport provider for the unused part of the travel pass (a refund for a travel pass issued under the scheme will only be made to the Department).

Important Note

Please note, it is not always possible to obtain this refund from the transport provider, and in such cases the employee will have to bear the full cost of the Annual Ticket. If this should occur, it will then be necessary for the Department of Education and Skills to recover the balance due from the employee. (please refer to Circular: Pay 45/2010: Policy and Procedures for dealing with Overpayment of Salary/Allowances)

4. **The Department of Education and Skills operates this scheme for employees on the basis of an annual option. Accordingly, the employee will not be able to cancel his or her participation in the scheme prior to the expiry of the one year period.**
5. The Department will accept no liability or responsibility in the case of lost or unused travel passes or in the case of any injury which the employee may incur while using the travel pass.
6. An employee's lost travel pass may be replaced at a cost to him/her, per month remaining until the end of the year. This cost is determined by the transport provider.
7. The Department accepts no responsibility for misuse of travel passes by employees and asserts that each travel pass issued by virtue of this scheme is strictly non-transferable.
8. The scheme applies only to annual bus and rail passes issued by Iarnród Éireann, Bus Éireann, Dublin Bus, Connex and other approved transport providers. The Department of Transport will advise on approved transport providers.
9. The salary sacrifice will have no impact on pension contributions or on pension benefits, in accordance with the rules of the relevant superannuation scheme.
10. The salary sacrifice will have no impact on allowances normally calculated as a percentage of basic pay.

11. Employees who participate in the scheme will be included for one year. A new application will be required in respect of each subsequent year of participation.
12. The Revenue Commissioners' published article on the benefit-in-kind tax exempt Travel Pass Scheme is available for reference from the Department of Finance.
13. The travel pass is issued to the applicant by registered post and the address supplied on the application form should be the address where the applicant will be, in order to accept delivery. A school address should not be used for this purpose.