

28 November, 2008

Circular 28/08: Revised procedures for Exchequer Extra Receipts

A Dhuine Uasail

1. I am directed by the Minister for Finance to outline revised procedures for the lodgement of Exchequer Extra Receipts. This Circular supersedes Circular 4/96 and is being issued on foot the recent publication of a new edition of the Department of Finance publication "Public Financial Procedures".

2. **Exchequer Extra Receipts** (EERs) are defined in Public Financial Procedures, Section C5.19 as

"receipts that the Department of Finance directs must be credited directly to the Exchequer and cannot be retained by Departments for their own use. (If there is any doubt on how a particular receipt is to be treated, a specific direction should be sought from the Department of Finance.) Large receipts that have no direct connection with the Vote expenditure and 'windfall' receipts are brought to account in this way. They include items such as:

- proceeds of important sales of property;
- receipts on foot of surplus income or profits of State companies;
- interest, dividends or capital repayments;
- compensation"

3. In practice, EERs may be classified into two types: (a) those remitted regularly, and (b) the irregular 'windfall' type.

(a) Those **remitted regularly** include, for example, the sale of properties by the OPW or the refund of unused grant money.

(b) The '**windfall**' variety very often require a specific direction from the Department of Finance (usually Sectoral Policy Division) that the item be lodged as an EER. If there is any doubt on how a particular receipt is to be treated, a specific direction should be sought from the Department of Finance.

4. The revised procedures for, the lodgement of EERs are as follows:

They should be transferred by internal funds transfer to the Sundry Moneys Deposit Account at the Central Bank (PMG Account 621SMON). At the same time, a remittance advice should be sent to Exchequer Section (Department of Finance, Unit 2, Central Business Park, Tullamore, Co. Offaly), as well as to the Estimates Office (Department of Finance, Merrion Street, Dublin 2). If the Department of Finance has directed that a receipt is to be treated as an Exchequer Extra Receipt and the payment is delayed for more than a week after the issue of the direction, the Department or Office involved should notify the Estimates Office of the likely date of transfer.

TO: ALL ACCOUNTING OFFICERS

5. Best practice in relation to the transmission of Payable Orders generally

I am also directed to bring to the attention of Departments and Offices the following best practices in relation to payments.

- Payments to other Government Departments or Offices should always be made using the Internal Funds Transfer (IFT) facility on the PMG Intranet site. Such payments should never be made by payable order;
- There should always be a letter, issued separately or otherwise, notifying the relevant Department or Office of the purpose of the payment;
- Acknowledgements should be issued as a matter of course in respect of receipts from other Government Departments and Offices; and
- Such acknowledgements should be used for the purposes of reconciliation by the office that issued the payment.

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Carmel Keane
Head of Finance Directorate