

Latest Government Announcements

Update to Support Schemes Due to Level 5 Restrictions

Budget 2021

Other Government Supports

Updated October 21, 2020

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Support/Funding	Highlights
Support Scheme Updates due to Implementation of Level 5 Restrictions from Midnight Wednesday October 21	<p><u>PUP Scheme</u></p> <p>In relation to PUP, the Government has now introduced a fourth rate of payment for people whose gross earnings were €400 per week or higher prior to the pandemic.</p> <p>They will now receive €350 in their PUP payment each with the rate change taking effect for all new applications received since Friday, 16th October.</p> <p>Existing PUP recipients who previously earned more than €400 per week will have their PUP rate automatically increased and will receive the higher rate of €350 in next week's payment run.</p> <p>The other three rates of PUP payment (€203, €250 and €300) remain unchanged.</p> <p>New applicants are being urged to apply online at www.mywelfare.ie</p> <p><u>Employment Wage Subsidy Scheme Revised Rates:</u></p> <p>The Employment Wage Subsidy Scheme is being enhanced, with a maximum rate now payable at €350, bringing it in line with revisions that are being made to the Pandemic Unemployment Payment.</p> <p>The objective of this move is to minimise the risk of migration from EWSS to PUP during enhanced level restrictions. To the maximum extent possible, the aim is to have as many as possible of the 350,000 employees currently on EWSS retain their link with their employer rather than become unemployed.</p> <p>Revised Rates: Gross weekly pay</p> <p>Less than €151.50 Nil €151.50 – €202.99 €203 €203 - €299.99 €250 €300 - €399.99 €300 €400 - €1,462 €350 Over €1,462 Nil</p>

Previous rates:

Under EWSS there have been three weekly payment rates/bands benefiting just below 350,000 employees as follows:

1. 0 - €151 = €0
2. €151 to €203 = €151
3. €203 - €1,462 = 203

The revised scheme will run to end January 2021.

Covid Restrictions Support Scheme (CRSS)

The Covid Restrictions Support Scheme (CRSS) is designed to assist businesses whose trade has been significantly impacted or temporarily closed as a result of the restrictions as set out in the Government's Living with Covid-19 Plan.

As the country is facing into a period of greater restrictions nationwide, this will see a greater range of businesses who will be impacted. Minister Donohoe has therefore decided to make a further enhancement to allow more businesses access the scheme.

Enhancements include;

- For businesses continuing to trade, they may qualify if their turnover does not exceed 25 per cent of the turnover for the corresponding period in 2019.
- The sectors who can now avail of the CRSS include accommodation, food, the arts, recreation and entertainment, non-essential retail and hair and beauty.

Support/Funding	Overview
<p>Budget 2021</p>	<p><u>Key Measures for Tourism & Hospitality Businesses</u></p> <p>1. VAT: The VAT rate for the hospitality and tourism sector will be cut from 13.5% to 9% with effect from November 1 until 31 December 2021.</p> <p>The 9% VAT rate will apply to the following:</p> <ul style="list-style-type: none"> • Catering and restaurant supplies, including take-away food (excluding alcohol and soft drinks sold as part of the meal) • Hotel lettings, including guesthouses, caravan parks, camping sites etc. • Cinemas, certain musical and theatrical performances, museums, art gallery exhibitions, built and natural heritage, open farms • Admissions to fairgrounds or amusement park services • Facilities for taking part in sporting activities including green fees charged for golf and subscriptions charged by non-member-owned golf clubs • Printed matter e.g. newspapers, brochures, leaflets, programmes, maps, catalogues, printed music (excluding books) • Hairdressing services <p>2. Covid Restriction Support Scheme (CRSS)</p> <ul style="list-style-type: none"> • A new scheme to provide targeted support for businesses worst hit by Level 3 C-19 controls. The scheme will be effective from Budget Day until 31 March 2021. • To qualify on the basis of reduced turnover, that turnover cannot exceed 20% of the 2019 turnover (e.g. to cover take-away/outdoor only in restaurants) or in the case of new businesses 20% of 2020 turnover. • Payments will be calculated on the basis of of average VAT exclusive turnover for 2019. They work out as follows: <ul style="list-style-type: none"> ▪ 10% of annual turnover up to €1m (1/52), ▪ 5% of annual turnover above €1m (1/52), and ▪ to a maximum of €5,000; • Accommodation, food services, arts entertainment others to benefit.

- Qualifying businesses can apply to the Revenue Commissioners for a cash payment in the form of an advanced tax credit for trading expenses for the period of restrictions.

3. Employment Wage Subsidy Scheme: To be extended beyond March 2021 with details to follow.

4. The Recovery Fund: It will be targeted and will help to stimulate increased domestic demand and employment.

Given the evolving nature of Covid-19 and Brexit, the Fund will be flexible in its design in order to provide Government with the means to react swiftly to a constantly changing environment.

It will focus on three main areas:

- infrastructure development
- reskilling and retraining
- supporting investment and jobs.

The Recovery Fund is worth €3.4 billion.

5. Tourism:

- a. Tourism Business Support Scheme €55mn
- b. Tourism Product Development €5mn

6. Some other general business supports:

- a. Extension of the commercial rates holiday until the end of this year.
- b. €1.1bn to the Department of Enterprise, Trade and Employment to support local enterprise, SMEs. Money also to be used to fund the Credit Guarantee Scheme and the Future Growth Loan Scheme.

7. Greenway investment flagged

8. Insurance reforms to stay on the agenda

9. Regarding the arts:

- a. €50m will be provided in Live Entertainment Supports and
- b. Arts Council funding is increasing to €130m, up €50m

Support/Funding	Overview
Employment Wage Support Scheme	<ul style="list-style-type: none"> The Employment Wage Support Scheme (EWSS) is an enterprise support that will give a subsidy to qualifying employers on the basis of the numbers of paid employees. The EWSS will be in place until 31 March 2021 and will replace the Temporary Wage Subsidy Scheme from the 1 September 2020. Both schemes will run in parallel from 31 July until the TWSS ceases at the end of August. From 31 July, any employers who have not previously availed of the TWSS are only eligible to apply for the EWSS. Employers whose turnover has fallen 30% from 2019 figures will receive a flat-rate subsidy of up to €203 per week per employee, including for seasonal staff and new employees. To provide additional flexibility in circumstances where employees were not previously eligible to be paid via TWSS, for example in the case of new hires and certain seasonal workers, employers who have already availed of the TWSS may make an additional claim for non-TWSS employees in the EWSS from 31 July and, if applicable, some claims may be backdated for employees who have been paid from 1 July 2020.
Additional Details	<ul style="list-style-type: none"> The primary qualifying criteria is that the employer must be able to demonstrate that they are operating at no more than 70% turnover from July to December 2020 compared with the same period in 2019, or for businesses that were not operating in 2019 they need to demonstrate that turnover from the July-December 2020 period is at no more than 70% of pre-Covid 19 projected turnover for 2020. The level of subsidy the employer will receive is as follows: <ul style="list-style-type: none"> For every employee paid more than €203 gross per week, the level of subsidy is €203 per week For every employee paid between €151.50 and €202.99 gross per week, the subsidy is €151.50 per week A nil subsidy is payable for employees paid less than €151.50 or more than €1,462 gross per week. A 0.5% rate of employers PRSI will continue to apply for employments that are eligible for the subsidy. Based on the minimum wage of €10.10, the above rates will require at least 15 hours of paid work per employee per week.

How to access support

- The scheme will be administered by Revenue and continue to operate on a “self-assessment” basis with employers making declarations as to their eligibility. Payments will be made in line with the employers regular payroll systems.
- The EWSS will re-establish the normal requirement to operate PAYE on all employee salaries providing for the regular deduction and remittance of income tax, USC and employee PRSI.
- The position in relation to the EWSS does not affect any legal obligations that the employer may have to their employee as regards any terms, conditions, or entitlements of their employment, including pay.
- The legislation contains a number of safeguards to minimise abuse and specifies excluded employees. A list of employers who availed of the EWSS will be published.
- Proprietary Directors have been reinstated to the Employment Wage Subsidy Scheme (EWSS) from 1 September where they meet the objective of the scheme of retaining ordinary employees on payroll.
- The application for sweepback payments for July & August for eligible employees will become available on the Revenue Online Service from September 15. All applications for sweepback payments **must** be submitted before October 14.

Further Details

Revenue Guidelines for the operation of the EWSS can be found [here](#).

Revenue Guidelines on the operation of the sweepback payments can be found [here](#).

You can review a Fáilte Ireland webinar on Transitioning from the TWSS to the EWSS [here](#).

Support/Funding	Overview
Tax Considerations	<p><u>Income Tax Relief</u></p> <ul style="list-style-type: none"> • A change will be made to provide for a new once-off income tax relief for self-employed individuals carrying on a trade or profession who were profitable in 2019 but, as a result of the Covid-19 pandemic, incur losses in 2020. • These provisions will allow such individuals to claim to have those losses (and certain unused capital allowances) up to a maximum amount of €25,000 carried back and deducted from their profits for the tax year 2019. This will reduce the amount of income tax payable in respect of those profits. • The provisions will also allow for claims for the relief to be made on an interim basis to give a cash flow boost to those taxpayers during 2020. <p><u>Corporation Tax</u></p> <ul style="list-style-type: none"> • As above, businesses who pay corporation tax that were profitable in 2019 but incurred a loss due to the Covid-19 pandemic in 2020 will be able to claim a refund of tax paid of some or all of corporation tax paid. <p><u>Tax Warehousing</u></p> <ul style="list-style-type: none"> • VAT and PAYE (employer) deductions • Liabilities incurred during restricted trading and the first bi-monthly VAT period after a business has resumed trading will be parked for a period of 12 months • Non-Covid related debts will be charged at a low interest of 3% p.a. • Business contacts Revenue • Helps with cashflow difficulties
How to Apply	<p>Please contact Revenue to discuss warehousing debt. Further details on the scheme can be found here: https://www.revenue.ie/en/corporate/communications/documents/debt-warehousing-reduced-interest-measures.pdf</p>

Support/Funding	Overview
Restart Grant Plus	<ul style="list-style-type: none"> • A further €300m is being provided to businesses through the enhanced Restart Grant Plus. • The grant will be based on the amount of the rates assessment for the premises for 2019 (excluding arrears) with a new minimum grant of €4,000 and a maximum grant of €25,000 (Increased from €2,000 min and €10,000 max). • Eligible firms now include medium-sized firms and independent hotels with up to 250 employees, as well as small firms (increased from 50 employees). • Businesses impacted by a 25% reduction in turnover will be eligible provided they commit to reopening and to hiring and sustaining employment. • A turnover of up to €25m is now allowable, increased from €5m. There is a cap of €100,000 turnover per employee. • Commercial sports businesses and trading charity shops in rated premises can now apply for the grant. • The hospitality sector, restaurants, pubs, activity centres and tourist attractions, for example, galleries, museums, are eligible if they are operating from a rated premise. • Under the revised Restart Grant, support will also be provided for enterprises that could not access the original grant scheme. Non-rated B&Bs and rateable sports businesses will be eligible for a grant payment of €4,000.
How to access support	<p>Applications for the Restart Grant Plus are available through the Local Authorities.</p> <p>Non-rated B&Bs will be eligible to apply to Fáilte Ireland.</p>

Support/Funding	Overview
<p>Enterprise Support Grant for Self-Employed Business Owners</p>	<ul style="list-style-type: none"> • The Enterprise Support Grant is available to assist eligible self-employed business owners with a once-off grant of up to €1,000 to restart their business which was closed due to the COVID-19 pandemic. • The Grant will be awarded to self-employed people who: <ul style="list-style-type: none"> ○ are tax and PRSI compliant ○ are not liable for commercial rates ○ have been in receipt of the COVID-19 Pandemic Unemployment Payment and have closed their claim on or after 18 May 2020 ○ have reopened their business which was closed due to the pandemic ○ employ less than 10 people ○ have an annual turnover of less than €1 million ○ are not eligible for the COVID-19 Business Restart Grant or similar COVID-19 business restart grants from other government departments ○ can produce VAT receipts/invoices in respect of business restart costs and expenses claimed, if requested to do so by the department. • Funding will be awarded for eligible costs up to a maximum of €1,000. Grants will be awarded on costs related to reopening your business, including safety measures, business advice or mentoring, repairs, fuel, and wages. Normal business costs are not generally included.
<p>How to access support</p>	<p>Details of the scheme, including application forms, can be found here. Application forms must be returned to your local Intreo office.</p>

Support/Funding	Overview
Commercial Rates Waiver	<ul style="list-style-type: none"> • A 100% waiver, in the form of a credit in lieu of commercial rates will be applied to the rate accounts of all businesses, for a further three month period, up to the end of 2020. • There is no application required for the waiver. Local authorities should automatically apply a 100% credit in lieu of commercial rates, for a six-month period, to classes and categories of occupied rateable property where the occupying business is not in an excluded category. • The waiver is applied automatically and no direct individual notice to ratepayers will be issued. • If you have already paid your rates bill for 2020, a refund or a credit towards the 2021 bill will be arranged by the relevant local authority
How to Apply	Businesses should contact their Local Authority directly with any queries relating to the scheme.

Support/Funding	Overview
Covid-19 Credit Guarantee Scheme	<ul style="list-style-type: none"> This will be a €2 billion credit guarantee scheme. It will be available to COVID-19 impacted firms through the Pillar Banks (AIB, Bank of Ireland and Ulster Bank). The Government to act as guarantor for 80% of loans drawn down Loan facilities of between €10,000 to €1m will be available at terms of between 3 months to 6 years. Interest rates to be in region of 3% - 4% with capital and interest repayment moratorium of up to 12 months The scheme will operate by providing an 80% guarantee to participating finance providers on qualifying loans to SMEs. SMEs will be able to go directly to the banks in the Scheme to apply.
How to access support	<p>Businesses should apply directly to their banks to avail of this scheme.</p> <p>Scheme FAQs can be found here</p> <p>Further information can be found here</p>

Support/Funding	Overview
Microfinance Ireland/ Local Enterprise Offices	<ul style="list-style-type: none"> A package of liquidity and enterprise investment measures worth €55 million will be put in place to support small and micro companies through additional resources for MicroFinance Ireland and the Local Enterprise Offices. This will include measures to reduce interest rates on lending for micro and small businesses, including grants equivalent to 0% interest on the first year of SBCI and MFI loans.
How to access support	<p>Talk to a Business Advisor in your Local Enterprise Office for more information.</p> <p>Applications have not yet re-opened for Microfinance Ireland loans, but you can pre-register your interest on their website and they will email you with more information and the relevant application documents.</p>

Support/Funding	Overview
Future Growth Loan Scheme	<ul style="list-style-type: none"> • The Future Growth Loan Scheme is being expanded from €200 million to €500 million • This scheme will be available to eligible SME and Small Mid-Cap businesses (up to 499 employees). • Loans will range from €100,000 (€50,000 for farmers) to €3 million per eligible business, with unsecured loans up to €500,000. • The initial maximum interest rate is capped at 4.5% for loans up to €249,999 and 3.5% for loans more than or equal to €250,000 for the first six months.
How to access support	<p>The first step in the process will be to complete an SBCI online application and receive eligibility letter. Once the eligibility letter is received, the business can then approach their preferred bank to begin the loan process.</p> <p>For loans in excess of €250,000, a Business Plan must be completed as part of the application process.</p>
Further Information	<p>Further information on this scheme can be found here.</p>

Support/Funding	Overview
<p>Pandemic Unemployment Payment</p>	<p>The Pandemic Unemployment Payment will be amended as follows:</p> <p>From 16 October 2020 until 31 January 2021 the COVID-19 Pandemic Unemployment Payment will be paid at 4 rates. This rate change was announced on 19 October. It is effective from Friday 16 October, therefore payments made on Tuesday 27 October will include the new rate of €350.</p> <ul style="list-style-type: none"> • if you earned €400 or more - you will receive €350 • if you earned between €300 and €399.99 per week - the rate of the COVID-19 Pandemic Unemployment Payment is €300 per week • if you earned between €200 and €299.99 per week - the rate of the COVID-19 Pandemic Unemployment Payment will be €250 per week • if you earned less than €200 per week - you will receive €203 per week, which is the same as the primary rate of Jobseeker's Benefit <p>From Feb 1st, 2021</p> <ul style="list-style-type: none"> • Those who earned €200-€300 pre-pandemic will move from the €250 Pandemic Unemployment Payment rate to Jobseekers' Benefit of €203. • Those who previously earned over €300 will see their PUP payment fall to €250. <p>From April 1st, 2021</p> <ul style="list-style-type: none"> • The remaining PUP claimants will be required to apply for the standard Jobseekers' Allowance, and the PUP scheme will be closed.
<p>Additional Information</p>	<p>For additional details please click here.</p> <p>Please note that the scheme will close to new applicants at the end of 2020.</p>