TWSS – Temporary Phase

- Runs from 26th March to 3rd May.

- Employer responsible for calculating Wage Subsidy.

- Revenue not notified of subsidy Payments – Revenue always reimburse Employer €410 per employee per week (plus PAYE and USC Refunds).

- Subsidy Calculation relatively simple based on Average Revenue Net Weekly Pay (ARNWP).

- Subsidy not available for ARNWP > €960

TWSS – Operational Phase

- Commences on 4th May

- New Subsidy calculation formulas (announced by Minister on 15th April) More complex calculations.

- Revenue will only refund actual subsidy due to employee. Subsidy will be tapered by Additional Employer Pay.

- Revenue will issue CSV File with their calculation of ARNWP, maximum subsidy and tapering point.

Average Revenue Net Weekly Pay (ARNWP)

- The ARNWP is the Average Revenue Net Weekly Pay that the employee earned in January & February 2020

- All subsidy calculations are made with reference to the ARNWP

$$\frac{Gross\ Pay - PAYE - USC - PRSI}{Insurable\ Weeks}$$

Tier 1

Average Revenue Net Weekly Pay (ARNWP) of €0.01 to €586.00

€0.01 to €412.00	€412.01 to €500.00	€500.01 to €586.00
Max subsidy before tapering	Max subsidy before tapering	Max subsidy before tapering
85%	**€350**	**70%**
of ARWNP, but no more than €350.		of ARNWP, but no more than €410.

Subsidy

Tapering

a = ARNWP or €350, (whichever is greater)

x = a - Subsidy Value

Employer Pay Higher than x will begin tapering.

x = ARNWP - Subsidy Value

Employer Pay Higher than x will begin tapering.

x = ARNWP - Subsidy Value

Employer Pay Higher than x will begin tapering.

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ARNWP = €200
(Subsidy is 85% of ARNWP)

- Maximum Subsidy
  - 85% of ARNWP
  - = 85% of €200
  - = **€170**

- Maximum Employer Pay Before Tapering
  - Employer can always top-up to €350 in this band irrespective of ARNWP
  - = €350 – Wage Subsidy
  - = €350 - €170
  - = **€180**

ARNWP = €450
(Subsidy is always €350 for ARNWP between €412.01 and €500)

- Maximum Subsidy = **€350**

- Maximum Employer Pay Before tapering is

  - = ARNWP – Subsidy

  - = €450 - €350

  - = **€100**

ARNWP = €550
(Subsidy is 70% of ARNWP)

- Maximum Subsidy
  - 70% of ARNWP
  - = 70% of €550
  - = **€385**

- Maximum Employer Pay Before Tapering
  - = ARNWP – Subsidy
  - = €550 - €350
  - = **€165**

Tapering

- Tapering occurs when the additional employer pay is greater that the "Maximum Employer Pay Before Tapering"

- Generally speaking Tapering occurs when the

    - Subsidy + Pay > ARNWP

    - But there are some exceptions to that rule

        - ARNWP < €350 then Employer can top up to €350

        - ARNWP > €960 then Tapering begins at €960

ARNWP = €200

Max Subsidy = €170, Max Employer Pay = €180

- No Tapering occurs for Employer Pay up to €180

- Employer Pay of €200

    - Subsidy + Employer Pay

    - €170 + €200 = €370

    - €370 is greater than €350 by €20

    - Subsidy is tapered (reduced) by €20

    - Subsidy is €150

ARNWP = €550

Max Subsidy = €385, Max Employer Pay = €165

- No Tapering occurs for Employer Pay up to €165
- Employer Pay of €250
  - Subsidy + Employer Pay
  - €385 + €250 = €635
  - €635 is greater than €550 by €85
  - Subsidy is tapered (reduced) by **€85**
  - Subsidy is **€300**

Tier 2

Average Revenue Net Weekly Pay (ARNWP) of €586.01 up to €960.00

Employer pay 60% or less of ARNWP	Employer pay over 60% but less than 80% of ARNWP	Employer pay 80% or more of ARNWP
Max subsidy before tapering **€350**	Max subsidy before tapering **€205**	No Subsidy
x = ARNWP - Subsidy Value or x = €350 - Subsidy Value (whichever is greater) Employer Pay Higher than x will begin tapering	x = ARNWP - Subsidy Value or x = €350 - Subsidy Value (whichever is greater) Employer Pay Higher than x will begin tapering	

Subsidy

Tapering

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Tiered Subsidy

- Tiered Subsidy applies to all cases where ARNWP > €586

- There are 3 Tiers

  - Tier 1 has a maximum subsidy of €350

  - Tier 2 has a maximum subsidy of €205

  - Tier 3 has zero subsidy

Tiered Subsidy

- The Tier that applies depends on the value of Employer Pay compared to the ARNWP

- Tier 1 applies where Employer Pay is 60% or less of ARNWP
  - (This is 40% or more reduction below ARNWP)

- Tier 2 applies where Employer Pay is between 60% and 80% of ARNWP
  - (This is a 20% to 40% reduction below ARNWP)

- Tier 3 applies where Employer Pay is more than 80% of ARNWP

ARNWP = €800

- Tier 1 applies to all Employer Pay from zero to €480
  - Subsidy is €350, tapering occurs after €450 (€800 - €350)
- Tier 2 applies to all Employer Pay from €480.01 to €640
  - Subsidy is €205, tapering occurs after €595 (€800 - €205)

ARNWP = €1200, Employer Pay = €1000

- Not eligible for subsidy as drop in pay is only **17%** (€200 / €1200)

ARNWP = €1200 Employer Pay = €800

- Drop in Pay is **33%** therefore maximum subsidy **€205**

- Maximum Employer Pay = **€755** (€960 - €205)

- With Pay of **€800** then tapering of **€45** applies

ARNWP = €1200 Employer Pay = €600

- Drop in Pay **50%**

- Maximum Subsidy **€350**

- Maximum Employer Pay before Tapering **€610** (€960 - €350)

CollSoft TWSS Spreadsheet

- Download from http://mirror1.collsoft.ie/twss/twss.xlsm

- The new Excel Formulas are explained in the next couple of slides

- This is a Macro Enabled Spreadsheet so you will be shown a security warning, the Macros will be disabled and you will have to "Enable Content"
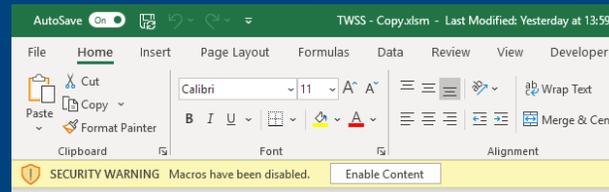
=CalculateWageSubsidy()

- This function calculates the wage subsidy available for a particular ARNWP

- This function requires at least one parameter (ARNWP) but has some other optional parameters.

  - **ARNWP** – Always Required

  - **Employer Pay** - Optional, defaults to zero

  - **Pay Frequency** - Optional, defaults to "W" for weekly, other values are "M" for monthly, "TW" for Two Weekly (Fortnightly) and "FW" for Four Weekly

  - **Taper** - Optional, defaults to 1 to automatically taper, or can be 0 to switch tapering off)

  - **Payment Date** – Optional, defaults to 4th May 2020, determines which calculations to use

Examples follow on next page

Examples
=CalculateWageSubsidy()

- **=CalculateWageSubsidy(550)** - calculates the weekly subsidy available for ARNWP = €550 and zero employer pay – this gives maximum subsidy under the new scheme.

- **=CalculateWageSubsidy(1000, 780)** – calculates the weekly subsidy for ARNWP = €1000 and Employer Pay €780 with automatic tapering.

- **=CalculateWageSubsidy(1000, 3400,"M")** - calculates the monthly subsidy for ARNWP = €1000 and monthly employer pay €3400 with tapering

- **=CalculateWageSubsidy(1000, 3400,"M",0)** – as above but without tapering

- **=CalculateWageSubsidy(1000, 3400,"M",0,01/04/2020)** – as above but under Temporary Phase calculations

=CalculateMaxEmployerPay()

- This function calculates the maximum employer payment before tapering occurs for a particular ARNWP

- This function requires at least one parameter (ARNWP) but has some other optional parameters.

  - **ARNWP** – Always Required

  - **Employer Pay** - Optional, defaults to zero

  - **Pay Frequency** - Optional, defaults to "W" for weekly, other values are "M" for monthly, "TW" for Two Weekly (Fortnightly) and "FW" for Four Weekly

  - **Taper** - Optional, defaults to 1 to automatically taper, or can be 0 to switch tapering off)

  - **Payment Date** – Optional, defaults to 4th May 2020, determines which calculations to use

Examples follow on next page

Examples
=CalculateMaxEmployerPay()

- **=CalculateMaxEmployerPay(550)** - calculates where tapering begins for ARNWP = €550

- **=CalculateMaxEmployerPay(1000, 780)** – calculates where tapering begins for ARNWP = €1000 and Employer Pay €780 with automatic tapering.

- **=CalculateMaxEmployerPay(1000, 3400,"M")** - calculates where tapering begins for ARNWP = €1000 and monthly employer pay €3400 with tapering

- **=CalculateMaxEmployerPay(1000, 3400,"M",0)** – as above but without tapering

- **=CalculateMaxEmployerPay(1000, 3400,"M",0,01/04/2020)** – as above but under Temporary Phase calculations

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