

Employment Wage Subsidy Scheme

Overview

The Webinar will begin at 3PM

Employment Wage Subsidy Scheme (EWSS)

- Employers will be paid a direct subsidy for each employee in the scheme.
- There are 4 Bands of EWSS dependant on the Employees Gross Pay.
- Employers will pay a reduced rate of Employer's PRSI of 0.5%
- Revenue Guide available at

<https://www.revenue.ie/en/employing-people/documents/ewss/ewss-guidelines.pdf>

Rates of EWSS Subsidy

- The level of subsidy payable to the employer depends on the employee's Gross Pay.
- Gross Pay is the amount of pay before any pension deductions and includes BIK.

Employee's Gross Pay	Subsidy Payable
Less than € 151.50	Nil
From € 151.50 to € 202.99	€ 203
From € 203 to € 299.99	€ 250
From € 300 to € 399.99	€ 300
From € 400 to € 1,462	€ 350
More than € 1462	Nil

BIK

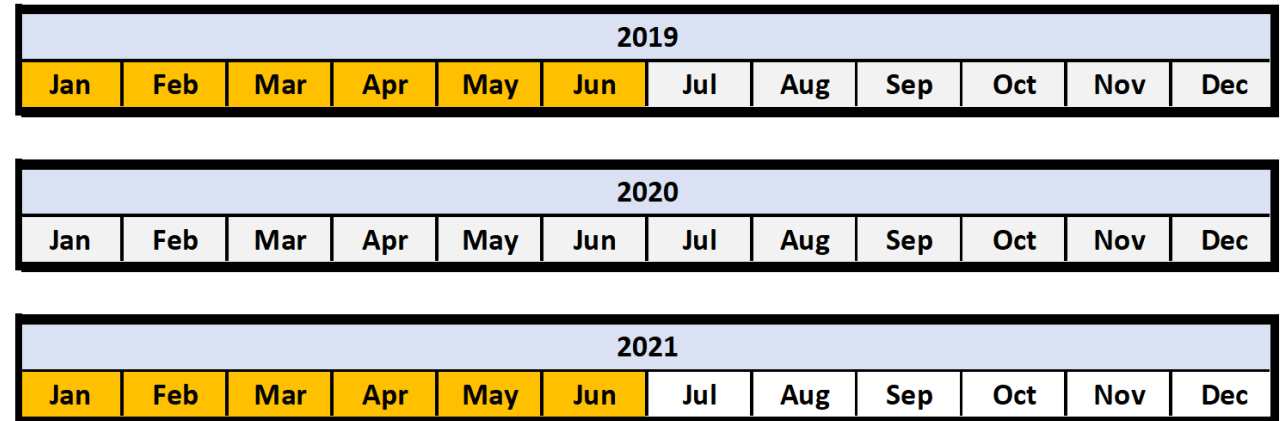
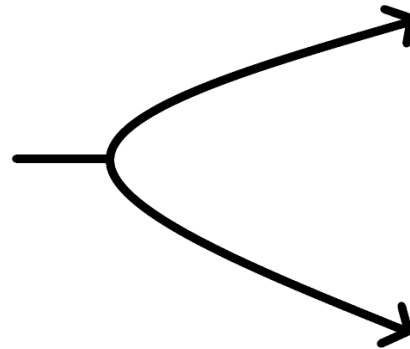
- During TWSS Employers were allowed to suspend the operation of BIK while the employee was on TWSS.
- In December Revenue published guidance to state that such exemptions we no longer allowed
- <https://www.revenue.ie/en/corporate/communications/covid19/compliance-with-certain-reporting-and-filing-obligations.aspx>
- We are awaiting confirmation of what is allowed in the new shutdown.

Differences between TWSS and EWSS

TWSS	EWSS
TWSS was a payment from Revenue to the Employee made through the employer TWSS was designed as a support while business was closed.	EWSS is a subsidy paid to the employer – it is not a payment to the employee. EWSS was designed as a support for a business that is open .
TWSS was processed as a tax free payment made to the employee using PRSI Class J9	Wages are processed as normal using the employees taxable Gross Pay and normal PRSI Class. There is a special “Tick Box” in payroll to identify employees in the scheme.
TWSS was only available to employees who were employed in Jan/Feb 2020.	EWSS is available to almost all employees regardless of how long they have been employed by you.
Each employee had an individual TWSS subsidy based on their earning in Jan/Feb 2020	The amount of EWSS subsidy is determined by the Gross Pay in each week. It can vary from week to week if pay fluctuates.
The amount of TWSS could be tapered (reduced) depending on Gross Pay	There is no tapering of EWSS
TWSS will be reconciled by Revenue and employers may need to repay some money back to Revenue	There is no reconciliation of EWSS – The amount paid by Revenue is not subject to a later reconciliation or repayment.
Employees could agree to defer pay so that they could become eligible for TWSS (for example employees where Gross Pay more than 76K per annum)	Employers cannot enter into any arrangements such as deferral of pay in order to gain a subsidy.

Eligibility for EWSS

Employer expects turnover (or orders) for the first six months of 2021 to be at least 30% lower than the first six months of 2019 due to the Covid Pandemic



Employer must have a Tax Clearance Certificate

You must look at the full six month to determine eligibility – **DO NOT** compare months individually

Qualifying Criteria

- To qualify for the scheme, you must be able to demonstrate that:
 - your business will experience a 30% reduction in turnover or orders between 1st January 2021 and 30th June 2021 compared to same period in 2019
 - this disruption is caused by COVID-19.
- **You must have a Tax Clearance Certificate in order to register for the scheme.**
- You will need to maintain Tax Clearance while operating the scheme.

Applying for Tax Clearance Certificate

Revenue Cáin agus Cúistín na hÉireann
Irish Tax and Customs

MY SERVICES REVENUE RECORD PROFILE WORK IN PROGRESS ADMIN SERVICES

GAEILGE ENGLISH ROS HELP COLLSOFT LTD EXIT

Tax Clearance Issued.

My Frequently Used Services Add a service + ^

MyEnquiries

Employer Services

Revenue Payroll Notifications (RPNs) Request RPNs	Payroll Submit payroll View payroll	Returns Statement of Account	Additional Services PPS Number Checker
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File a Return

- [Complete a Form Online](#) ▼
- [Upload Form\(s\) Completed Offline](#) ▼

Payments & Refunds

- [Submit a Payment](#) ▼
- [Manage Bank Accounts](#) ▼

Other Services

MyEnquiries Manage Tax Clearance Verify Tax Clearance Manage Financial Statements Manage Reporting Obligations	Drivers & Passengers with Disabilities eRepayment Claims VRT Certificate of Conformity VRT EU Leased Vehicle - Lessee VRT EU Leased Vehicle - Leasor	Mobile Access Receipts Tracker Download Pre-populated Returns Secure Upload/Download Service VAT MOSS
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Tax Clearance



Apply for Tax Clearance

Manage Tax Clearance

Revenue records show that you hold a Tax Clearance Certificate. You need to ensure that your tax affairs and the tax affairs of any connected parties are kept up-to-date. Failure to do this may result in your Tax Clearance Certificate being refused or rescinded and require you to re-apply.

When do I need to re-apply for a Tax Clearance Certificate?

If there has been a change to your circumstances (e.g. property purchase, joining a new partnership) then you need to re-apply for tax clearance.

How do I prove that I hold a Tax Clearance Certificate?

You can give your **Tax Clearance Access Number** along with your PPSN/Tax Reference Number to anyone who needs to verify that you hold a Tax Clearance Certificate.

Tax Clearance Status

- Status: **Issued** ([View/Print/Save](#))
- Status Access Number: XXXXXXXXXX
[Request New Access Number](#)

What is reviewed for tax clearance?

- Your affairs
- Connected parties (if applicable)
 - * Properties
 - * Partners
 - * Partnerships
 - * Directors/Shareholders
 - * Previous Business Entity (Previous Licence Holder)
 - * Employer (SPSV Drivers and CAB applicants)
 - * VAT Group remitter (VAT Groups)
- A Spouse or Civil Partner is **NOT** a connected party.

[x Close](#)
[Re-apply →](#)

Monthly Reviews

- Employers are required to undertake a review on the last day of every month to ensure you continue to meet the above eligibility criteria. If you no longer qualify, you should deregister for EWSS with effect from the following day (that being the first of the month).
- There will be a formal process on ROS to deregister.
- Employers would be able to re-register for EWSS at a later date should the need arise.

Childcare Sector

- Childcare businesses registered in accordance with Section 58C of the Child Care Act 1991 are also included in the scheme irrespective of turnover.

Registering For EWSS

- Employers will have to register on ROS in order to participate in EWSS (even if you are already registered for TWSS).
- Registration is open now
- Employers must have a Tax Clearance Certificate to register and to receive subsidy payments.

Registering For EWSS

- Registration will include a registration date which applies to EWSS.
- Employers will only be able to apply for the subsidy for payments from the date of registration.
- Registration can not be back dated.
- For example, if you register for EWSS on 15th January you will not be able to apply for the subsidy for payroll dates earlier in the month.

Registering For EWSS

Tax Clearance Issued.

My Frequently Used Services Add a service +

MyEnquiries

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[Manage Bank Accounts](#) v

Other Services

MyEnquiries Manage Tax Clearance Verify Tax Clearance Manage Financial Statements Manage Reporting Obligations Manage Tax Registrations	Drivers & Passengers with Disabilities eRepayment Claims VRT Certificate of Conformity VRT EU Leased Vehicle - Lessee VRT EU Leased Vehicle - Lessor Letter Of Tax Residence Capital Gains Clearance	Mobile Access Receipts Tracker Download Pre-populated Returns Secure Upload/Download Service VAT MOSS View Property History Manage LPT / HC arrears Transfer Property
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Phased Payment Arrangement

Registering For EWSS

eRegistration

Manage Your Tax Registrations and TAIN Links

Notes:
You may add multiple requests to 'Your Requests' area.

You will be brought back to this screen after completing each request form. Items in the 'Your Requests' area will not be processed until the 'Submit' process is completed.

Registration Options

Capital Gains Tax - CGT
Status: Ceased
Number: 06355880S
Agent: n/a

Value Added Tax - VAT
Status: Active
Number: 06355880S
Agent: M/S S.C. DUNNE & CO

Cease Registration >
Remove Agent Link >
Remove Intra-EU >

Employer (PAYE/PRSI)
Status: Active
Number: 06355880S
Agent: M/S S.C. DUNNE & CO
Type: Financial & Payroll Agent

Cease Registration >
Remove Agent Link >

Corporation Tax - CT
Status: Active
Number: 06355880S
Agent: M/S S.C. DUNNE & CO

Cease Registration >
Remove Agent Link >

Relevant Contracts Tax - RCT
Status: Not Registered

Register >

Environmental Levy - ELEV
Status: Not Registered

Register >

Diesel Rebate Scheme - DRS
Status: Not Registered

Register >

Charitable Donations Scheme - CDS
Status: Not Registered

Customs & Excise - C&E
Status: Active
Number: 06355880S
Agent: n/a

Sugar Sweetened Drinks Supplier - SSDS
Status: Not Registered

Register >

Sugar Sweetened Drinks Exporter - SSDE
Status: Not Registered

Register >

Employment Wage Subsidy Scheme - EWSS
Status: Not Registered

Register >

Employer (PAYE/PRSI)
Status: Not Registered

Register Additional >

VAT MOSS - VAT Mini One Stop Shop

Manage VAT MOSS >

If you have added requests to the 'Your Requests' area please ensure these are submitted before managing your VAT MOSS registration.

Registering For EWSS

eRegistration

Registration Details

Bank Details

Bank details are required for the Employment Wage Subsidy Scheme.
Following registration your PREM bank account details will be added to your EWSS registration.

- Bank details can be managed on ROS from the My Services screen.
- First select: Manage Bank Accounts. Then select: Manage EFT.

Bank details can be amended 2-3 working days following registration.

I declare that I have read the eligibility criteria for the Employment Wage Subsidy Scheme and that the business qualifies for the scheme. I undertake that the business will abide by the terms and conditions of the scheme. I understand and accept that failure by the business to adhere to the terms of the scheme could result in recoupment of monies together with interest, penalties and prosecution. I undertake that the business will retain all records relating to the scheme, including the basis of eligibility, for review by Revenue.

[← Back](#)

[Confirm →](#)

Registering For EWSS

eRegistration

EWSS Registration

* Denotes a required field

Registration Date (DD/MM/YYYY) *

Related Employer (PAYE/PRSI) registration *

Please select the Employer (PAYE/PRSI) registration to which this Employment Wage Subsidy Scheme registration relates

Registering For EWSS

eRegistration

Manage Your Tax Registrations and TAIN Links

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Status: Ceased
Number: 06355880S
Agent: n/a

Value Added Tax - VAT
Status: Active
Number: 06355880S
Agent: [M/S S. C. DUNNE & CO](#)

[Cease Registration](#) [Remove Agent Link](#) [Remove Intra-EU](#)

Employer (PAYE/PRSI)
Status: Active
Number: 06355880S
Agent: [M/S S. C. DUNNE & CO](#)
Type: Financial & Payroll Agent

[Cease Registration](#) [Remove Agent Link](#)

Corporation Tax - CT
Status: Active
Number: 06355880S
Agent: [M/S S. C. DUNNE & CO](#)

[Cease Registration](#) [Remove Agent Link](#)

Relevant Contracts Tax - RCT
Status: Not Registered

[Register](#)

Environmental Levy - ELEV
Status: Not Registered

[Register](#)

Diesel Rebate Scheme - DRS
Status: Not Registered

[Register](#)

Charitable Donations Scheme - CDS
Status: Not Registered

Customs & Excise - C&E
Status: Active
Number: 06355880S
Agent: n/a

Sugar Sweetened Drinks Supplier - SSDS
Status: Not Registered

[Register](#)

Sugar Sweetened Drinks Exporter - SSDE
Status: Not Registered

[Register](#)

Employment Wage Subsidy Scheme - EWSS
Status: In Requests

Employment Wage Subsidy Scheme - EWSS
Status: Not Registered

[Register Additional](#)

Employer (PAYE/PRSI)
Status: Not Registered

[Register Additional](#)

Your Requests (1)

Register
EWSS (1234567T)
[Edit](#) [Cancel](#)

You need to submit this request in order for this transaction to be processed.

[Submit](#)

Eligible Employees

- Generally speaking almost all employees of an eligible employer will be eligible for a subsidy including existing employees, newly hired employees and re-hired employees.
- Proprietary Directors are eligible for EWSS provided that;
 - They are normally paid through Payroll
 - They had wage payments reported to Revenue any time between 1st July 2019 and 30 June 2020.
- There are also restrictions around connected persons in instances where such individuals were not on the payroll during the period July 2019 to June 2020.
- Connected persons include brothers, sisters, linear ancestors, linear descendants, aunts, uncles, nieces, nephews of an individual and their spouse.

Separate Divisions within an Employer

- In some cases a company may have separate divisions who all report under the same employer registration number.
- In cases where certain divisions meet the eligibility criteria then they may be eligible to operate EWSS even if the Company does not meet the 30% reduction overall.
- This type of divisional structure must be a formal structure recognised by Revenue.
- Revenue to issue clarification of this in their guidance documentation next week.

Level Of Subsidy

- Generally speaking the subsidy is calculated on a weekly basis based on the number of insurable weeks.
- For Monthly pay frequencies the calculations will be based on weekly equivalents such as
 - Equivalent Weekly Gross Pay = $(\text{Monthly Gross Pay} \times 12) / 52$
 - The Equivalent Weekly Gross Pay will be used to calculate the subsidy entitlement which will then be transformed into a monthly amount.
- For Monthly pay frequencies where the number of insurable weeks is not 4 or 5 then the calculations will be a weekly calculation based on the number of insurable weeks.
- This will make it easier for starters/leavers where they are being paid for part of a month.
- Employers can include holiday pay in advance so for example if an employer was processing a payroll with 1 weeks wages and 2 weeks of holidays they can do this as a single payroll entry with 3 insurable weeks. Revenue will pay the subsidy based on 3 weeks. (up to a maximum of 5 insurable weeks)

Employer's PRSI

- Under EWSS a rate of 0.5% Employers PRSI will apply to all eligible wages.
- This reduction in Employers PRSI will be operated as a credit on the Monthly Statement.
- PRSI will be calculated at the normal rates in Payroll (EE and ER) and reported to Revenue as normal.
- Revenue will calculate a PRSI credit by calculating the difference between the normal rate and 0.5%
- This credit will be applied to the Monthly Statement reducing the employers PRSI liability on the statement.

Employer's PRSI Example

- Gross Pay € 1,000 – PRSI class A1
 - Employee's PRSI: € 40.00
 - Employer's PRSI: € 110.50
- Employer reports these figures to Revenue as part of their normal Payroll Submission.
- Revenue will calculate the Employers PRSI due at 0.5% = $(1000 \times 0.5\%) = € 5$
- Revenue will calculate the PRSI credit as
 - = € 110.50 – (1000 @ 0.5%)
 - = € 110.50 - €5
 - = € 105.50
- Revenue will apply a credit (credit) of € 105.50 to your Monthly Statement

How will it work in Payroll?

- Employers will return to running their Payroll in the normal manner.
- Operating EWSS in Payroll will be very straightforward – users will simply tick a box on the Employee and/or Wage Screen to identify employees in the scheme.
- CollSoft will include a special EWSS flag on each relevant payroll submission.
- Revenue will track these submissions on their systems.
- Revenue do payment runs every day – except at the start of the month where they wait until the first Tuesday of the month.

Revenue Oversight

- We expect that Revenue will be monitoring this scheme much more than they did with TWSS.
- They will be watching our for cases where they feel the employer is trying to take advantage of the system.
- For example, you cant fire one employee and rehire two employees to try and increase your subsidy.
- You will not be able to enter into arrangements such as deferral of pay to include employees who would otherwise be ineligible.