

Employment Wage Subsidy Scheme

Overview

The Webinar will begin at 11:00

Employment Wage Subsidy Scheme (EWSS)

- The Employment Wage Subsidy Scheme (EWSS) was announced by the Minister Of Finance as part of the July Stimulus Package and is designed to take over from the Temporary Wage Subsidy Scheme (TWSS) which ends on 31st August 2020.
- EWSS replaces TWSS from the 1st of September 2020 until 31 March 2021.
- While EWSS commences in Payroll from 1st September, it will be backdated to 1st July for qualifying employees.
- The backdating process to 1st July will be outlined at a later date.

Employment Wage Subsidy Scheme (EWSS)

- Employers will be paid a direct subsidy for each employee in the scheme or either Nil, €151.50 or €203 per week depending on Gross Pay.
- Employers will pay a reduced rate of Employer's PRSI of 0.5%
- Revenue Guide available at <https://revenue.ie/en/corporate/communications/documents/ewss-guidelines.pdf>

How is EWSS different from TWSS

- EWSS is a subsidy paid directly to the employer. It will not be visible to the employee on their payslip or in myAccount.
- Employers will pay their employees wages in the normal manner.
- Employees will return to their normal PRSI class – **No More J9!**
- EWSS is available to newly hired employees even if they never worked for you before.
- There are 3 levels of subsidy – Nil, €151.50 or €203 per week depending on Gross Pay – it is not related to previous earnings in Jan/Feb or ARNWP etc.
- The levels of subsidy are generally lower per employee compared to TWSS.
- No more tapering.
- Subsidy will be paid to the employer a month in arrears after the Monthly Statement has been accepted on ROS. It is not paid on a daily basis like TWSS.

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 1 July and 31 December 2020
 - this disruption is caused by COVID-19.
- This reduction in turnover or orders is relative to:
 - the same period in 2019 where the business was in existence prior to 1 July 2019
 - the date of commencement to 31 December 2019
 - Or where a business commenced after 1 November 2019, the projected turnover or orders.
- **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

The screenshot shows the Revenue.ie website interface. At the top, there is a navigation bar with the Revenue logo and several menu items: MY SERVICES, REVENUE RECORD, PROFILE, WORK IN PROGRESS, and ADMIN SERVICES. On the right side of the navigation bar, there are links for GAEILGE, ENGLISH, ROS HELP, COLLSOFT LTD, and EXIT. Below the navigation bar, a notification reads "Tax Clearance Issued." The main content area is divided into several sections:

- My Frequently Used Services:** Includes a search bar for "MyEnquiries" and an "Add a service" button.
- Employer Services:** Contains four sub-sections:
 - Revenue Payroll Notifications (RPNs) with a link to "Request RPNs".
 - Payroll with links for "Submit payroll" and "View payroll".
 - Returns with a link to "Statement of Account".
 - Additional Services with a link to "PPS Number Checker".
- File a Return:** Includes "Complete a Form Online" and "Upload Form(s) Completed Offline", both with dropdown arrows.
- Payments & Refunds:** Includes "Submit a Payment" and "Manage Bank Accounts", both with dropdown arrows.
- Other Services:** Contains a grid of links:
 - MyEnquiries
 - Manage Tax Clearance** (highlighted with a red box)
 - 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

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.

[✕ 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 1st October you will not be able to apply for the subsidy for payroll dates in September.

Registering For EWSS

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](#) v

[Upload Form\(s\) Completed Offline](#) v

Payments & Refunds

[Submit a Payment](#) v

[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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[Charities and Sports Bodies eApplication](#)

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 (From 1st September)

- 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.
- Employees who were on TWSS up to 31st August will be eligible for EWSS from 1st September.
- 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.

Eligible Employees (From 1st July – 31st August)

- Any employee who was not eligible for TWSS in the period 1st July – 31st August will be eligible for EWSS in that period.
- Subsidy payments for such employees will be calculated and paid to the employer at a later date – this process has yet to be decided.
- All employees who are eligible for TWSS (including rehires) must stay on TWSS until 31st August. They can then be switched onto EWSS on 1st September.

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

- 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.

Gross Pay (per Week)	Subsidy Payable (per week)
Less than €151.50	Nil
From €151.50 to €202.99	€151.50
From €203 to €1462	€203
More than €1462	Nil

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 = $(\text{Monthly Gross Pay} * 12) / 52$
 - 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?

- CollSoft will release an update on Monday 24th August.
- Employers will return to running their Payroll in the normal manner.
- Revenue will be operating the scheme a month in arrears and the subsidy will be paid to the employer after the Monthly Statement has been accepted.
- 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.

How will it work in Payroll?

- Users will be able to make amendments to line items at any stage before their Monthly Statement is accepted on the 14th of the following month.
- Any late submissions or changes made after the 14th of the Month will not be eligible for a subsidy.
- When the Monthly Statement has been accepted Revenue will calculate the total amount of subsidy and PRSI credit due for the period.
- The monthly liability will be reduced by the amount of PRSI credit, and a payment will be made to the employer in respect of the total subsidies due.

July/August Sweepback

- Employers who are eligible for EWSS and were not eligible for TWSS or who had employees not eligible for TWSS can claim EWSS in respect of these employees for pay dates from 1st July.
- These will be dealt with as part of a 'sweepback' with payment made in September.
- Employer provides Revenue a list of employee names, PPSN, employment IDs (method TBC)
- Revenue will calculate the total subsidy due to be paid based on rules of the scheme.

July/August Sweepback

- Revenue will pay subsidy to employers designated bank account
- The reduced rate of employers PRSI of 0.5% is also applicable to such employees. The refund due will be calculated and posted as a credit against the employer PRSI due for August 2020.
- Details to follow.

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.

What about TWSS?

- TWSS has now ended.
- Revenue will reject any J9 payslips with a Payment Date after 31st August 2020.
- Late submissions will still be processed by Revenue until 14th September (where the payment date is before 1st September)

TWSS Reconciliation

Why is it needed?

- Prior to the 4th May, Revenue always paid employers a flat amount of €410 per employee irrespective of the employee's actual entitlement.
- Employers must repay this excess back to Revenue as part of reconciliation.
 - Example, Employee was entitled to a subsidy of €350, Revenue paid the employer €410 so now the employer must pay back €60 to Revenue.
- The amounts paid to employers for Monthly Payrolls was based on 4 weeks and therefore Revenue will owe an amount to the employer to bring it to the correct monthly amount.

TWSS Reconciliation

Why is it needed?

- Employee's are liable to pay PAYE and USC on all TWSS subsidy payments.
- Revenue need to know exactly how much was paid out to each employee in order to calculate the PAYE/USC liability at the end of the year.

TWSS Reconciliation Employer Reporting

- TWSS reconciliation is expected to begin towards the end of September.
- Employers will initially be required to report all payments made to employees under TWSS – Revenue need to know how much was paid tax free to each employee.
- CollSoft Payroll has been reporting these payments to Revenue as part of your regular Payroll Submissions since the middle of April.
- There will be an update to CollSoft to enable the reporting of TWSS payments that occurred before that (back to 26th March).
- This will be a straightforward process that will submit corrected submissions to revenue including all amounts.

TWSS Reconciliation Revenue Calculation

- After the employer has reported all TWSS payments to Revenue there will be a line by line calculation carried out by Revenue.
- Revenue will then issue each employer with a CSV file detailing the reconciliation on a line by line basis.
- Employers will accept the calculations or will raise queries – details to be confirmed.