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Employment Wage Subsidy Scheme

What you need to know


The webinar will begin shortly...

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Questions




Recording



Email



Handouts




Resources


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Today we will discuss...

- TWSS Reconciliation
- Employment Wage Subsidy Scheme
- Employer & Employee Eligibility Criteria
- EWSS July / August Sweepback
- Processing of Subsidy Claims
- Operation of EWSS in Thesaurus & BrightPay
- How Connect can help with remote working

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TWSS Reconciliation

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TWSS Reconciliation

The TWSS was in operation from 26 March until 31 August 2020

Processed through the payroll as a non-taxable addition

The subsidy will be liable to tax and USC via an end of year review

Reduction in tax credits & cut-off points over 4 years from 2022

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TWSS Reconciliation

Transitional Phase of the scheme (before 4th May 2020)

Revenue refunded a flat rate of €410 per employee per week

In many cases - exceeded the subsidy the employee was entitled to receive

Revenue reconciliation of employer refunds vs. subsidy payable

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TWSS Reconciliation

TWSS Reconciliation – Stage 1

Employers are required to report the actual subsidy that was paid to employees on each pay date

CSV files need to be uploaded on ROS by **31 October 2020**

If not uploaded, Revenue will recoup the total subsidy paid + interest

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TWSS Reconciliation

TWSS Reconciliation – Stage 2

Revenue will compare the total subsidy payable against the subsidy amounts paid to the employer

Revenue will determine the amount of TWSS that is owed to Revenue

A Statement of Account on ROS will inform you of amount due / owed


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TWSS Reconciliation


Employers can repay excess subsidy values to Revenue via a new facility within ROS

You should not use the Revenue bank details provided previously

Only subsidy amounts should be repaid to Revenue in this manner – not income tax and USC

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TWSS Compliance Checks Programme

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Compliance Checks

Revenue are conducting a Compliance Checks Programme

Letters are being sent to employers and tax agents via MyEnquiries

The letter sets out steps that employers need to take to verify compliance with the TWSS

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Compliance Checks

Employers will need to confirm:

- That they have met the TWSS eligibility criteria

For Example:

- Details of business activities
- The negative impact suffered
- Date of business closure or disruption
- Evidence of inability to pay outgoings
- Evidence of 25% reduction in turnover


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Compliance Checks

Employers will need to confirm:

- That they have met the TWSS eligibility criteria
- That employees have received the correct subsidy amount
- That the subsidy was recorded correctly on employee payslips

Detailed documentation is not required but may be requested


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Compliance Checks

Employers have five days to respond to the request for information

It is important that you respond promptly once the letter is received

Contact your Revenue case worker immediately if you require more time to respond

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Compliance Checks

Compliance check is not part of an audit or intervention


Provides assurance that the TWSS was operated as intended

Address any issues in relation to the operation of PAYE Modernisation

An opportunity to address any other outstanding tax issues

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Employment Wage Subsidy Scheme


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Employment Wage Subsidy Scheme

EWSS will run from 1 July 2020 until 31 March 2021

EWSS replaced the Temporary Wage Subsidy Scheme from 1 September 2020

Provides a flat-rate subsidy to qualifying employers


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EWSS Eligibility Criteria

Employers are required to reassess their eligibility for wage support

To be eligible, employers must demonstrate at least 30% reduction in turnover / customer orders

1 July 2020 to 31 December 2020 vs. the same period last year


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EWSS Eligibility Criteria

Registered childcare providers - not required to meet the 30% reduction

New & seasonal employees and existing employees are eligible

New businesses (after 1 Nov 2019) are eligible – assessed against projected turnover / customer orders


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Proprietary Directors

Eligible to claim EWSS provided:

- The employer meets the eligibility criteria for EWSS
- The proprietary director is on the payroll of the eligible employer
- Wages reported to Revenue between 1 July 2019 and 30 June 2020

Claims can only be submitted in respect of a single company

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Operating the EWSS

Employers will no longer need to download CSV files

Eligible employers are required to register for the EWSS via ROS

Employers must hold up to date tax clearance

EWSS cannot be backdated – must register prior to first pay date

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Operating the EWSS

EWSS will be administered on a self-assessment basis

Employers availing of the EWSS must review their eligibility on the last day of every month


If no longer eligible, employers need to de-register for EWSS with effect from the following day

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EWSS Subsidy Support

EWSS employers will receive a flat rate subsidy:

Employee Gross Weekly Wages	Subsidy
Less than €151.50	€0
From €151.50 to €202.99	€151.50
From €203 to €1462	€203
More than €1462	€0

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EWSS Indicator on PSR

With EWSS, there will be an indicator on the payroll submission to notify Revenue that the employee is eligible

Revenue will calculate the subsidy payable based on the gross pay, the pay frequency & the insurable weeks

EWSS is paid to the employer - it will not show on payslips / myAccount


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EWSS Payment Dates

Initially supposed to be paid to the employer monthly after the return due date (14th of following month)

Payment has been brought forward to the 5th of each month

EWSS payments for September payroll will be paid by Friday morning


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EWSS & PRSI Credit

PAYE on all payments must be processed in the normal manner

A 0.5% rate of employer PRSI will continue to apply for employments that are eligible for the subsidy

Revenue will calculate the difference and show any PRSI credit on the Statement of Account


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EWSS July/August Sweepback

The EWSS replaced the TWSS from 1 September 2020

The TWSS & EWSS ran in parallel during July & August

If eligible for EWSS, you may be entitled to receive subsidy & PRSI credit for July & August


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EWSS July/August Sweepback

Sweepback file must be uploaded on ROS before 14 October

Thesaurus Payroll Manager & BrightPay can prepare the CSV file

Both Thesaurus Payroll Manager and BrightPay can calculate an estimated claim value

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EWSS July/August Sweepback

Deadline for EWSS Sweepback submissions is **14 October 2020**


Revenue will process the files and validate them against scheme rules

The corresponding payslips will be updated with the subsidy amount to match the details on the CSV file


July & August Statement of Account will be updated with PRSI credit

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EWSS in Thesaurus Payroll Manager

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EWSS in BrightPay

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How Connect can assist with the impact of COVID-19




 Payroll Software of the Year 2018 & 2019





 5-star rating on Software Advice

99% Customer Satisfaction Rate

 250,000 Businesses in Ireland and the UK

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Questions & Answers

			
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