



REVENUE & COVID-19

Brief Guide to liaising with Revenue

GENERAL POINTS

- All returns still need to be filed with Revenue by their due dates, no later than the **23rd day** of the relevant month. This applies especially to Payroll Returns, VAT and Corporation Tax.
- If key personnel that compute tax returns are unavailable Revenue advise that the relevant returns are submitted on a 'best estimate' basis.
- Application of a surcharge for Corporation Tax returns for accounting periods ending June 2019 onwards (due 23 March onwards) is suspended until further notice
- If you are unable to make payments then ensure you click the button that says **File Return Only.** Revenue have advised that they will not enforce collections for the next 3 months they do recommend that if you can pay the liabilities on time then do so.
- Revenue are prioritising the approval and processing of repayments and refunds
- Revenue have, in general, suspended audit and other compliance intervention activity on taxpayers' premises until further notice. They will continue to engage with customers to finalise open interventions through myEnquiries or telephone.
- **LPT** deductions that were due to be taken on 21 March will now not be debited until **21 May 2020.**

GENERAL POINTS

- If you make interim claims for refunds of **Professional Services Withholding Tax** (F45s) – Revenue will accept the submissions via [MyEnquiries](#). All returns must be submitted.
- Revenue will expedite the payment of any instalment of **excess R&D tax credit** that is due to be paid in 2020, bringing forward payment in advance of the date provided by Section 766.
- Requests for Revenue to expedite the payment of any 2020 instalments of excess R&D tax credits should be made through [MyEnquiries](#). To enable payment of the excess credits, the form CT1 for the company's accounting period ending in 2019 must, at the time of the request, be submitted.

DEBT MANAGEMENT

- All debt enforcement activity is suspended until further notice
- The application of interest on late payments is suspended for all SME businesses in respect of the January / February VAT3 and both February and March PAYE (Employers) Liabilities
- Businesses other than SMEs who are experiencing difficulties in paying their taxes should contact the Collector-General's office on (01) 738 3663 or their branch contacts in Large Corporate Division / Medium Enterprise Division.
- Those who have Phased Payments in place can opt to defer a payment or apply to suspend the arrangement for up to 6 months.

PAYROLL

- Revenue will operate a Temporary Wage Subsidy Scheme for a period of 12 weeks commencing Thursday 26 March 2020.
- This scheme is available to employers who keep employees (including directors) on the payroll throughout the COVID-19 pandemic.
- Employers are being encouraged to facilitate employees by operating this scheme, keeping employees on their books and by making best efforts to maintain a significant, or 100% income, for the period of the scheme.
- Employers should pay no more than the normal take home pay of the employee. If the employee was in receipt of a net pay of €150 per week, then this is what they get under this scheme.
- This scheme applies to employers who top-up employees' wages, up to their normal net pay and those that aren't in a position to do so.
- Employers run this scheme through their normal payroll process.
- The reimbursement will, in general, be made within two working days after the payroll submission.

PAYROLL – WHO CAN AVAIL

- Employers from all sectors excluding public service and non-commercial semi-state sector whose business activities are being adversely impacted by the COVID-19 pandemic.
- This includes salaried directors.
- Eligibility for the scheme will operate largely on the basis of Self-Assessment and declaration by the employer concerned.
- Revenue will approach business applications on the presumption of honesty and expect businesses to approach the Scheme in a similar manner.
- Be able to demonstrate, to the satisfaction of Revenue, a minimum of a 25% decline in turnover
- Be experiencing significant economic disruption due to COVID-19
- Be unable to pay normal wages and normal outgoings fully – Prepare a Cashflow Chart
- Must retain their employees on the payroll
- The scheme is confined to employees who were on the employers payroll as at 29 February 2020 and for whom a payroll submission has already been made to Revenue in the period from 1 February 2020 to 15 March 2020

PAYROLL - REGISTERING

- This can be done either by the employer, the payroll operator or Tax Advisor.
- Log on to ROS
- Go to myEnquiries and select the category 'COVID-19: Temporary Wage Subsidy'
- Read the "COVID-19: Temporary Wage Subsidy Self-Declaration" and press the submit button
- Ensure the bank details for payroll refunds on Revenue are correct. These can be found under the 'Manage Bank Accounts', Manage EFT.

PAYROLL

- Income Tax, PRSI & USC will not apply to this subsidy payment **at this time**.
- Employee PRSI will not apply to any top-up payment made by the employer. Income Tax and USC will still apply.
- Employers PRSI will be reduced to 0.5% on any top-up payments made.
- If an employee's net average weekly amount was €586 or less the amount from Revenue will be the **lessor of €410 or 70%** of the average received
- If an employees net average weekly amount was between €586 and €960 the amount of the Subsidy will be a maximum of **€350**
- If an employees net average weekly amount was over €960 then a temporary wage subsidy **will not be paid**.
- The net average weekly amount is based on the payroll submissions made for the period 1 January to 29 February (9 weeks). It is based on the gross pay less tax, USC and Employee PRSI
- The 70% is not liable to PAYE, PRSI, USC or LPT deductions. However, the employee will be liable to tax on the subsidy amount paid to them by way of **review at the end of the year**. While you must use the most up to date RPN it may be prudent to operate the tax credits on a Week 1 / Month 1 basis if Revenue have not reduced tax credits / rate bands, this will reduce any additional tax bill arising in the hands of the employee at the year end.
- The 30% or the balance you give is liable to PAYE & USC. However only Employer PRSI of 0.5% applies - make sure you put the employee as Class J9 for PRSI purposes.
- You can suspend the operation of BIK / notional pay for eligible employees for the period that the employee is on the scheme. However, the notional pay will be liable to tax and USC on review at the end of the year.

PAYROLL

- Submissions cannot be back-dated & you can't amend a submission made to Revenue with a J9 PRSI class.
- Employees will get insurable weeks / credited contributions under Class J9
- The employer is obliged to show the amount of the subsidy on the employee's payslip
- The scheme is open to employers who file electronically through ROS.
- No age restriction for employees
- Includes those employees on Full-time, part-time and short-time work arrangements
- Employers **must not operate** this scheme for any employee who is making a claim for duplicate support from the DEASP.
- Self-employed individuals / Non-salaried Directors will be paid directly by the DEASP under the COVID-19 Pandemic Unemployment Payment scheme.



THANK YOU

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