





# Employment Wage Subsidy Scheme



## **Guidelines covering re-entry of certain employers into the Employment Wage Subsidy Scheme from 1 January 2022**

Updated on 26 January 2022



## What's new

Amendments since the guidelines last issued on 23 December 2021 have been highlighted in yellow and relate to the recently announced amendments to the scheme for employers directly impacted by the public health regulations imposed with effect from 20 December 2021 to 6am on 22 January 2022, and the removal of EWSS from eRegistration on ROS.

## Employment Wage Subsidy Scheme (EWSS) Background and Summary

Section 28B of the Emergency Measures in the Public Interest (Covid-19) Act 2020 provides for the Employment Wage Subsidy Scheme (EWSS) which is an economy-wide enterprise support for eligible businesses in respect of eligible employees. The Finance (Covid-19 and Miscellaneous Provisions) Act 2021 was published on 23 June 2021 and extended EWSS to 31 December 2021. The Finance Act 2021 was published on 21 October 2021 and extended EWSS to 30 April 2022 for eligible employers who are correctly registered for EWSS at 31 December 2021.

On 21 December 2021, in light of public health restrictions announced on 17 December 2021, the Minister for Finance announced a re-opening of the scheme for certain employers who would otherwise be ineligible. These are employers impacted by the current restrictions who were previously eligible for EWSS but were not eligible on 31 December 2021. These guidelines describe and set out the conditions of this change to the EWSS and should be read in conjunction with the main EWSS guidelines which are available [here](#).

The scheme is open to employers who file their payroll submissions electronically through Revenue Online Service (ROS).

The scheme has two elements as follows:

- It provides a flat-rate subsidy for pay dates from 1 January to 30 April 2022 to qualifying employers based on the numbers of paid and eligible employees on the employer's payroll (see Appendix III); and
- It charges a reduced rate of employer PRSI of 0.5% on wages paid to 28 February 2022 which are eligible for the subsidy payment.

The scheme does not affect any legal obligations that the employer may have to their employee as regards the terms, conditions, or entitlements of their employment, including pay. However, if eligible employers choose to retain eligible employees on the payroll while the business is wholly or partially closed, EWSS can still be claimed in respect of wage payments made to those employees. There is no legislative requirement that employees are actively working to be eligible for the EWSS.

Once re-registered, subsidy payments will generally be made within two working days of receipt of the payroll submissions.

The details regarding tax clearance, debt warehousing, registration, what is considered turnover, online claims, levels of subsidy, record-keeping, compliance and anti-abuse measures are as set out in the main EWSS guidelines available [here](#).

## **Employer Eligibility Criteria**

In addition to having tax clearance for the duration of the scheme, to be eligible for re-entry to the scheme from 1 January to 30 April 2022, an employer must be able to demonstrate to the satisfaction of Revenue that:

- the trade existed at 31 December 2021;
- they previously correctly availed of EWSS at any stage between 1 September 2020 and 31 December 2021;
- they do not qualify under the current scheme as they do not expect a 30% reduction in turnover or customer orders value between the calendar years 2019 and 2021<sup>1</sup>;
- their business is expected to experience a 30% reduction in turnover or customer orders value in the period from 1 December 2021 to 31 January 2022; and
- this disruption to normal operations is caused by COVID-19.

This reduction in turnover or customer orders is relative to:

- the period 1 December 2019 to 31 January 2020 compared with the period 1 December 2021 to 31 January 2022 where the business was in existence prior to 1 May 2019; or
- where the business commenced trading in the period from 1 May 2019 and 31 December 2021, the average monthly actual turnover or orders value from August to November 2021 compared with the average actual monthly turnover or orders value for December 2021 and projected turnover or orders value January 2022.

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<sup>1</sup> For businesses which commenced after 1 January 2019, please refer to July 2021 eligibility guidelines available [here](#)

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Examples of how this would work are as follows:

<b>Eligibility Review Test for employers re-entering scheme in January 2022</b>			
<b>Date Trade Started</b>	<b>2021/22 Actuals/Projections</b>	<b>Eligibility Review Comparison</b>	<b>Explanation</b>
1 Jan 1995	December 2021 plus January 2022	December 2019 plus January 2020	Trade in existence pre 1 May 2019
15 July 2019	Average of December 2021 plus January 2022 (total ÷ 2 months)	Average of August to November 2021 (total ÷ 4 months)	Trade commenced between 1 May 2019 and 31 December 2021, so average monthly turnover or orders value comparison to be done
1 September 2021	Average of December 2021 plus January 2022 (total ÷ 2 months)	Average of September to November 2021 (total ÷ 3 months)	Trade commenced between 1 May 2019 and 31 December 2021, so average turnover or orders value comparison to be done. As the trade commenced after 1 August 2021, the average calculation denominator equals the number of months the trade existed
15 October 2021	Average of December 2021 plus January 2022 (total ÷ 2)	Average of 15 October to 30 November 2021 (total ÷ 1.5 months)	

## Example 1

ABC Limited operated a restaurant for a number of years. It registered for and claimed EWSS from 1 September 2020. It deregistered on 31 July 2021 when its projections for the whole of 2021 against its actual results for 2019 showed it no longer expected to experience a 30% reduction in turnover.

As a result of the restrictions announced by the Government on 17 December 2021, ABC Limited undertook an eligibility review on 31 December 2021 as follows:

<b>Monthly Period</b>	<b>Actual / Projected</b>	<b>Turnover €</b>	<b>Monthly Period</b>	<b>Actual / Projected</b>	<b>Turnover €</b>
December 2021	Actual	8,000	December 2019	Actual	12,000
January 2022	Projected	1,000	January 2020	Actual	6,000
<b>TOTAL PERIOD 1</b>		<b>9,000</b>	<b>TOTAL PERIOD 2</b>		<b>18,000</b>
<b>Reduction Period 1 v Period 2</b>		<b>9,000</b>	<b>% reduction Period 1 v Period 2</b>		<b>50%</b>

Based on the above turnover details, ABC Limited will be eligible for re-entry into EWSS from 1 January 2022.

## Example 2

DEF Ltd. opened a large, weddings only, venue on 15 July 2019. It was eligible and registered for EWSS on 1 September 2020 but deregistered on 31 October 2021 when bookings increased as a result of the lifting of restrictions on guest numbers with a large number of couples booking large weddings at short notice for the remainder of 2021.

As a result of the restrictions announced by the Government on 17 December 2021, which limited the number of wedding guests to 100 and imposed a midnight curfew, together with the level of transmission of the virus in the community, DEF Ltd. has experienced a significant number of cancellations and deferrals.

On 31 December 2021, DEF Ltd. undertook an eligibility review. As it commenced to trade after 1 May 2019, the eligibility review is based on average monthly turnover for December 2021 and January 2022 compared to the average monthly turnover for the period August to November 2021 as follows:

Monthly Period	Actual / Projected	Turnover €	Monthly Period	Actual / Projected	Turnover €
December 2021	Actual	150,000	August 2021	Actual	200,000
			September 2021	Actual	150,000
January 2022	Projected	60,000	October 2021	Actual	150,000
			November 2021	Actual	150,000
<b>TOTAL PERIOD 1</b>		<b>210,000</b>	<b>TOTAL PERIOD 2</b>		<b>650,000</b>
<b>Average Period 1 (Total ÷ 2 months)</b>		<b>105,000</b>	<b>Average Period 2 (Total ÷ 4 months)</b>		<b>162,500</b>
<b>Reduction in Monthly Average Turnover - Period 1 v Period 2</b>		<b>57,500</b>	<b>% reduction in Monthly Average Turnover – Period 1 v Period 2</b>		<b>35%</b>

As the reduction in average turnover exceeds 30%, DEF Ltd. is eligible to re-enter the scheme from 1 January 2022.

## Example 3

GHI Ltd. opened a taxi firm on 15 August 2021 which serviced the late-night market. It was eligible and registered for EWSS on 15 August 2021 but deregistered on 31 October 2021 when trade recovered and it changed its business model to also service the day time market to the extent that it no longer met the 30% reduction requirement.

On 31 December 2021, GHI Ltd. undertook an eligibility review as a result of the recent announcement which will diminish its late night trade. As it commenced to trade after 1 May

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2019, the eligibility review was based on average monthly turnover for December 2021 and January 2022 against average monthly turnover for the period August to November 2021 as follows:

Monthly Period	Actual / Projected	Turnover €	Monthly Period	Actual / Projected	Turnover €
December 2021	Actual	15,000	August 2021	Actual	14,000
			September 2021	Actual	12,000
January 2022	Projected	6,000	October 2021	Actual	12,000
			November 2021	Actual	12,000
<b>TOTAL PERIOD 1</b>		<b>21,000</b>	<b>TOTAL PERIOD 2</b>		<b>50,000</b>
<b>Monthly Average Turnover Period 1 (Total ÷ 2 months)</b>		<b>10,500</b>	<b>Monthly Average Turnover Period 2 (Total ÷ 3.5<sup>2</sup> months)</b>		<b>14,286</b>
<b>Reduction in Monthly Average Turnover - Period 1 v Period 2</b>		<b>3,786</b>	<b>% reduction in Monthly Average Turnover – Period 1 v Period 2</b>		<b>26.5%</b>

As the reduction in average turnover is less than 30%, GHI Ltd. is not eligible to re-enter the scheme.

The eligibility period to be reviewed for comparative purposes relates to the trade or business, rather than the operating entity. For example, if a sole trader incorporates a business on 1 January 2021, the comparative review period for the newly incorporated company will be the 2019/2020 sole trader turnover.

## Steps to take to re-enter the scheme

Once an employer has determined they are eligible to re-enter the scheme, the template at Appendix I for businesses in operation on 30 April 2019 or Appendix II for businesses which commenced operation on or after 1 May 2019, should be completed and submitted to Revenue by 15 January 2022 through MyEnquiries, selecting 'Employer's PAYE' and then 'Employer's PAYE General Enquiry'. Revenue will then undertake a review of the submission and ensure the business, if eligible, is registered. A notification will issue through MyEnquiries to the employer advising of the outcome of the re-registration request. If re-registered, this will be effective from 1 January 2022. Employers should ensure a claim is submitted in respect of all eligible employees for pay dates between 1 January and 30 April 2022. If payroll has been submitted prior to re-registration without including an EWSS claim, this should be amended to include the EWSS claim after receipt of the successful re-registration confirmation.

There is no requirement for these employers to complete Eligibility Review Forms (ERF).

<sup>2</sup> As the trade commenced on 15 August, the period from 15 August to 30 November is 3.5 months.

## Review on 31 January 2022

Employers will be required to undertake an eligibility review on 31 January 2022 to ensure actual January 2022 results are not at a level whereby the employer does not qualify for re-entry into the scheme. In such instances, employers should deregister **by submitting a request through 'MyEnquiries' selecting 'Employer's PAYE' and then 'Employer's PAYE General Enquiry'**, and cease claiming the subsidy immediately. This means that an employer must not select "Employment Wage Subsidy Scheme" from the "Other Payments" section in their payroll software or on the ROS manual payroll reporting facility.

If an employer becomes aware prior to the end of January 2022 that they will no longer meet the eligibility criteria (e.g. unexpected donation or grant received at the start of a month), they should de-register immediately and cease to claim subsidies. Revenue requires employers to retain appropriate documentation, including copies of projections, to demonstrate eligibility at 31 December 2021 and 31 January 2022. It is reasonably expected that the assumptions which underpin the January 2022 projections will be reliable and reflect the operating conditions of the business. However, Revenue appreciates that in exceptional circumstances, certain unforeseen events may occur which require the employer to revise the original budget estimate e.g. imposition of further Government restrictions (post the review date) impacting trade, receipt of an unexpected donation, entering into a significant new sales contract, etc.

Where Revenue determines that an employer claimed and received payment by applying accounting practices that are clearly not appropriate, or by deliberately misrepresenting the true financial situation of the business, it will be excluded from the EWSS in its entirety. No further claims will be accepted, and all subsidy paid and PRSI credit issued will be immediately repayable together with interest and penalties. The business may also face possible criminal prosecution.

## Appendix I – Application Template for businesses operating on 30 April 2019

I, **[Employer Name]**, of **[Employer Business Address]**, registered as an employer under number **[Employer Number]**, undertake a trade of **[Trade Description]** hereby apply for re-entry into the Employment Wage Subsidy Scheme from 1 January 2022. I originally entered the scheme on **[date first entered scheme]** and exited it on **[date last exited scheme]** by **[state whether deregistered or stopped submitting claims]** and confirm I met the eligibility criteria while previously registered. I confirm I meet the **[state whether turnover/orders]** reduction test for re-entry as follows:

Monthly Period	Actual / Projected	€	Monthly Period	Actual / Projected	€
December 2021	Actual	<b>[please complete]</b>	December 2019	Actual	<b>[please complete]</b>
January 2022	Projected	<b>[please complete]</b>	January 2020	Actual	<b>[please complete]</b>
<b>TOTAL PERIOD 1</b>		<b>[please complete]</b>	<b>TOTAL PERIOD 2</b>		<b>[please complete]</b>
<b>Reduction Period 1 V Period 2</b>		<b>[please complete]</b>	<b>% reduction Period 1 v Period 2</b>		<b>[please complete]</b>

I declare that the above represents a true and accurate record of actual **[state whether turnover/orders]** for December 2019 and 2021, and January 2020, and my best estimate of projections for January 2022. I agree to abide by the terms of the scheme and accept that if found to have claimed subsidies in error, I will be obliged to repay same, will be excluded from the scheme in its entirety, and may be subject to prosecution.

Completed by **[individual's name]** in my capacity as **[state capacity]** on **[date completed]**. If queries arise, I can be contacted on **[Provide contact phone number]**

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A word version of the text above is included below if employers wish to utilise same



Appendix I.docx



## Appendix II – Application Template for businesses which commenced to operate after 30 April 2019

I, **[Employer Name]**, of **[Employer Business Address]**, registered as an employer under number **[Employer Number]**, undertake a trade of **[Trade Description]** since **[enter date trade commenced]**, hereby apply for re-entry into the Employment Wage Subsidy Scheme (EWSS) with effect from 1 January 2022. I originally entered the scheme on **[date first entered scheme]** and exited it on **[date last exited scheme]** by **[state whether deregistered or stopped submitting claims]** and confirm I met the eligibility criteria while previously registered. I confirm I meet the **[state whether turnover/orders]** reduction test for re-entry as follows:

Monthly Period	Actual / Projected	Turnover €	Monthly Period	Actual / Projected	Turnover €
December 2021	Actual	<b>[please complete]</b>	August 2021	Actual	<b>[please complete]</b>
			September 2021	Actual	<b>[please complete]</b>
January 2022	Projected	<b>[please complete]</b>	October 2021	Actual	<b>[please complete]</b>
			November 2021	Actual	<b>[please complete]</b>
<b>TOTAL PERIOD 1</b>		<b>[please complete]</b>	<b>TOTAL PERIOD 2</b>		<b>[please complete]</b>
<b>Monthly Average Turnover Period 1 (Total ÷ 2)</b>		<b>[please complete]</b>	<b>Monthly Average Turnover Period 2 (Total ÷ [please complete])</b>		<b>[please complete]</b>
<b>Reduction in Monthly Average Turnover - Period 1 v Period 2</b>		<b>[please complete]</b>	<b>% reduction in Monthly Average Turnover – Period 1 v Period 2</b>		<b>[please complete]</b>

I declare that the above represents a true and accurate record of actual **[state whether turnover/orders]** for August to December 2021, and my best estimate of projections for January 2022. I agree to abide by the terms of the scheme and accept that if found to have claimed subsidies in error, I will be obliged to repay same, will be excluded from the scheme in its entirety, and may be subject to prosecution.

Completed by **[individual's name]** in my capacity as **[state capacity]** on **[date completed]**. If queries arise, I can be contacted on **[Provide contact phone number]**

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A word version of the text above is included below if employers wish to utilise same



Appendix II.docx

## Appendix III – EWSS rates 1 January to 30 April 2022

<b>Subsidy rates payable per pay date</b>			
<b>Employee gross weekly wage</b>	<b>1 to 31 January 2022</b>	<b>From 1 to 28 February 2022</b>	<b>From 1 March to 30 April 2022</b>
Less than €151.50	Nil	Nil	Nil
From €151.50 to € 202.99	€203	€151.50	€100
From €203 to €299.99	€250	€203	€100
From €300 to €399.99	€300	€203	€100
From €400 to €1,462	€350	€203	€100
More than €1,462	Nil	Nil	Nil

On 21 January 2022, it was announced that eligible employers employing eligible employees to work in sectors impacted by the restrictions in place between 20 December 2021 and 6am on 22 January 2022 would be paid the enhanced rates for an additional month to 28 February 2022, and the phased exit of the Scheme would be extended by one month to 31 May 2022 for them. Businesses that may benefit from the changes announced are likely to include, for example:

- restaurants, bars and cafes, excluding take-away or delivery services, which were required to close at 8pm where this is before their normal closing time;
- operators of indoor events, including entertainment, cultural, community and sporting events, which could not take place after 8pm, with attendance limited to 50% of venue capacity or 1,000 attendees, whichever was the lower, for events held before 8pm;
- operators of outdoor events, including entertainment, cultural, community and sporting events, where attendance was limited to 50% of venue capacity or 5,000 attendees, whichever was the lower; and
- wedding reception venues where capacity was limited to a maximum of 100 guests and had to close by midnight.

Appendix II of the Main EWSS Guidelines contains additional guidance to assist employers in determining what employees they can claim this additional subsidy in respect of if they operate in a number of sectors.

<b>Revised dates and subsidy rates payable per pay date for employees in impacted sectors</b>			
<b>Employee gross weekly wage</b>	<b>1 Jan to 28 Feb 2022</b>	<b>From 1 to 31 March 2022</b>	<b>From 1 April to 31 May 2022</b>
Less than €151.50	Nil	Nil	Nil
From €151.50 to € 202.99	€203	€151.50	€100
From €203 to €299.99	€250	€203	€100
From €300 to €399.99	€300	€203	€100
From €400 to €1,462	€350	€203	€100
More than €1,462	Nil	Nil	Nil