

Revenue



Cáin agus Custaim na hÉireann
Irish Tax and Customs

Frequently Asked Questions (FAQ V8.0) on:

Operation of the Transitional phase of the COVID-19: Temporary Wage Subsidy Scheme.

This document describes the operation of the Transitional phase of the Temporary COVID-19 Wage Subsidy Scheme.

On 15 April 2020 The Minister of Finance announced further changes to the scheme. These changes will be effective from 4 May 2020. Future versions of this guidance document will be updated to incorporate these changes.

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- 1.1 26 March 2020
- 2.0 27 March 2020 Number of changes to the text to improve the clarity of the questions and answers. Significant changes are highlighted.
- 3.0 31 March 2020 Additions and changes are highlighted.
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- 8.0 26 April 2020 Additions and changes are highlighted.

This document has been superseded by the Operational Phase guidance document which is available on the [Covid section of the Revenue Website](#).

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Introduction

On 24 March 2020 the Government announced new measures to provide financial support to workers affected by the Covid-19 crisis. As part of these measures, Revenue is operating a COVID-19 Temporary Wage Subsidy Scheme. The scheme, enables employees, whose employers are affected by the pandemic, to receive significant supports directly from their employer.

Purpose of document

This document provides employers, payroll operators and agents with information on the operation of the transitional phase of the Temporary COVID-19 Wage Subsidy Scheme.

This document should be read in conjunction with the Revenue scheme information available at:

- www.revenue.ie/en/corporate/communications/covid19/index.aspx
- www.revenue.ie/en/corporate/communications/documents/guidance-on-employer-eligibility-and-supporting-proofs.pdf

Frequently Asked Questions

1. COVID-19: Temporary Wage Subsidy Scheme

1.1. What is the COVID-19: Temporary Wage Subsidy Scheme?

The Temporary Wage Subsidy Scheme was introduced by the Emergency Measures in the Public Interest (Covid-19) Act 2020 ([See https://data.oireachtas.ie/ie/oireachtas/act/2020/2/eng/enacted/a0220.pdf](https://data.oireachtas.ie/ie/oireachtas/act/2020/2/eng/enacted/a0220.pdf)). This scheme provides the payment of income supports to employers in respect of eligible employees where the employer's business activities have experienced significant negative disruption due to the COVID-19 (Coronavirus) pandemic. The Subsidy Scheme starts from 26 March 2020 and supersedes the Employer Covid Refund scheme, which has now ceased.

The Subsidy Scheme is operated by employers through their payroll system, thereby ensuring employees will be in receipt of the subsidy payment along with any weekly wages paid by their employer.

The employer will include the subsidy as part of the employees' wages in addition to any amount that the employer would otherwise be able to pay. The employer will separately identify the subsidy element on the employee's payslip as a payment described as "GovCov19 WageSub".

1.2. What are the two phases to the Temporary Wage Subsidy Scheme?

Phase 1 is a short, transitional phase that builds on the previous emergency Employer COVID Refund Scheme that was operational from 15 March to 25 March 2020, under which the employer received a refund of €203 per week for each employee that it keeps on its books. The Temporary Wage Subsidy Scheme provides a maximum of €410 in respect of eligible employees for employers who operate the Subsidy Scheme regardless of whether the employer makes an additional payment to the employee's earnings or not.

In Phase 2, from 4 May 2020, the operation of the scheme will ensure that the Subsidy paid to employers will be based on each individual employee's Average Revenue Net Weekly Pay, subject to the maximum weekly tax-free amounts. Further information on how these arrangements will work will issue shortly.

1.3. How does the Subsidy Scheme differ from the Employer Refund Scheme?

The Employer Refund scheme was operated by Revenue on behalf of the Department of Employment Affairs & Social Protection (DEASP) to refund employers a weekly special support payment of €203 to their existing employee(s) that had been temporarily laid off as a result of the COVID-19 pandemic. The Employer Refund Scheme was replaced by the Temporary Wage Subsidy scheme which commenced on 26 March 2020.

1.4. How long will payments under the Temporary Wage Subsidy Scheme last?

The scheme is expected to last a period of 12 weeks, starting from 26 March 2020.

1.5. Why are the names of the Employers operating the scheme published?

The employer can register at any time during the scheme's operation and before making a payroll submission to Revenue.

In line with legislative requirement and international practice, Revenue will publish a list of names and addresses of qualifying employers who make submissions for subsidy refunds. This is a fairly standard approach to any type of grant process. Effectively the register will be available on the Revenue website after the scheme has finished. While, for many, publication will give recognition to employers operating the scheme in support of their employees,

publication also acts as a transparency device to inform employees that their employers had availed of the scheme and that, consequently, they should have seen the wage subsidies reflected in their pay and payslip.

Revenue's aim in this is to support employers and employees and Revenue will take a reasonable, fair and pragmatic approach on the operation of the scheme.

1.6. What is an additional taxable payment under the Temporary Wage Subsidy Scheme?

Sometimes referred to as 'top-up payments', an employer can choose to make an additional payment to the employee to fully or partially make up the difference between the amount provided by the subsidy scheme and the employee's Average Revenue Net Weekly Pay. Such additional payments, which cannot be re-grossed, are regarded as gross pay and liable to Income Tax and USC.

If the employer makes excessive additional payments, then either the subsidy value allowable for the employee and refundable to the employer will be reduced, or the employee may not be eligible for the subsidy scheme.

(See 3.1 What is an eligible employee?)

(See example: 4.4.2 Example 2 – Impact of Additional Payment on Subsidy and 4.4.3 Example 3 – Impact additional payments can have on subsidy and PRSI class)

In determining the amount of additional payment that an employer can make before the subsidy value is reduced it is important to be able to implement a suitable mechanism that would give a predictable result and would facilitate its implementation by all employers. Given the range of factors that impact on the calculation of an employee's gross pay to net pay (e.g. tax credits, taxable and non-taxable deductions and hours worked) it would not be possible to devise a universally applicable mechanism that would give a predictable and consistent result if re-grossing was applied. Therefore, the calculations are based on the employees Gross Pay as reported by the employer in their payroll submission.

1.7. Can an employer deduct a pension contribution from a Temporary Wage Subsidy payment to an employee?

No. Under section 28(5)(d) of the [Covid-19] Act, the employer must pay to the employee "an additional amount equivalent to the wage subsidy", which means the subsidy amount must be paid to the employee in full. The purpose of the subsidy is to ensure the employer/employee relationship is maintained and to ensure a minimum amount is paid to employees during a time of national and worldwide emergency.

1.8. Are payments made deductible against income tax or corporation tax?

In computing the employer's liability to income tax or corporation tax, as the case may be, the employer shall not be entitled to a deduction in respect of the temporary wage subsidy payment paid to an eligible employee under the scheme.

1.9. How are non-statutory deductions processed?

Non-statutory payroll deductions, for example credit union and union fees, are normally deducted from net pay after tax. As the intention of the scheme is to maintain the employees' net income as close as possible to normal net income, and to ensure that the employee receives the full subsidy payment value, employers should not apply such deductions unless the value of the additional payment exceeds the value of the deductions, or they are doing so with the agreement of the employee.

In the case of Local Property Tax (LPT), if necessary, employees can access their LPT records via Revenue's MyAccount to change their payment method from 'deduction at source' to other payment options such as monthly Direct Debit or Single Annual Debit. Alternatively, employees may submit LPT payment queries online via the LPT portal.

1.10. Will the subsidy payments be considered pensionable pay for the purpose of employee pension contributions?

The temporary wage subsidy is part of an employee's emoluments for tax purposes, although that amount is not subject to pension deductions under PAYE. As outlined in Q1.7, an employer is not permitted to deduct an employee pension contribution from the wage subsidy.

It is open to an employee to elect to make a "non-ordinary" or "special" contribution to her/his pension scheme before their return filing date for the 2020 tax year. When doing so, as the subsidy is part of an employee's "net relevant earnings" for pension purposes, the subsidy received will be counted towards the employee's age-related percentage limit and overall earnings limit for the purpose of calculating allowable tax relief on the contributions.

1.11. Will subsidy payments impact on the employer pension contributions?

Section 772(2) of the Taxes Consolidation Act 1997 provides that one of the conditions for tax approval of an occupational pension scheme is that an employer should contribute to the scheme. In the current circumstances, during the applicable period of the scheme, the tax approval will not be withdrawn from an occupational pension scheme for the reason that an employer who is in receipt of the temporary wage subsidy is not currently making contributions to the scheme.

The pension tax approval provisions of the Taxes Consolidation Act do not provide that employer contributions must be linked to employee earnings. There may be a variety of contractual arrangements between employers and employees or between employers and pension scheme providers as regards the level of employer contributions. Revenue is not in a position to comment on these arrangements.

2. Employer

2.1. Will the employer be required to make an additional payment to the employee?

The scheme is predicated on the employer wanting to keep the employees on the payroll and to retain them until business picks up. The employer is expected to make best efforts to maintain the employee's net income as close as possible to normal net income for the duration of the Subsidy period. There is no minimum amount that the employer must pay as an additional payment in order to be eligible for the scheme, but the employer will need to enter at least €0.01 in Gross Pay when running its payroll.

(See 1.6 What is an additional taxable payment under the Temporary Wage Subsidy Scheme?)

2.2. How do Employers register for the Subsidy Scheme?

Employers, or their agents, apply to Revenue to operate the scheme by carrying out the following steps:

- Log on to ROS myEnquiries, click Add A New Enquiry and select the category 'Covid-19: Temporary Wage Subsidy'.
- Read the "Covid-19: Temporary Wage Subsidy Self-Declaration" and press the 'Submit' button.
- Revenue will issue a confirmation via myEnquiries and the employer can immediately operate the scheme.

IMPORTANT: ROS allows an employer to specify to Revenue the bank account to use for tax payments and the bank account to use for tax refunds. Both of these can refer to the same bank account number.

Many employers will have an existing tax payment bank account set up in ROS, however, to receive refund payments from Revenue, including Temporary Wage Subsidy Scheme refunds, employers also need to add their refunds bank details.

This can be done through ROS in 'Manage bank accounts', 'Manage EFT', by entering the details of the refund bank account that the refund is to be made to. [ROS Help has Instructions on how to setup a refund bank account.](#)

If an employer has multiple PAYE(Emp) tax registration numbers, one declaration will register the employer to operate the scheme for all their PAYE(Emp) tax registration numbers, however the employer must use ROS to provide refund bank details for each of the PAYE(Emp) tax registration numbers.

2.3. Can Employers who signed up to the Employer Refund Scheme apply for the Temporary Wages Subsidy Scheme?

Employers who had signed up to the Employer Covid-19 Refund scheme and who may have received refunds under that scheme are eligible for the Subsidy scheme. They will not be required to apply for the Subsidy Scheme. Instead, they can operate under this scheme and Revenue will confirm with the employer that they meet the conditions of the Subsidy Scheme.

2.4. Are there any conditions associated with the Temporary Wages Subsidy Scheme?

The Subsidy Scheme is open to employers who self-declare to Revenue that they have experienced significant negative economic disruption due to Covid-19. They should be able to show that they meet the criteria laid out in Revenue's published Guidance on Employer Eligibility and Supporting Proofs - www.revenue.ie/en/corporate/communications/documents/guidance-on-employer-eligibility-and-supporting-proofs.pdf. Eligible employers must also retain its employees on its payroll.

This guidance includes the following extracts:

- *An employer that has been hit by a significant decline in business but has strong cash reserves, that are not required to fund debt, will still qualify for the Scheme but the Government would expect the employer to continue to pay a significant proportion of the employees' wages.*
- *The declaration by the employer is not a declaration of insolvency. The declaration is simply a declaration which states that, based on reasonable projections, there will be, as a result of disruption to the business caused or to be caused by the Covid-19 pandemic, a decline of at least 25% in the future turnover of, or customer orders for, the business for the duration of the pandemic and that as a result the employer cannot pay normal wages and outgoings fully but nonetheless wants to retain its employees on the payroll."*

As indicated in 2.1, the employer is expected to make best efforts to maintain the employee's net income as close as possible to normal net income for the duration of the Subsidy period.

2.5. Are there checks and balances in place to ensure that employers are operating the Temporary Wages Subsidy Scheme properly?

Revenue will be checking the eligibility of employer and employees for this scheme. Checks include:

- the employer has applied to operate the scheme,
- the employee is an eligible employee (see 3.1),
- the employer has paid the full subsidy amount to the employee.

Revenue is sharing data with DEASP who will use this to identify dual payments and will cease future DEASP COVID-19 Pandemic Unemployment Payments (PUP) payments for employees that are benefiting from the wage subsidy scheme.

2.6. Must all my employees be affected to avail of the Temporary Wages Subsidy Scheme?

Eligible employers can participate in the scheme in respect of any eligible employees on their payroll, including those on fulltime, reduced hours, rehired staff who were temporarily laid off, or staff temporarily laid off but retained on the payroll. Other employees, that are not eligible employees, are processed as normal without PRSI class J9 being applied.

(See 3.1 What is an eligible employee?)

2.7. I've laid off employees this week can I rehire them and avail of this scheme?

Yes, if an eligible employer has laid off employees as a result of COVID-19, they can be taken back onto the payroll and will qualify for the subsidy if they are eligible employees (see 3.1).

2.8. How can I rehire an employee that was previously laid off and ceased on payroll?

Revenue will check payroll submissions to ensure that employers have completed the self-declaration and that the employees receiving the payment **are eligible employees (see 3.1)**, under the same PPSN.

If such an employee, as a result of the impact of the Covid crisis, was laid off and their employment ceased, and the employer now wishes to place this employee back on payroll to validly avail of the Wage Subsidy Scheme, the employer can create a new employment for the employee under the same PPSN, with a different Employment ID, and apply the scheme for this employee.

Employees, who were ceased between 1st March and 25th March 2020 can avail of the Temporary COVID-19 Wage Subsidy Scheme for future payroll if they are rehired, but as they were not entitled to the original Covid Refund Scheme at that time, claims cannot be backdated and they cannot receive subsidy under either scheme for payroll prior to 25th March 2020.

Prior to week commencing 13 April 2020 submissions to Revenue for rehired employees were not included in the Revenue refund processing. From week commencing 13 April 2020 submissions for rehired employees, including those submitted previously and not previously processed for refunds, will be processed and refunded where appropriate.

2.9. Can paper filers use the scheme?

The scheme is open to employers who file electronically through ROS.

2.10. Can I move employees from one registration number to another and still avail of the scheme?

To be eligible to be included in the scheme, employees must be on the same PAYE(Emp) tax registration number that was used to submit their January and February 2020 payroll.

Transfers of employees under the European Communities Transfer of Undertakings (Protection of Employment), commonly known as TUPE Regulations, can result in difficulties with eligibility of the employees concerned for the subsidy scheme, because they may not have been on the payroll of the new business owner at 29 February 2020 and that owner would not have been paying wages to the employees in January or February 2020. In addition, the operation of the subsidy scheme in circumstances where an employer changes under the TUPE Regulations would be particularly difficult in practice, especially in the context of Revenue systems which automate the calculation of wage subsidies based on employee data for January and February as returned by the employer.

Where employees have transferred to a new employer as part of a company reconstruction underpinned by regulation 4 (1) of the European Communities (Transfer of Undertakings), the eligibility criteria will be applied as if the employer did not change. The 'new' employer should contact the relevant Revenue Division in advance of submitting any payroll that includes subsidy scheme J9 submissions, providing details of the reconstruction and the related legal TUPE agreement, as well as details of all affected employees.

3. Employee.

3.1. What is an eligible employee?

An eligible employee is someone who their employer cannot afford to fully pay because of the COVID-19 crisis, was on the employer's payroll on 29 February 2020, whose pay and tax details were reported to Revenue in Qualifying Payroll Submissions and is being kept on the employer's payroll.

- For submissions, regardless of the submission date, with pay dates before 24 April 2020, "Qualifying Payroll Submissions" are submissions that meet all of the following:
 - I. The employer must, for any pay-dates during the month of February 2020, have made payroll submissions for payments to the employee to Revenue before 15 March 2020.
 - II. The employee must be reported in a valid payroll submission with a pay date in the month of February 2020. The employer made a submission, with a pay date in February 2020, before 15 March 2020 and, on or after 15 March 2020 has not amended or deleted the submission. If amended or deleted on or after 15 March 2020, the original submission and any subsequent amendments are not valid submissions for the purposes of employee eligibility for the scheme.
- For submissions made from 24 April 2020 with pay dates on or after 24 April 2020, "Qualifying Payroll Submissions" are submissions that meet all of the following:
 - I. The employer must, for any pay-dates during the month of February 2020, have made payroll submissions for payments to the employee to Revenue before 1 April 2020.
 - II. The employee must be reported in a valid payroll submission with a pay date in the month of February 2020. The employer made a submission, with a pay date in February 2020, before 1 April 2020 and, on or after 1 April 2020 has not amended or deleted the submission. If amended or deleted on or after the 1 April 2020, the original submission and any subsequent amendments are not valid submissions for the purposes of employee eligibility for the scheme.
 - III. Payroll submissions for all previous months must be submitted to Revenue before 15 March 2020.

There is no age restriction for employees to be eligible and it includes those employees on fulltime, part-time, temporary and short-time work arrangements.

An employee is not an eligible employee if:

- They are not included in a Qualifying Payroll Submission, or
- Their gross pay, as reported in their payroll submission, exceeds €960 per week, or
- The sum of payments (subsidy plus any additional payment but excluding tax refunds) payable to the employee, in the week being processed, exceeds the Average Net Weekly Wage.
(See 4.4.3 Example 3 – Impact additional payments can have on subsidy and PRSI class)

3.2. Is the scheme open to self-employed as well as employees?

Self-employed individuals will be paid directly by DEASP under the COVID-19 Pandemic Unemployment Payment scheme rather than through this Revenue operated subsidy scheme.

3.3. Is the scheme open to directors?

If directors are paid through the payroll system and are included in the relevant payroll submissions for an eligible employer, then they are eligible to receive the wage subsidy.

3.4. What does an employee have to do to avail of the scheme?

An eligible employee does not have to do anything. It is a matter for the employer to register for the Subsidy scheme with Revenue.

3.5. What if an employer was refunded €203 in the Employer Refund Scheme, are they now due more?

The Temporary Wage Subsidy scheme is operational only from March 26, 2020 so they will not be due a further refund for submissions made up to that date. Revenue will transfer those employers who have registered for the Employer Covid-19 Refund scheme across to this new scheme and they are entitled to operate their payroll within the Subsidy Scheme from 26 March 2020.

3.6. What if an employee is in receipt of a DEASP Covid support?

Employers must not operate this scheme for any employee who is making a claim for duplicate support (e.g. Pandemic Unemployment Payment) from the DEASP. Where an employee previously laid off has been re-hired, the employee will qualify for the Subsidy scheme if their DEASP claim is ceased. Revenue will share data with DEASP.

The employer does not have to cease the employment for an employee to be able to receive PUP however, if an employee is receiving both PUP and the wage subsidy scheme, DEASP will cease their PUP payments.

3.7. Can staff who are on sick leave and/or isolating qualify for the scheme?

If the eligible employer retains them on the payroll then they can continue to operate the wage subsidy scheme. (see question 3.6 - What if an employee is in receipt of a DEASP Covid support?).

3.8. If my employee has been laid off and claimed a jobseeker's payment from DEASP, can an employer claim a subsidy?

Employers should not claim a subsidy in respect of an employee who is receiving a jobseeker's payment from DEASP unless they rehire the employee and the employee notifies DEASP that they are "signing off" and re-joining their employer.

3.9. Does this impact employees' rights to redundancy payment?

Measures have been brought forward by DEASP to suspend the provisions of Section 12 of the Redundancy Payments Act 1967 where an employee has been temporarily laid off or put on short-term work arising from the Covid-19 emergency measures.

3.10. Will my employees get insurable weeks?

Although the employer's PRSI is reduced from 11.05% to 0.5% and no employee PRSI applies, it is intended that employees in respect of whom a temporary wage subsidy is being properly paid will be allocated social insurance contributions appropriate to their normal employment status for the duration of the temporary wage subsidy.

(See 4.2 If I pay an additional payment is the employer PRSI calculated at J9 0.5%?)

3.11. Is the wage subsidy taxable on the employee?

The payments are liable to income tax; however, the subsidy is not taxable in real-time through the PAYE system during the period of the Subsidy scheme. Instead the employee will be liable for tax on the subsidy amount paid to them by their employer by way of review at the end of the year.

When an end of the year review takes place, it may be the case that an employee's unused tax credits will cover any further liability that may arise. Where this is not the case, and should an Income Tax liability arise, it is normal Revenue practice to collect any tax owing in manageable amounts by reducing an individual's tax credits for a future year(s) in order to minimise any hardship. Additionally, if an individual has any additional tax credits to claim, for example health expenses, this will also reduce any tax that may be owing.

3.12. What if my employee has multiple jobs will they get multiple payments?

If an employee has multiple employments, each employer can operate the scheme based on 70% of each employee's net weekly earnings.

In the operational phase, all such earnings will be combined and reconciled and each employer will be provided with an employer "Maximum additional payment employer can make to receive full subsidy" to apply to the employee's payroll. Further guidance will be provided on the operation of this.

3.13. Is an employee who resides overseas, or in Northern Ireland, eligible?

Employers can claim the subsidy in respect employees where the employee is exercising an Irish contract of employment in the State, and where the employer satisfies the conditions of the scheme.

3.14. Is an employee whose employer has received a PAYE Exclusion Order from Revenue eligible for the scheme?

A PAYE Exclusion Order is issued by Revenue to an employer in respect of an employee and instructs the employer not to deduct Income Tax or Universal Social Charge (USC) from an employee's pay through the PAYE system. There are a number of scenarios where an Exclusion order may be issued (See [Revenue's Tax and Duty Manual 42-04-01](#)).

Where a PAYE Exclusion Order has issued to an employer, a liability to PRSI (both employee and employer) may still arise. Though not obliged to do so, employers may deduct and remit any PRSI contributions due through the PAYE system.

Employees that have an Exclusion Order but who do not appear on the required payroll submissions do not meet the eligible criteria as set out in 3.1 and are not eligible for the scheme.

4. Operating scheme.

4.1. How will Employers operate the Subsidy Scheme during the Transitional Period?

During the Transitional period, the subsidy scheme will initially refund employers €410 per each qualifying employee. However, for administrative purposes and to allow for future reconciliation of subsidy payments made, employers should enter the following details when running their payroll:

- Set PRSI Class to J9.
- Enter a non-taxable amount equal to 70% of the employee's Average Revenue Net Weekly Pay up to:
 - a maximum of €410 per week where the Average Revenue Net Weekly Pay is less than or equal to €586, or
 - a maximum of €350 per week where the Average Revenue Net Weekly Pay is greater than €586 and less than or equal to €960, or
 - For payroll submission made on or after 16 April 2020, with a pay date on or after 16 April 2020 the wage subsidy is available to support employees whose ARNWP was greater than €960, and their current gross pay is below €960 per week, subject to the tiered arrangements and tapering.

Where the current gross pay, as reported in the payroll submission, represents a reduction from the ARNWP by:

- less than 20%, no subsidy is payable
- between 20% and 39%, a subsidy of up to €205 is payable
- 40% or more, a subsidy of up to €350 is payable.

For such employees, the maximum additional payment an employer can make, to receive the full subsidy, is the difference between €960 and their maximum weekly wage subsidy.

For employees who met the conditions outlined above, the maximum subsidy amount payable is calculated by reference to the employees' pay frequency as outlined in section 4.8.

- If an employer is not making any additional payment to the employee, they should include a pay amount of €0.01 in Gross Pay.
- If an employer is making an additional payment to the employee, they should include this amount in the Gross Pay.
- **It is important that employers do not include the Temporary Wage Subsidy payment in Gross Pay.**
- To avail of the wage subsidy, the wage subsidy plus any additional pay must not exceed the Average Revenue Net Weekly Pay. (see 1.6 What is an additional taxable payment under the Temporary Wage Subsidy Scheme?)
- The payroll submission must include pay frequency and period number.

Income tax, USC, LPT, if applicable, and PRSI are not deducted from the Temporary Wage Subsidy. However, the employee will be liable to Income Tax and USC on the Subsidy by way of review at the end of the year.

(See 1.7 Can an employer deduct a pension contribution from a Temporary Wage Subsidy payment to an employee? and 1.9 How are non-statutory deductions processed?)

In many cases the payment of the Temporary Wage Subsidy and any additional income paid by the employer will result in the refund of Income Tax or USC already paid by the employee. Any Income Tax and USC refunds that arise as a result of the application of tax credits and rate bands can be repaid by the employer and Revenue will also refund this amount to the employer.

Employers must not operate this scheme for any employee who is making a claim for duplicate support (e.g. Pandemic Unemployment Payment) from the DEASP. Where an employee previously laid off has been re-hired, the employee will qualify for the Subsidy scheme if their DEASP claim is ceased.

Based on the information provided in payroll submissions and adherence to the maximum limits, described above, Revenue will credit employers with the Temporary Wage Subsidy paid to each employee.

Penalties will apply to any abuse of the Subsidy scheme by an employer self-declaring incorrectly, not providing funds to employees or non-adherence to Revenue, and any other relevant guidance issued.

4.2. If I pay an additional payment is the employer PRSI calculated at J9 0.5%?

Yes, the employers PRSI is reduced from 11.05% to 0.5% and no employee PRSI applies. Qualifying employees are coded as PRSI Class J9 for the purposes of reporting obligations. It is intended that employees in respect of whom a temporary wage subsidy is being properly paid will be allocated social insurance contributions appropriate to their normal employment status for the duration of the temporary wage subsidy.

(See 3.10 Will my employees get insurable weeks?)

(See 4.4.3 Example 3 – Impact additional payments can have on subsidy and PRSI class)

4.3. What figure for employee Average Revenue Net Weekly Pay do I use to calculate an employee's subsidy amount?

An employee's Average Revenue Net Weekly Pay (ARNWP) is based on January and February payroll submissions made to Revenue for an eligible employee (see 3.1).

Bonuses, commissions and other payments will be taken into account in the calculation if these were included as part of gross pay in the January and February 2020 payroll submissions.

To calculate the "Average Revenue Net Weekly Pay", using the values in the payroll submission for each pay date in January and February 2020:

1. Take the employee's "Gross pay¹" and from it subtract the "Income Tax Paid", the "USC Paid" and the "Employee PRSI paid ". (See Appendix 1 for sample screens in ROS showing these values).
2. Total this figure for each pay date in Jan and Feb 2020 and divide this by the total number of insurable weeks reported.
 - If the total number of insurable weeks reported exceeds 9 then use 9 as the divisor.
 - If, for example, due to an exclusion order or an employee being PRSI exempt, there were no, or a negative number of, insurable weeks reported then use 9 as the divisor, regardless of the number of weeks actually paid or reported.
 - The calculation will result in an Average Revenue Net Weekly Pay for the employee, however, there will be a small number of cases where calculation may not be fully representative of the employee's usual weekly wage, the calculated Average Revenue Net Weekly Pay must be used in these cases.
3. This gives you the employee's Average Revenue Net Weekly Pay that is to be used for the subsidy amount.

Note: If the employee's wages and tax/USC/PRSI were constant for all payments in January and February then using one week's figures will give the same result and simplify the process (see "4.5 What if I use a different value than the Average Revenue Net Weekly Pay?" below).

¹"gross pay" means total remuneration which includes emoluments and notional emoluments but without reference to any deduction for pension contributions payable by the employee or any salary sacrifice deduction.

4.4. Examples

4.4.1. Example 1 - calculation of Average Revenue Net Weekly Pay

Using information on submissions available in ROS, see Appendix 1

Calculate Employee's Average Revenue Net Weekly Pay						
Pay Date	Insurable weeks	Gross Pay	Income tax paid	USC paid	Employee PRSI paid	Net weekly pay as reported to Revenue
Fri 03-Jan-20	1	270.60	3.22	1.95	0.00	265.43
Fri 10-Jan-20	1	270.60	3.22	1.95	0.00	265.43
Fri 17-Jan-20	1	270.60	3.22	1.95	0.00	265.43
Fri 24-Jan-20	1	297.66	3.54	2.15	0.00	291.97
Fri 31-Jan-20	1	297.66	3.54	2.15	0.00	291.97
Fri 07-Feb-20	1	297.66	3.54	2.15	0.00	291.97
Fri 14-Feb-20	1	297.66	3.54	2.15	0.00	291.97
Fri 21-Feb-20	1	297.66	3.54	2.15	0.00	291.97
Fri 28-Feb-20	1	297.66	3.54	2.15	0.00	291.97
Totals	9	2,597.76	30.90	18.75	0.00	2,548.11

Employee's Average Revenue Net Weekly Pay (ARNWP) €2,548.11 / 9

= 283.12

Payroll details

Frequency	Weekly
Insurable weeks	1
PRSI Class (Employee 0%, Employer 0.5% on taxable pay)	J9
Taxable pay - Employer additional payment (optional)	0.01
Non-taxable pay – Subsidy 70% of Average Revenue Net Weekly Pay)	198.18
Subsidy refund received from Revenue during transition phase	410.00
Balance of payment due to be refunded to Revenue in future	211.82

4.4.2. Example 2 – Impact of Additional Payment on Subsidy

An employee is paid weekly and has an Average Revenue Net Weekly Pay of €550 (A).

As the employee's Average Revenue Net Weekly Pay is less than €586, the maximum weekly wage subsidy allowable for this employee is €385 (B), which is 70% of their Average Revenue Net Weekly Pay.

The maximum additional payment an employer can make, to receive the full subsidy, is €165 (C), being the difference between the employees Average Revenue Net Weekly Pay €550 (A) and their maximum weekly wage subsidy €385(B).

In this example, the employer can make an additional payment up to value of €165 (C) and receive the full subsidy (see i below) for this employee, however if the employer's additional payment exceeds this value then the subsidy must be reduced by the value of the excess (see ii below).

This reduction may not be applied automatically by all payroll software packages.

Where applicable, Revenue will apply subsidy reduction when calculating the subsidy refund that the employer will receive. In the transitional phase, this will be reflected in the balance payment due to be refunded to Revenue in the future (G).

(See 4.13 Will employers be entitled to the full Subsidy amount under the transitional arrangements?)

i. Employer chooses to make an additional payment to receive the full subsidy.

If the employer makes an additional payment of €165, the employer reports €165 as Gross Pay (D) and Income Tax and USC will be deducted by reference to the most recent Revenue Payroll Notification (RPN).

The employer enters the subsidy of €385 (E) in the payroll as non-taxable pay.

- The employer will be eligible for the refund of €385 (E).
- During the transition phase, the employer receives a refund of €410 (F) and, at a later phase, the reconciliation will recoup the €25 (G) difference between €410 and €385.
- During the operational phase the employer will receive a refund of €385 (E).

Payroll details under i

Employee's Average Revenue Net Weekly Pay (ARNWP)	550.00	A
Maximum Weekly Wage Subsidy for employee (MWWS)	385.00	B
Maximum additional payment employer can make to receive full subsidy	165.00	C
Frequency	Weekly	
Insurable weeks	1	
PRSI Class (Employee 0%, Employer 0.5% on taxable pay)	J9	
Taxable Pay - Employer additional payment (optional)	165.00	D
Non-Taxable Pay	385.00	E
Subsidy refund received from Revenue during transition phase	410.00	F
Balance of payment due to be refunded to Revenue in future	25.00	G

ii. **Employer chooses to make an additional payment greater than the amount allowed to receive the full subsidy.**

If the employer makes an additional payment of €200, the employer reports €200 as Gross Pay (D) and Income Tax and USC will be deducted by reference to the most recent RPN.

As the €200 additional payment exceeds the maximum additional payment the employer can make to receive the full subsidy by €35 (€200 (D) – €165(C)), the subsidy is reduced by €35 to €350 (E) and the employer enters the reduced subsidy value of €350 (E) in the payroll as non-taxable pay.

- The employer will be eligible for the refund of €350 (E).
- During the transition phase employer receives a refund of €410 (F) and, at a later phase, the reconciliation will recoup the €60 (G) difference between €410 (F) and €350 (E).
- During the operational phase the employer will receive a refund of €350 (E).

Payroll details under ii

Employee's Average Revenue Net Weekly Pay (ARNWP)	550.00	A
Maximum Weekly Wage Subsidy for employee (MWWS)	385.00	B
Maximum additional payment employer can make to receive full subsidy	165.00	C
Frequency	Weekly	
Insurable weeks	1	
PRSI Class (Employee 0%, Employer 0.5% on taxable pay)	J9	
Taxable Pay - Employer additional payment (optional)	200.00	D
Non-Taxable Pay	350.00	E
Subsidy refund received from Revenue during transition phase	410.00	F
Balance of payment due to be refunded to Revenue in future	60.00	G

4.4.3. Example 3 – Impact additional payments can have on subsidy and PRSI class

The following table illustrates reduction on subsidy (E), and change to PRSI class, as the employer's additional payments (D) increase.

Illustration of impact of additional payments on subsidy		No reduction				Reducing subsidy				No subsidy		
Employee's Average Revenue Net Weekly Pay (ARNWP)	A	550	550	550	550	550	550	550	550	550	550	550
Maximum Weekly Wage Subsidy for employee (MWWS)	B	385	385	385	385	385	385	385	385	385	385	385
Maximum additional payment employer can make to receive full subsidy	C	165	165	165	165	165	165	165	165	165	165	165
Taxable Pay - Employer additional payment (optional)	D	0	50	160	165	200	300	400	500	550	600	650
Excess of Gross pay over ARNWP	D - C	0	0	0	0	35	135	235	335	385	435	485
Non-Taxable pay (Subsidy after any applicable reduction)	E	385	385	385	385	350	250	150	50	0	0	0
Total of additional payment before tax, plus subsidy	D + E	385	435	545	550	550	550	550	550	550	600	650
PRSI Class		J9	J9	J9	J9	J9	J9	J9	J9	A1	A1	A1
Subsidy refund received from Revenue during transition phase	F	410	410	410	410	410	410	410	410	0	0	0
Balance of payment due to be refunded to Revenue in future	G	25	25	25	25	60	160	260	360	0	0	0

- As the value of the additional payments (D) increase to reach (green area) the value of the Maximum additional payment the employer can make to receive full subsidy (C) the total payments received by the employee (D + E) also increase.
- Once the value of the additional payments (D) increase beyond (yellow area) the value of the Maximum additional payment the employer can make to receive full subsidy (C) the total payments received by the employee (D + E) stays constant as any increase in additional payments (D) will have a matching decrease in subsidy (E). However, as these additional payments are subject to tax and USC, the employee's Net Pay will decrease as the taxable Additional Payments increase.
- Once the value of the additional payments (D) increase beyond (blue area) the value of the Employee's Average Revenue Net Weekly Pay (A) the subsidy (E) will be eliminated and the employee will no longer be eligible for any subsidy and the employee's PRSI class will return to the normal PRSI class for that employee.

4.5. What if I use a different value than the Average Revenue Net Weekly Pay?

When reconciling the refunds made to Employers, Revenue will use the Average Revenue Net Weekly Pay (as calculated in 4.3 What figure for employee Average Revenue Net Weekly Pay do I use to calculate an employee's subsidy amount?) to determine the refund value amount for each employee. If an employer uses a value other than the Average Revenue Net Weekly Pay to determine the employee's subsidy payment, then the employer may find it difficult to reconcile the payments made to employees with the subsidy amount refunded as determined by Revenue.

4.6. What if an employee was not paid their usual pay in January or February 2020?

There can be cases where an employee was in employment but who did not receive normal pay in January or February 2020, such as reduced pay, maternity leave, illness benefit or off-pay leave. In such cases the employer can either:

- operate the scheme based on Average Revenue Net Weekly Pay, or
- pay the employee the appropriate wages without receiving a subsidy refund.

4.7. If I want to operate payroll on or after 26 March how much subsidy do I include in non-taxable pay field in the payroll?

For payrolls submitted with a pay date on or after 26 March and submitted to Revenue on or after the 26th of March

- Weekly employees:
 - Enter a non-taxable amount up to 70% of the employee's net weekly pay to:
 - a maximum of €410 per week where the Average Revenue Net Weekly Pay is less than or equal to €586; or
 - a maximum of €350 per week where the Average Revenue Net Weekly Pay is greater than €586 and less than or equal to €960.
- Fortnightly employees:
 - Enter a non-taxable amount up to 70% of twice the employee's net weekly pay to:
 - a maximum of €820 (€410 x 2) where the Average Revenue Net Weekly Pay is less than or equal to €586; or
 - a maximum of €700 for (€350 x 2) where the Average Revenue Net Weekly Pay is greater than €586 and less than or equal to €960.
- March monthly employees. For March payroll with pay date between 12 March and 31 March 2020:
 - Enter a non-taxable amount up to 70% of; four times the employee's net weekly pay to
 - a maximum of €812 (€203 x 4).
 - This is based on a 4-week March, with four weeks at the €203 rate.
- April monthly employees For April payroll:
 - Enter a non-taxable amount up to 70% of ((employee's Average Revenue Net Weekly Pay x 52) / 12) to:
 - a maximum of €1,777 ((weekly x 52) / 12) where the Average Revenue Net Weekly Pay is less than or equal to €586; or
 - a maximum of €1,517 ((weekly x 52) / 12) where the Average Revenue Net Weekly Pay is greater than €586 and less than or equal to €960.

4.7.1. Operating payroll for employees with ARNWP greater than €960 after 16 April 2020

For payroll submissions made on or after 16 April 2020, with a pay date on or after 16 April 2020 the wage subsidy is available to support employees whose ARNWP was greater than €960, and their current gross pay is below €960 per week, subject to the tiered arrangements and tapering.

Where the current gross pay, as reported in the payroll submission, represents a reduction from the ARNWP by:

- less than 20%, no subsidy is payable
- between 20% and 39%, a subsidy of up to €205 is payable
- 40% or more, a subsidy of up to €350 is payable.

For such employees, the maximum additional payment an employer can make, to receive the full subsidy, is the difference between €960 and their maximum weekly wage subsidy.

For employees who met the conditions outlined above, the maximum subsidy amount payable is calculated by reference to the employees' pay frequency as outlined in 4.8.

4.8. What are the applicable payroll frequency multipliers?

For payrolls submitted with a Pay Date on or after 26 March 2020:

1. Fortnightly = (Weekly x 2)
2. March monthly = (203 x 4)
3. April monthly = ((weekly x 52) /12)
4. Twice Monthly = (Weekly x 52)/24
5. March Week Based Monthly = (203 x 52)/13
6. April Week Based Monthly = (weekly x 52)/13
7. March Four Weekly = (203 x 4)
8. April Four Weekly = (weekly x 4)
9. Quarterly – Not applicable for the scheme
10. Bi-Annual – Not applicable for the scheme
11. Annual – Not applicable for the scheme
12. Other – Not applicable for the scheme

4.9. When is the scheme starting from/Can I revise previous payments/Can I back-date?

The scheme applies from 26 March 2020, for payroll submissions relating to pay dates on or after 26 March. The expectation is that this would cover payroll for the week commencing Monday 23 March.

Submissions made before the introduction of the Temporary Wages Subsidy Scheme, on 26 March 2020, cannot be processed under the Temporary Wages Subsidy Scheme and are covered under the previous Employer Refund Scheme.

Submissions made on or after the introduction of the Temporary Wages Subsidy Scheme, on 26 March 2020, with a pay date prior to 26 March 2020 will be processed under the previous Employer Refund Scheme.

Submissions made on or after the introduction of the Temporary Wages Subsidy Scheme, on 26 March 2020 with a pay date of 26 March 2020 or later will be processed under the Temporary Wages Subsidy Scheme.

4.10. Can I correct submissions already made for COVID refund scheme?

Once a submission is made to Revenue with a J9 PRSI class, it is extremely important to ensure that the payroll submission is not subsequently deleted or amended. As Revenue's systems were developed quickly to cater for the Subsidy scheme, attempts to delete or amend previous Covid refund submissions may cause further difficulties for the employer and disrupt the refund process. In any such cases, a detailed message should be submitted to Revenue through myEnquiries seeking further instructions.

The Temporary Wage Subsidy cannot be applied retrospectively. An employer must not amend a payroll submission already reported to Revenue in order to qualify for the scheme. The original payroll has already been processed and employees paid. Retrospective deletions and resubmission of amended submissions may be subject to verification, rejection of the submissions from the scheme and possible penalties.

4.11. Can I make submissions for multiple weeks in advance?

Employers must file a payroll submission with Revenue on or before the day they pay their employees. Based on this submission, Revenue will promptly make a Subsidy payment for valid submissions.

Submissions made more than 4 days in advance of the pay-date will not be processed for refund until 4 days before the pay-date. Such advance submissions may not be based on the latest RPNs or may include payments to employees whose personal situation changes putting them outside eligibility for the refund. To avoid a situation where an employer is not refunded, employers are reminded to ensure that they use the most current RPN and make submissions in line with payroll frequency, i.e. weekly / fortnightly or monthly.

4.12. What if my employee is due a refund of tax in the payroll?

Where an employee is due a refund of Income Tax or USC based on the payroll being processed, this should be paid by the employer and Revenue will refund this to the employer along with the associated wage subsidy.

This refund of Income tax and USC is made to the employee, in addition to the subsidy payment and any additional payment, and should not be included in the employer's calculation of the allowable additional payment.

4.13. Will employers be entitled to the full Subsidy amount under the transitional arrangements?

During the transitional phase, employers will receive €410 subsidy per week for each employee that they have made a PRSI Class J9 submission for, regardless of the amount of the subsidy actually paid to the employee. In many cases this amount will exceed the subsidy that the employee is entitled to receive for that week and in these cases, the employer is obliged to hold the excess of the subsidy payment received over the amount of subsidy actually to each employee.

In the operational phase of the scheme, this excess amount will be taken into account by Revenue when paying future subsidy payments to employer or will be repaid directly to Revenue.

(See 4.4.1 Example 1 - calculation of)

(See 6 Subsidy reconciliation and repayment to Revenue.)

4.14. How will the DCYA Wage Subsidy Childcare Scheme operate from 20 April 2020 to 3 May 2020?

4.14.1.WSCS scheme introduction and eligibility.

The Department of Children and Youth Affairs (DCYA) announced a new scheme (DCYA COVID-19 Temporary Wage Subsidy Childcare Scheme (WSCS)) as a supplement to the broader temporary wage subsidy scheme, to address the particular needs of the Early Learning and Care (ELC) and School Age Childcare (SAC) sectors. The DCYA WSCS is designed to enhance the supports available to ELC and SAC providers and their employees. It provides ELC and SAC providers with a contribution to overhead costs that are still being incurred during COVID-19 closures and, for ELC and SAC providers with employees, it enables these providers to retain their employees through the provision of additional funding to be used to top-up employees under the TWSS.

The Department of Children and Youth Affairs has opened applications for the WSCS to registered providers within the meaning of the Child Care Act 1991 (Section 58C, as amended by the Child and Family Agency Act 2013) which were contracted with the Department of Children and Youth Affairs to provide ELC and SAC Programmes on 12 March 2020. ELC and SAC providers that apply for and are approved for the WSCS will receive a contribution from the Department of Children and Youth Affairs to overhead costs that are still being incurred during COVID-19 closures. ELC and SAC providers with employees will receive additional funding from the Department of Children and Youth Affairs to be used to top-up employees under the TWSS.

An “employee”, in relation to the WSCS, means a person who has entered into or works under a contract of employment with the ELC and SAC provider participating in TWSS/WSCS. It includes staff, including ancillary staff, employed by the participating ELC and SAC provider for the purpose of ELC and SAC provision.

The TWSS cannot be applied retrospectively. A participating ELC and SAC provider must not amend a payroll submission already reported to Revenue. The original payroll has already been processed and employees paid.

However, where ELC and SAC providers have provided additional payments to employees under the TWSS on payrolls submitted since 6 April, the Department of Children and Youth Affairs will reimburse the providers for these additional payments.

To benefit from the new DCYA scheme, participating ELC and SAC providers must register for the Temporary Wage Subsidy Scheme and operate the Temporary Wage Subsidy Scheme in accordance with the Revenue TWSS guidance.

(For more information see <https://www.gov.ie/en/organisation/department-of-children-and-youth-affairs/>).

4.14.2. Operating the WSCS scheme.

For the period from 20 April 2020 to 3 May 2020, to facilitate DCYA’s WSCS, Revenue will accept valid submissions from participating ELC and SAC providers operating the TWSS that make additional payments to bring the employee’s additional pay before tax, plus subsidy to €350 gross per week.

For submissions made on or after 20 April 2020, for pay dates from 20 April 2020 to 03 May 2020, participating ELC and SAC providers participating in the TWSS and WSCS should enter the following details when running their payroll for eligible employees:

- Set PRSI Class to J9.
- Enter a non-taxable amount up to 70% of the employee’s Average Revenue Net Weekly Pay (ARNWP) (see 4.3 What figure for employee Average Revenue Net Weekly Pay do I use to calculate an employee’s subsidy amount?) to:
 - a maximum of €410 per week where the average net weekly pay is less than or equal to €586, or
 - maximum of €350 per week where the average net weekly pay is greater than €586 and less than or equal to €960, or
 - See 4.1 for details on employees with ARNWP greater than €960 after 16 April 2020
- For employees with an ARNWP of less than €350 the participating ELC and SAC providers can pay an additional gross payment up to a maximum of the difference between €350 and the 70% subsidy being provided (see worked example 4.14.3 below). The maximum additional gross payment is calculated by reference to the employee’s pay frequency as outlined in 4.8.
- The amount of additional payment to the employee should be included in the Gross Pay and should not be re-grossed.
- It is important that participating ELC and SAC do not include the Temporary Wage Subsidy payment in Gross Pay.
- The payroll submission must include pay frequency and period number.

4.14.3. Example 1 – Processing an employee with ARNWP of €300 for the DCYA WSCS

For example, where a participating ELC and SAC provider’s employee’s ARNWP is €300 (A) the participating ELC and SAC provider can make a wage subsidy payment of €210 (B) (70% of ARNWP). An additional payment can also be made of up to €140 (C) (€350 – €210 (B)) to bring the employee’s additional pay before tax, plus subsidy to €350 per week.

Illustration of impact of additional payments on subsidy		
Employee's Average Revenue Net Weekly Pay (ARNWP)	A	300
Maximum Weekly Wage Subsidy for employee (MWWS)	B	210
Maximum Weekly Employer Payment Before Tapering (MWEPT) to receive full subsidy	C	140
Taxable Pay - Employer additional payment (optional)	D	140
Excess of Gross pay over allowable pay - Tapering amount	D - C	0
Non-Taxable pay (Subsidy after any applicable tapering reduction)		
	E	210
Total of additional payment before tax, plus subsidy	D + E	350
PRSI Class		
		J9
Subsidy refund received from Revenue during transition phase		
	F	410
Balance of payment due to be refunded to Revenue in future	G	200

During the transition phase the participating ELC and SAC provider receives a refund of €410 (F) per week per eligible employee and, at a later phase, the reconciliation will recoup from the participating ELC and SAC provider the difference between €410 and the subsidy paid. In the example above the reconciliation recoupment will be €200 (G), being the difference between €210 (E) and €410 (F).

4.14.4. Additional information.

Tapering of the temporary wage subsidy shall apply to all cases where the gross pay paid by the participating ELC and SAC providers and reported on their payroll submission plus the subsidy amount exceeds €350.

It is important to note that above rules for employees with ARNWP of less than €350 only applies to payroll submissions made on or after the 20th of April and for pay dates from 20th April until 3 May 2020.

From 4 May 2020 “registered providers” will operate the revised standard TWSS scheme in line with general scheme guidance and be able to avail of the additional measures including:

- an 85% subsidy payable in the case of employees whose Average Revenue Net Weekly Pay does not exceed €412, and
- a flat rate subsidy of up to €350 shall be payable in the case of employees whose Average Revenue Net Weekly Pay is more than €412 but not more than €500.

The proposed top up payment to employers for overhead costs of a minimum amount of €300 per week or 15% of staff costs would be a taxable stream of income in the hands of the childcare providers, similar to DCYA subsidy payments such as ECCE, CSSP, TEC, and NCS.

5. Subsidy Refunds.

5.1. If an employer operated the Scheme will the subsidy refund to the Employer be offset against tax liabilities?

Subsidies under the scheme are paid to the employee via the employer, the employer is not entitled to the money in their own right and it cannot be used for any other purpose other than in accordance with the conditions of the scheme, including, for example, meeting any debts of the employer.

5.2. How quickly will Employers get their refund under the Subsidy Scheme and how is it paid?

The amounts paid to employees and notified to Revenue will be transferred into the employer's refund bank account by Revenue. This reimbursement will, in general, be made within two working days after receipt of the payroll submission.

5.3. How long will it take for my payroll package to be updated for the scheme?

Revenue has been working with payroll software providers to implement payroll solutions in response to the Covid pandemic crisis. Revenue acknowledges that the payroll software providers have been extremely co-operative and are fully engaged in delivering software enhancements to their payroll software to support the schemes in a very short time.

5.4. How should BIK for eligible employees be treated for the duration of the scheme?

Eligible companies can suspend the operation of BIK for eligible employees for the period that the employee is on the scheme. For employees covered by this scheme, BIK or notional pay does not need to be included in Gross Pay, however the notional pay will be liable for tax and USC on review at the end of the year.

6. Subsidy reconciliation and repayment to Revenue.

Details of both the reconciliation process and the process for employers to follow when returning excess Wage Subsidy Scheme funds to Revenue will be published in due course.

In the interim, to assist in their future reconciliation, employers should continue to retain records of subsidy payments made to employees, records of subsidy refunds and tax refunds received from Revenue and hold any excess of the subsidy payments received for offset against future subsidy payments or for future repayment to Revenue.

(See 4.13 Will employers be entitled to the full Subsidy amount under the transitional arrangements?)

6.1. What if I receive too much money from Revenue, how do I return it?

In some cases, an employer may decide, or Revenue may instruct the employer, to repay to Revenue some or all the subsidy refund payment received from Revenue.

There is now a facility in ROS to make such repayments of Temporary Wages Subsidy Scheme (TWSS) to Revenue. This facility will ensure that the TWSS repayment amount is correctly allocated to the employer. Customers should no longer use the Revenue bank account details previously provided for repayments of TWSS.

If making a TWSS repayment, please ensure that the following instructions are followed carefully:

- In ROS, under Payments & Refunds, select Submit a Payment.
- From the Payment Type drop-down select Tax Payment/Declaration.
- From the Select a tax type drop-down, select TWSS (Employer) and click on Make a payment
- The payment year and period, “2020” and “26 March – 31 August”, will be displayed.
- Enter the amount of TWSS refund you wish to repay. When making a TWSS repayment, ensure that only the TWSS refund amount is repaid to Revenue. (See ROS screen on page **Error! Bookmark not defined.**)
- Currently you may pay using your bank account details, payment using your debit/credit card will be added at a later date.
- A payment acknowledgement will be sent to your ROS Inbox.

Note: This repayment will not be visible on the ROS PAYE-Emp Statement of Account, but it will be allocated to the Employers’ TWSS balance.

Revenue have received a number of TWSS bank transfer repayments, without an accompanying Employer reference, which therefore cannot be matched to the appropriate Employer. If you have previously made a repayment of TWSS to Revenue using a bank transfer and have not yet advised Revenue of the bank transfer payment, then:

- Send confirmation to the **Collector General’s Office** via the myEnquiries system, providing details of the payment including the relevant Payroll Run Reference.
- Make sure to select ‘**Other Than Above**’ and then ‘**Covid Duplicate Refund**’ when submitting the query through myEnquiries in ROS.

7. Scheme compliance.

7.1. In what circumstances will Revenue compel an employer to refund the amounts received under the Temporary Wage Subsidy Scheme?

Where an employer receives amounts under the Temporary Wage Subsidy Scheme and the employer has not paid the subsidy amount to the specified employee or where the employer was not entitled to receive the subsidy as it did not meet the qualifying criteria, or the employee does not meet the eligible employee criteria (See 3.1) the employer will be compelled to refund these amounts to Revenue.

The amount of subsidy to be refunded (known as 'relevant tax') to Revenue shall be treated as Income Tax and is due and payable by the employer from the date the subsidy was first received by the employer from Revenue.

7.2. What are the consequences of abuse of the scheme?

A person shall be guilty of an offence if the person -

- knowingly or wilfully delivers any incorrect return or statement, or knowingly or wilfully provides any incorrect information, in connection with the temporary wage subsidy scheme, or
- knowingly aids, abets, assists, incites or induces another person to make or deliver knowingly or wilfully any incorrect return or statement, or knowingly or wilfully provide any incorrect information, in connection with the temporary wage subsidy scheme.

The provision of subsections (3) to (10) of section 1078, and section 1079 of the Taxes Consolidation Act 1997 shall apply for the purposes of these offences.

7.3. What information should be on the payslip?

In relation to an employee covered by the subsidy, the employer is obliged to show the amount of the subsidy on the employee's payslip. This should be labelled as "GovC19 WageSub" on the payslip.

Where an employer fails to give the employee a payslip which separately identifies details of the amount of the temporary wage subsidy payment, the employer shall be liable to a penalty as if that failure were a failure to comply with the Income Tax (Employments) Regulations.

Appendix 1

Sample ROS screens showing how to locate an employee’s payroll submission information. The equivalent information may be available in the payroll package.

Payroll

[Submit payroll](#)

[View payroll](#)

View payroll

Search by

Tax year

Payroll runs tax year 2020

All payroll runs which were submitted or last updated in the tax year selected are displayed below. Any payroll run which was amended will display in the month it was last updated.

January

Date last updated	Payroll run reference	Status	Action
31/12/2019 03:30 PM	330de658-74e0-40a6-9526	PROCESSED	View
08/01/2020 10:09 PM	18aed15a-fa37-4b05-96e5	PROCESSED	View
15/01/2020 09:56 PM	841efb1f-12b5-479d-a3f4	PROCESSED	View
22/01/2020 10:31 PM	acaefabb-3831-48ba-b3f3	PROCESSED	View
29/01/2020 10:13 PM	d2cd3a08-f100-4780-87c2	PROCESSED	View

February

Date last updated	Payroll run reference	Status	Action
05/02/2020 10:13 PM	711e7ebd-b648-4b27-8de9	PROCESSED	View
12/02/2020 09:59 PM	b7365f5f-e8a1-4e57-b6c8	PROCESSED	View
12/02/2020 10:01 PM	3eccc807-af17-4c99-ac62	PROCESSED	View
26/02/2020 10:15 PM	ca43aac3-0107-4945-af64	PROCESSED	View

Identifying values to use in calculating the Average Revenue Net Weekly Pay.

Pay date	07/02/2020
Pay period	6
RPN number	6
Gross pay	€270.60
Pay for Income Tax	€270.60
Income Tax paid	€3.22
Income Tax calculation basis	Week 1
Tax credits	€263.40
Tax rates	
Tax rate	1
Standard rate cut off point this period	€2,995.62
USC status	Ordinary
Pay for USC	€270.60
USC paid	€1.95
PRSI exempt	No
PRSI classes	
PRSI class	A0
Insurable weeks	1
Pay for employee PRSI	€270.60
Employee PRSI paid	€0.00
Pay for employer PRSI	€270.60
Employer PRSI paid	€23.81
LPT deducted	€0.00