

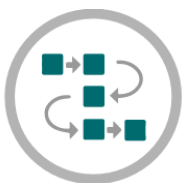


Employment Wage Subsidy Scheme



Guidelines on eligibility for the Employment Wage Subsidy Scheme from 1 July 2021

Issued on 9 July 2021



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) Bill 2021 was published on 23 June and extended EWSS to 31 December 2021. These Guidelines highlight the changes to EWSS applicable for the period from 1 July 2021. These guidelines should be read in conjunction with the main EWSS guidelines dated 9 July 2021 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 to qualifying employers based on the numbers of paid and eligible employees on the employer's payroll; and
- It charges a reduced rate of employer PRSI of 0.5% on wages paid 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.

The main change to the scheme is in relation to eligibility. Businesses who started trading before 1 January 2019 will compare their level of trade for 2021 to the level of trade for 2019. This will allow businesses whose trade was severely impacted due to government restrictions in the first half of 2021 to trade at higher levels for the second half of 2021 compared to 2019 and still avail of the scheme, subject to meeting the scheme conditions.

Employers will be required to complete an online Employer Eligibility Review Form (ERF) through ROS on a monthly basis, by the 15th of the following month. The initial ERF for the June period which will be used to assess eligibility for pay dates from 1 July needs to be completed and submitted online between 21 and 30 July 2021. Further details are included on page 7. Employers should retain their evidence/basis for entering and remaining in the scheme for potential review by Revenue at a future date.

Subsidy payments will generally be made within two working days of receipt of the payroll submissions.

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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 dated 9 July 2021 available [here](#).

Employer Eligibility Criteria

In addition to having tax clearance for the duration of the scheme, an employer must be able to demonstrate to the satisfaction of Revenue that their business is expected to experience a 30% reduction in turnover or customer orders in the period from 1 January to 31 December 2021 for paydates on or between 1 July and 31 December 2021, and this disruption to normal operations is caused by COVID-19.

This reduction in turnover or customer orders is relative to:

- the period 1 January to 31 December 2019 where the business was in existence prior to 1 January 2019;
- where the business commenced trading between 1 January and 31 October 2019, from the date of commencement to 31 December 2019; or
- where a business commenced on or after 1 November 2019, the projected turnover or orders for 1 January 2021 (or date of commencement if later) to 31 December 2021 as if the pandemic had not occurred.

Examples of how this would work are as follows:

| Eligibility Review Test – Paydates 1 July to 31 December 2021 | | | |
|--|-------------------------|--|---|
| Date Trade Started | 2021 Results | Eligibility Review Comparison | Explanation |
| 1 Jan 1995 | 1 Jan to 31 Dec 2021 | 1 Jan to 31 Dec 2019 | Trade in existence pre 1 Jan 2019 |
| 15 March 2019 | 15 March to 31 Dec 2021 | 15 March to 31 Dec 2019 | Trade commenced between 1 Jan and 31 Oct 2019 so 2019 turnover compared with turnover of same period in 2021 |
| 1 Feb 2020 | 1 Jan to 31 Dec 2021 | 2021 Projections as if pandemic had not occurred | Trade commenced after 1 Nov 2019 so no 2019 turnover exists for comparison purposes. |
| 1 Aug 2021 | 1 Aug to 31 Dec 2021 | | Comparison to be against projections prepared as if the pandemic had not occurred e.g. for banking/grant application purposes |

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Example 1

DEF Limited operated a retail outlet with an online presence. It is registered for and claimed EWSS from 1 January 2021.

At the end of June, DEF Ltd. undertook the monthly eligibility review in line with the new requirements for paydates from 1 July 2021 as follows:

| Monthly Period | Actual / Projected | Turnover € |
|---------------------------|---------------------------|-----------------------|
| January 2021 | Actual | 25,000 |
| February 2021 | Actual | 75,000 |
| March 2021 | Actual | 75,000 |
| April 2021 | Actual | 75,000 |
| May 2021 | Actual | 75,000 |
| June 2021 | Actual | 150,000 |
| July 2021 | Projected | 180,000 |
| August 2021 | Projected | 180,000 |
| September 2021 | Projected | 150,000 |
| October 2021 | Projected | 100,000 |
| November 2021 | Projected | 100,000 |
| December 2021 | Projected | 180,000 |
| Total | | 1,365,000 |
| Jan – Dec 2019 | Actual | 1,950,000 |
| Net Increase / (Decrease) | | (€ 585,000) |
| % Increase / (Decrease) | | (30%) |

Turnover for July to December 2021 is projected to be € 890,000 which is only € 360,000 or 28.8% less than the actual turnover reported for the period between July and December 2019 which is below the 30% reduction threshold. However, as a result of the extension of the eligibility review period to 12 months in 2021 versus 12 months in 2019 which includes 5 months of comparatively lower turnover amounts from January to May 2021, DEF Ltd. is eligible for EWSS.

EWSS Guidelines from 1 July 2021– Issued on 8 July 2021

DEF Ltd. can remain registered for EWSS from 1 July 2021 and provided the reviews at the end of each month from July to November 2021 as submitted through ROS by 15th of the following month, as well as the initial review submitted through ROS by 30 July, do not alter the position such that the decrease in turnover or customer orders is not less than 30% for the full calendar year 2021 compared to 2019, EWSS can be claimed for paydates in July to December 2021.

Example 2

ABC Ltd. opened a wet pub on 10 August 2019. Trading results for 2019 were as follows:

| Monthly Period | Turnover € |
|----------------------|------------|
| 10 to 31 August 2019 | 15,000 |
| September 2019 | 25,000 |
| October 2019 | 20,000 |
| November 2019 | 20,000 |
| December 2019 | 30,000 |
| Total | 110,000 |

The pub is expecting to reopen soon after 19 July 2021 for the first time in 2021, on the assumption that they can adapt their business operations to offer indoor services in line with emerging COVID-19 public health guidelines. At the end of June, it undertook a review of EWSS eligibility. As it only commenced to trade on 10 August 2019, the comparative periods are 10 August to 31 December 2019 versus 2021 as follows:

| Monthly Period | Actual 2019 | Turnover € | Projected 2021 | Turnover € |
|-------------------------|-------------|------------|----------------|------------|
| 10 to 31 August | Actual | 15,000 | Projected | 10,000 |
| September | Actual | 25,000 | Projected | 15,000 |
| October | Actual | 20,000 | Projected | 12,000 |
| November | Actual | 20,000 | Projected | 12,000 |
| December | Actual | 30,000 | Projected | 20,000 |
| Total | | 110,000 | | 69,000 |
| Reduction 2019 v 2020 | | | | 41,000 |
| % Reduction 2019 v 2020 | | | | 37% |

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ABC Ltd. can register for EWSS in respect of pay periods in July 2021. It will need to undertake a rolling monthly eligibility review on the last day of each subsequent month and update the Eligibility Review Form to report actual and projected turnover values. If it can demonstrate that it expects to meet the 30% turnover reduction test, taking the whole period into account as shown above, it will remain eligible and can continue to claim EWSS.

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 sole trader turnover.

Childcare businesses registered in accordance with Section 58C of the Child Care Act 1991 are included in the scheme with no turnover or orders test to be met. However, there is a requirement for such businesses to register for EWSS through ROS prior to submitting payroll for paydates in respect of which subsidies are being claimed.

Continued Review of Employer Eligibility required

Employers must undertake a review of their eligibility for the scheme on the last day of every month (other than the final month of the scheme) to be satisfied whether they continue to meet the above eligibility criteria and to take the necessary action of withdrawing from the scheme where they do not.

This review must be undertaken on a rolling monthly basis comparing the actual and projected business performance over the period January to December 2021 for paydates in the period 1 July to 31 December 2021 as illustrated below:

| Paydates in July to December 2021 | | | |
|--|---|----------------------------|--|
| Date review is undertaken | Total of Column A & B equals 2021 figure | | 2019 Comparative period |
| | Actual results (A) | Projections (B) | |
| 30 June 2021 | January to June 2021 | July to December 2021 | Actual results for period January to December 2019 |
| 31 July 2021 | January to July 2021 | August to December 2021 | |
| 31 August 2021 | January to August 2021 | September to December 2021 | |
| 30 September 2021 | January to September 2021 | October to December 2021 | |
| 31 October 2021 | January to October 2021 | November and December 2021 | |
| 30 November 2021 | January to November 2021 | December 2021 | |

EWSS Eligibility Review Form

To assist employers in ensuring continued eligibility for the scheme, from 30 June 2021, all employers will be required to complete and submit, through ROS, an online monthly EWSS Eligibility Review Form. The initial submission should be made between 21 and 30 July 2021. Through ROS, employers will need to provide details of actual monthly vat exclusive turnover or customer order values for 2019, together with the same detail for the first six months of 2021. They will also need to provide details of monthly projections for the remainder of 2021 i.e. July to December 2021. Appendix I provides additional detail on how to access and complete the application on ROS.

On 15th of every subsequent month during the scheme operation, employers will need to provide details of the actual results for the previous month, together with reviewing the original projections provided to ensure they remain valid. This can be summarised as follows:

| <i>Submission Due Date</i> | <i>Actual monthly figures to be returned</i> | <i>Projected monthly figures to be returned</i> |
|-----------------------------------|---|--|
| 30 July 2021 | January to December 2019 January to June 2021 | July to December 2021 |
| 15 August 2021 | July 2021 | August to December 2021 |
| 15 September 2021 | August 2021 | September to December 2021 |
| 15 October 2021 | September 2021 | October to December 2021 |
| 15 November 2021 | October 2021 | November and December 2021 |
| 15 December 2021 | November 2021 | December 2021 |

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Timely submission of the electronic form will provide assurance to both employers and Revenue that subsequent EWSS claims are appropriate and in line with the terms of the scheme. This, in turn, will reduce the possibility of employers claiming EWSS amounts to which they are not entitled and having to subsequently repay those amounts to Revenue. As part of the monthly submission, the following declaration needs to be signed by employers or their agents on their behalf:

"I declare that this represents a true and accurate record of actual monthly turnover / customer orders and my best estimate of forward-looking monthly turnover / customer order projections."

Childcare businesses registered in accordance with section 58C of the Child Care Act 1991 and businesses who commenced to trade after 1 November 2019 will have to complete a declaration as part of the Employer Eligibility Review platform on ROS as follows:

"I declare that I have correctly completed this/these box(es) which exempts me from completion of the monthly employer eligibility review screens."

This needs to be undertaken on a once off basis before 30 July to ensure exemption from the requirement to complete the electronic form for the remainder of 2021.

Businesses who commenced to trade between 1 January and 31 October 2019 are required to complete all fields in the eligible review form and their eligibility review calculation will be adjusted systematically to account for the shorter review period i.e. date of commencement in 2019 to 31 December 2019 versus equivalent dates in 2021.

Upon receipt of the EWSS Eligibility Review Forms, Revenue will be contacting randomly selected employers, together with employers where clarity is required or where high-risk practices are identified, as part of our compliance program which is detailed in the main EWSS guidelines dated 9 July 2021 [here](#).

Failure to complete and submit the EWSS Eligibility Review Form that confirms the requisite reduction and related declaration will result in suspension of payment of EWSS claims.

If following their review of their actual and projected turnover/customer orders, an employer no longer satisfies the '30% reduction test', they must deregister for EWSS through "Manage Tax Registration" on ROS with effect from the following day (that being the 1st of the month) 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.

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If an employer becomes aware prior to the end of the month 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.

Subsidies correctly claimed in accordance with the terms and conditions of the scheme prior to de-registration will not be repayable.

If circumstances change the following month and the employer is again eligible, they can re-register and claim for paydates from the date of reregistration. It is not possible to backdate the claim to include the period of deregistration as that correctly reflected the employer's expectation at that time.

Revenue requires employers to retain appropriate documentation, including copies of projections, to demonstrate continued eligibility over the specified period. It is reasonably expected that the assumptions which underpin the 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.

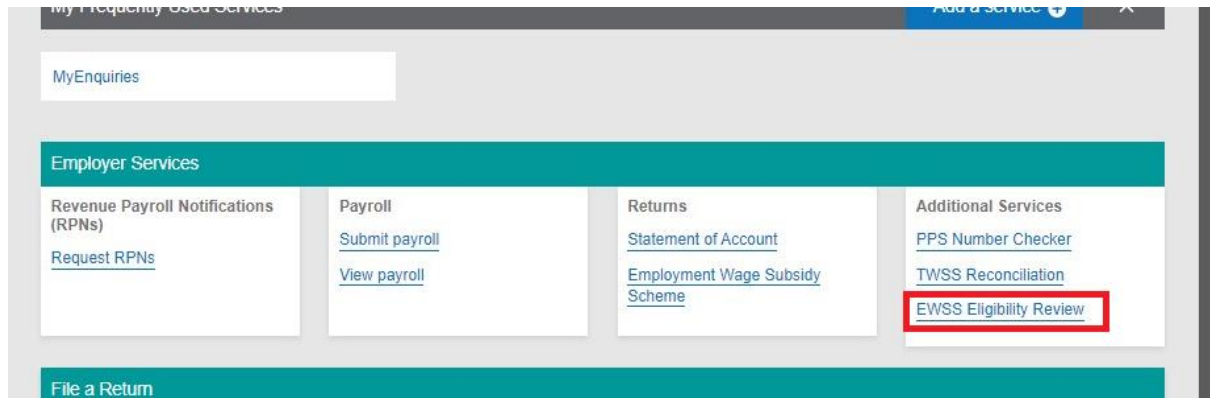
Where Revenue determines that an employer, at any time over the term of the scheme, claimed and received payment by applying accounting practices that are clearly not appropriate, or by deliberately misrepresenting the true financial situation of the business, it will be excluded from the EWSS in its 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 – EWSS Eligibility Review Form Completion

*** Please note these are prototype screens. Text and layout will differ slightly in the final versions ***

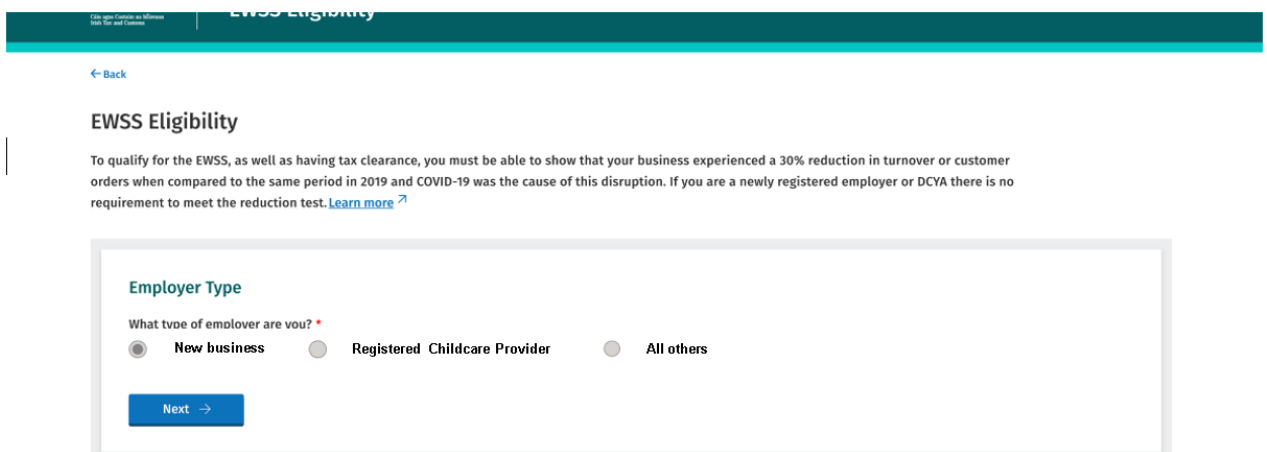
Section A – All EWSS Registered Employers

Step 1: Log into ROS and select “EWSS Eligibility Review” in the “Employer Services” section of “My Frequently Used Services”



Step 2: Select from one of the three options on the screen:

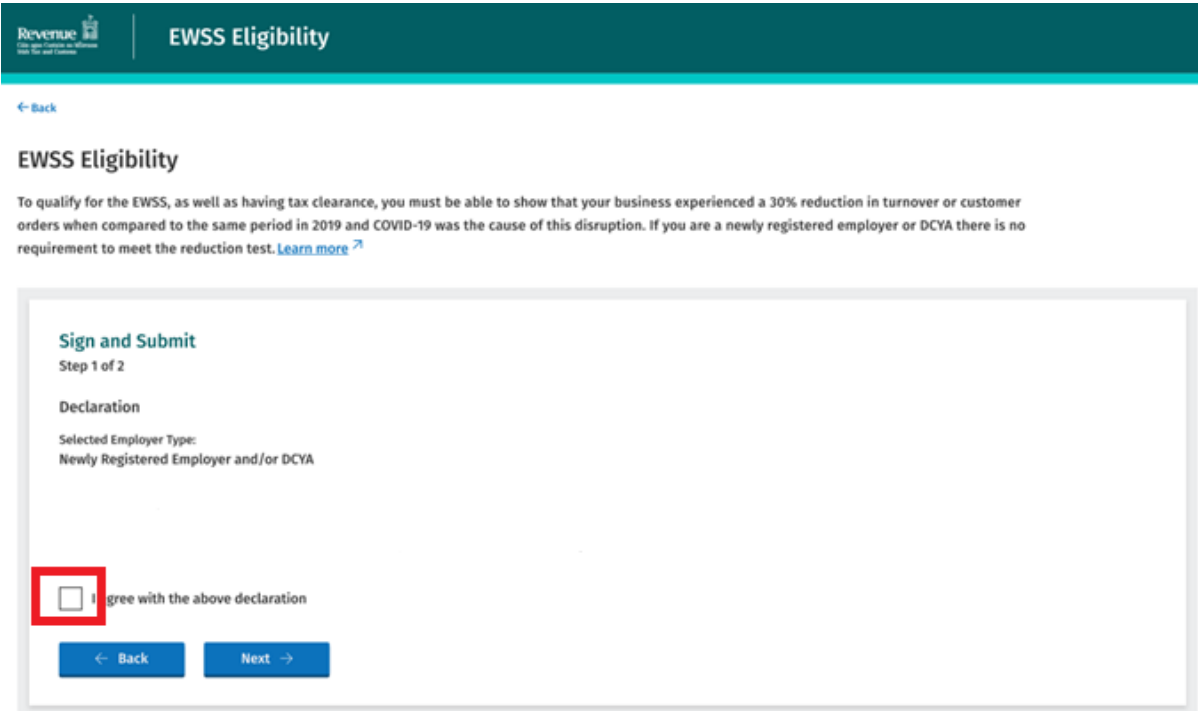
- 'New business' – this is to be selected if you have commenced to trade on or after 1 November 2019;
- 'Registered Childcare Provider' – this is to be selected if you are a Childcare Provider registered under S 58C of the Child Care Act 1991 or
- 'All others'

A screenshot of the 'EWSS Eligibility' form. The page has a teal header with 'EWSS Eligibility' and a 'Back' link. Below the header is the title 'EWSS Eligibility' and a paragraph explaining the eligibility criteria: 'To qualify for the EWSS, as well as having tax clearance, you must be able to show that your business experienced a 30% reduction in turnover or customer orders when compared to the same period in 2019 and COVID-19 was the cause of this disruption. If you are a newly registered employer or DCYA there is no requirement to meet the reduction test. [Learn more](#)'. Below this is the 'Employer Type' section with the question 'What type of employer are you?' and three radio button options: 'New business' (selected), 'Registered Childcare Provider', and 'All others'. At the bottom is a blue 'Next' button with a right arrow.

Section B – Next steps for New Businesses and Registered Childcare Providers

Step 3: Sign and submit after agreeing to the following declaration which will be included in the final screen, by ticking the highlighted box:

"I declare that I have correctly completed this/these box(es) which exempts me from completion of the monthly employer eligibility review screens"




The screenshot shows the Revenue 'EWSS Eligibility' form. At the top left is the Revenue logo and 'Revenue' text. To the right is 'EWSS Eligibility'. Below the header is a blue bar with a '← Back' link. The main heading is 'EWSS Eligibility'. Below this is a paragraph of text: 'To qualify for the EWSS, as well as having tax clearance, you must be able to show that your business experienced a 30% reduction in turnover or customer orders when compared to the same period in 2019 and COVID-19 was the cause of this disruption. If you are a newly registered employer or DCYA there is no requirement to meet the reduction test. [Learn more](#)'.

The main content area is titled 'Sign and Submit' and 'Step 1 of 2'. Under 'Declaration', it says 'Selected Employer Type: Newly Registered Employer and/or DCYA'. Below this is a checkbox, which is highlighted with a red box, followed by the text 'I agree with the above declaration'. At the bottom are two blue buttons: '← Back' and 'Next →'.

Step 4: Sign and submit

CLIENT SERVICES CLIENT REVENUE RECORD WORK IN PROGRESS

Return

Information  If your **transaction** is ready to be transmitted, please sign and submit by entering your password below. If you wish to review the details of this transaction click on the button marked Back.

Once your transaction has been successfully transmitted you will be provided with a notice number for the transaction. Please keep a note of this number for your records.

Sign & Submit

Certificate [Help](#)


Enter Password Password

Sign & Submit Back

0%

Step 5: You will receive an acknowledgement of the submission.

[← Back](#)



Thank you

Your EWSS Eligibility reference is:
PR-20210623-1128003

Your submission ID is:
12

You may wish to print this screen to keep a record of your payroll run reference and submission ID for future correspondence.

Print screen

***** These steps only need to be followed once, in July 2021. There is no requirement for these employers to repeat these steps every month. *****

Section C – Next steps for all other businesses

Step 3: This step is only required in July when the form is completed initially. Employers are required to provide details of their actual monthly turnover / customer orders reported for 2019. This cannot be altered once submitted. If errors were made while completing the form, please contact us through MyEnquiries, selecting the category “Employer’s PAYE” and then “Employer’s PAYE General Enquiry”.

[← Back](#)

EWSS Eligibility

To qualify for the EWSS, as well as having tax clearance, you must be able to show that your business experienced a 30% reduction in turnover or customer orders when compared to the same period in 2019 and COVID-19 was the cause of this disruption. [Learn more ↗](#)

First step:

Was your 30% reduction in turnover or customer orders? *

Turnover Customer orders

Input and submit your actual monthly turnover for 2019: *

| | January | February | March | April | May | June |
|---------------|--|--|--|--|--|--|
| 2019 1st half | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual |
| | July | August | September | October | November | December |
| 2019 2nd half | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual | € <input type="text" value="0"/> Actual |

[← Back](#) [Next →](#)

Step 4: This step is only required in July when the form is completed initially. Employers are required to provide details of their actual monthly turnover / customer order values for January to June 2021. This cannot be altered once submitted. If errors were made completing it, please contact us using the ‘Contact us’ details provided above.

Step 5: Employers are required to provide details of their projected / actual monthly turnover / customer order values for July to December 2021 each month. When the screen is completed in July, it will include all projected amounts. In August, you must include July actuals and amendments can be made to projections previously submitted for August to December 2021, if necessary. In September, you must include August actuals and amendments can be made to projections previously submitted for September to December 2021 if necessary. It is expected that projections are prepared using a reliable set of budget assumptions and do not change materially between monthly updates. Actuals provided previously cannot be amended. If errors were made when they were provided in a previous month, contact should be made with a caseworker using the ‘Contact us’ details provided above.

Step 6: Revenue undertakes a systematic check comparing 2019 actuals with 2021 actuals and projections. If you meet the 30% reduction, you will see the screen below (with your figures as submitted).

EWSS Eligibility Details

| Overall figures | | | | |
|-----------------|-----------------|----------------------------|------------------------------|---------------------------------------|
| | Total | Minimum Turnover Threshold | Minimum Turnover Threshold % | Reduction in Trade FY2019 vs FY2020 % |
| 2019 Figures | €12,000,000,000 | €8,400,000,000 | 70% | 30% |
| 2021 Figures | €12,000,000 | ----- | 0.1% | 99.9% You are eligible for EWSS |

If you don't meet the 30% reduction, you will see the following warning in red:

"You are no longer eligible for EWSS, please deregister and stop submitting EWSS claims"

You should then deregister for EWSS and stop submitting EWSS claims.

Step 7: Sign and submit after agreeing to the following declaration which will be included in the final screen, by ticking the highlighted box:

'I declare that this represents a true and accurate record of actual monthly turnover / customer orders and my best estimate of forward-looking monthly turnover / customer order projections.'

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EWSS Eligibility

[← Back](#)

EWSS Eligibility

To qualify for the EWSS, as well as having tax clearance, you must be able to show that your business experienced a 30% reduction in turnover or customer orders when compared to the same period in 2019 and COVID-19 was the cause of this disruption. If you are a newly registered employer or DCYA there is no requirement to meet the reduction test. [Learn more](#)

Sign and Submit

Step 1 of 2

Declaration

Selected Employer Type:
Newly Registered Employer and/or DCYA

I agree with the above declaration

[← Back](#) [Next →](#)

Step 8: Sign and submit

CLIENT SERVICES | CLIENT REVENUE RECORD | WORK IN PROGRESS

Return

Information If your **transaction** is ready to be transmitted, please sign and submit by entering your password below. If you wish to review the details of this transaction click on the button marked Back.

Once your transaction has been successfully transmitted you will be provided with a notice number for the transaction. Please keep a note of this number for your records.

Sign & Submit

Certificate [Help](#)

Enter Password

0%

EWSS Guidelines from 1 July 2021– Issued on 8 July 2021

Step 9: You will receive an acknowledgement of the submission.

[← Back](#)



Thank you

Your EWSS Eligibility reference is:
PR-20210623-1128003
Your submission ID is:
12

You may wish to print this screen to keep a record of your payroll run reference and submission ID for future correspondence.

[Print screen](#)