

Finance & Management News

Covid Restrictions Support Scheme

Details of the Covid Restrictions Support Scheme (CRSS) are contained in Section 11 of the Finance Bill 2020. The CRSS is a targeted support for businesses significantly impacted by restrictions introduced by Government under public health regulations to combat the effects of the Covid-19 Pandemic.

Under the scheme support will be provided to companies, self-employed individuals and partnerships carrying on a trade or trading activities, the profits from which are chargeable to tax under Case 1 of Schedule D, from a premises located in a region subject to restrictions introduced in line with the Living with Covid-19 Plan, with the result that the business is required to prohibit or considerably restrict customers from accessing their business premises.

To qualify under the scheme, a business must be able to demonstrate that, because of the Covid restrictions, the turnover of the business in the period for which the restrictions are in operation, and for which a claim is made, will be no more than 25% of an amount equal to the average weekly turnover of the business in 2019 (or average weekly turnover in 2020 in the case of a new business) multiplied by the number of weeks in the period for which a claim is made.

A qualifying person will be able to make a claim to Revenue under the CRSS for a cash payment to be known as an "Advance Credit for Trading Expenses". This payment will be equal to 10% of their average weekly turnover in 2019 up to €20,000 and 5% thereafter, subject to a maximum weekly payment of €5,000, for each week that their business is affected by the Covid restrictions. For businesses established between 26 December 2019 and 12 October 2020, the claim will be based on their weekly average turnover in the period between the date of commencement and 12 October 2020 (subject to the weekly cap of €5,000).

In addition to the specific eligibility conditions, noted above, a taxpayer must have up to date tax clearance and have complied with their VAT obligations.

The scheme is to be administered by the Revenue Commissioners and will operate from 13 October 2020 to 31 March 2021. A taxpayer must register to claim under the CRSS through Revenue's Online Service (ROS), claims must be made no later than 8 weeks from the date on which the claim period commences.

The Revenue Commissioners have published Guidelines on the operation of the Covid Restrictions Support Scheme which can be downloaded at www.revenue.ie/en/corporate/press-office/budget-information/2021/index.aspx.

The above information is based upon the proposed legislation contained in the Finance Bill 2020, which at the time of writing had completed First Stage in Dáil Éireann.

Source: www.revenue.ie

Brexit: Ready for Customs Grant

Applications are open through Enterprise Ireland for 'The Ready for Customs Grant' announced as part of the July Jobs Stimulus Package. The purpose of the grant is to assist businesses increase their capacity to manage the customs process when the United Kingdom's transition period ends on 1st January 2021.

The grant is open to companies directly engaged in business activities to, from or through the UK requiring new or increased customs clearance capacity. Under the scheme funding of up to €9,000 is available for each new full-time employee engaged in customs work or €4,500 in respect of a part-time employee. Funding can be used to contribute to recruitment, employee and the provision of IT infrastructure costs.

The application process will close on the earlier of when the €20m fund has been dispersed or at 3pm, 15th December 2020.

Source: www.prepareforbrexit.com

