



# EMPLOYMENT WAGE SUBSIDY SCHEME

EWSS begins on 1<sup>st</sup> September 2020

Thursday 10 September 2020



# OVERVIEW

- All information contained in this presentation can be found from the COVID-19 link on BigRedBook.com or [www.bigredbook.com/covid-19-update/](http://www.bigredbook.com/covid-19-update/)
  - There are also some links within that page to further information regarding
    - Tax Clearance Certs
    - Registering for EWSS on ROS
    - General Revenue Information
- A copy of these slides can be downloaded from there also.
- Payroll 2020 will be updated on Thursday 27<sup>th</sup> August 2020 to allow EWSS submissions.
  - EWSS Submissions for pay dates from 1<sup>st</sup> September onwards can only be made from Monday 31<sup>st</sup> August 2020.



# EWSS - OVERVIEW

- TWSS ends on 31<sup>st</sup> August 2020. EWSS can only be claimed for payrun dates from 1<sup>st</sup> September 2020 and run until 31<sup>st</sup> March 2021. There is provision for a sweepback of July and August submissions for certain ineligible TWSS employees and employers.
- EWSS is a completely new scheme.
- EWSS is not a payment to the employee, qualifying employers will receive a payment of a flat rate subsidy for each eligible employee.
  - There is nothing displayed on the employee's payslip, nor in their Revenue MyAccount regarding EWSS.
- Qualifying Employers must register before beginning to submit payments under EWSS.
- Qualifying employers will receive an Employer PRSI credit for each eligible employee meaning they pay a maximum of 0.5% Employer PRSI for eligible employees.
- The subsidy will be paid monthly in one payment, once the Monthly Statement has been accepted on ROS.
- Employers will return to paying employee wages in the normal manner, i.e. regular reporting of Income Tax, USC and PRSI.



# EWSS - EMPLOYER ELIGIBILITY CRITERIA

1. Employers must have a current tax clearance certificate in order to both register for EWSS and receive the monthly subsidy payments and PRSI credits.
2. Due to COVID-19, the business will experience at least a 30% reduction in turnover or orders for the period 1<sup>st</sup> July 2020 to 31<sup>st</sup> December 2020.
  - This reduction in turnover or orders is relative to:
    - the same period in 2019 where the business was in existence prior to 1<sup>st</sup> July 2019, or
    - the period from the date the business commenced to 31<sup>st</sup> December 2019, or
    - where a business commenced after 1<sup>st</sup> November 2019, the projected turnover or orders.
  - EWSS payments are considered trading income but are to be ignored when calculating the 30% reduction in turnover
  - Childcare businesses registered in accordance with Section 58C of the Child Care Act 1991 qualify without needing to show a reduction in turnover.
  - Employers should keep proof of their eligibility for the scheme (evidence of reduction in turnover and other evidence). You can read detailed information on the supporting proofs in Appendix I of [Revenue's EWSS Guidelines](#) (pdf).
3. Employers must register on ROS for EWSS by visiting ROS > My Services > Other Services > Manage Tax Registrations
  - TWSS registration will not be carried over to EWSS.
  - There will be no backdating for pay dates before being registered other than those to be claimed via July & August Sweepback.





# EWSS - CONTINUED EMPLOYER ELIGIBILITY REVIEW

- Revenue require Employers to review their eligibility based on turnover or orders on the last day of each month.
- Should the review find that eligibility is no longer met, then you should
  - De-register for EWSS immediately with effect from the following day.
    - This can be done by visiting ROS > My Services > Other Services > Manage Tax Registrations and choosing 'Cease Registration' for Employment Wage Subsidy Scheme.
  - Turn off Employer EWSS flag in Payroll 2020.
    - This can be done in Settings > Wage Subsidy.
- It is possible to register again should circumstances change again.
- Should you become aware that you will no longer be eligible at any stage in a month, gain an unexpected large contract/order for example, you should immediately de-register for EWSS and turn off the Employer EWSS flag in Payroll 2020.
- Should you lose Tax Clearance at any stage during EWSS, you can keep your EWSS registration while you regain Tax Clearance.
  - However, should you regain Tax Clearance after the return due date, you should contact Revenue via MyEnquiries by selecting 'Employer's PAYE' and then 'Employer's PAYE General Enquiry' to request that the refund be issued.



# EWSS - JULY & AUGUST SWEEPBACK

- Revenue have released a [pdf guide](#) with details of the EWSS July/August Sweepback.
- Employers who are eligible for EWSS may claim EWSS in respect EWSS eligible employees for pay dates from 1st July via Sweepback provided
  - The Employer was not eligible for TWSS or
  - The Employee was not eligible for TWSS
- A [Sweepback CSV template](#) has been made available by Revenue . Each employer will need to populate this template with the eligible employees they wish to claim EWSS for in the July/August period under the 'sweepback' process.
  - Payroll will be updated to include a utility that will create this CSV for employers in the coming days.
- On 15th September, Revenue will release a new link in the 'Employer Services' Section on ROS, where employers can upload their completed CSV file.
  - A step by step guide to using this link to upload the CSV is included in the [Revenue pdf guide](#).
  - The CSV must be uploaded to ROS before 14th October 2020.
- Any subsidy due will be paid into the designated bank account as soon as practicable after 16th September.
- Any Employer PRSI credit due will be applied to the relevant month, i.e. July or August, as soon as practicable after 16th September.



# EWSS - ELIGIBLE EMPLOYEES

- In general, all ordinary PAYE employees of a company will be eligible for EWSS.
- Newly Hired Connected Parties who were not on the payroll and paid at any time between 1st July 2019 and 30th June 2020 are not eligible for EWSS. Connected parties include brothers, sisters, linear ancestors, linear descendants, aunts, uncles, nieces, nephews of an individual and their spouse.
- On 31<sup>st</sup> August 2020 Revenue confirmed that the EWSS can be claimed in respect of proprietary directors, subject to the following conditions:
  - the employer meets the eligibility criteria for the EWSS,
  - the proprietary director is on the payroll of the eligible employer, and
  - the proprietary director has been paid wages which were reported to Revenue on the payroll of the eligible employer at any stage between 1<sup>st</sup> July 2019 and 30<sup>th</sup> June 2020.
- Where a person is a proprietary director of two or more eligible companies, a claim for EWSS can only be submitted in respect of a single company. In this situation the following will apply:
  - the proprietary director will be required to elect one company for the purposes of making EWSS claims for the period of the scheme. The election will be deemed to be made on the first submission of an EWSS claim in respect of the proprietary director,
  - once an election is made it cannot be changed during the term of the scheme,
  - no claims for EWSS in respect of the same proprietary director should be submitted by the other companies.
- Revenue have stated that employees who earn under or over the limits allowed for a subsidy to be paid should not be marked to be included for EWSS.

Gross Weekly Wages	Subsidy Payable
Less than € 151.50	Nil
From € 151.50 to € 202.99	€ 151.50
From € 203 to € 1,462	€ 203
More than € 1,462	Nil

# EWSS - USING PAYROLL 2020 (STEP 1)

- In Payroll 2020 in Settings > Wage Subsidy tab, Employers confirm they have registered for EWSS via ROS and now wish to include the EWSS flag on submissions for employees who are marked to be included for EWSS.
  - See our video [here](#) on how to Setup Payroll 2020 for EWSS or view the Helpfile in Payroll 2020.

Settings X

Company Information | Rates of Pay | Departments | Accounts | Other | PayPath | PRSA | Preferences | Email Settings | **Wage Subsidy**

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**Employment Wage Subsidy Scheme - from 1st September**

**Apply EWSS flag to employee Payment Submissions**  **Employees are flagged individually to be included in the Scheme. Untick to stop applying EWSS flag to submissions**

**You must be registered on ROS for EWSS before Submitting Payments flagged for EWSS**

Avail of TWSS?  Select to show the Wage Subsidy panel on the Employee screen. Employees have to be selected to be included in the scheme.  
 TWSS ends on 31st August Transitional Phase - when selected all payments will be at PRSI Class J9.

**\*\*\* From 4th May (Operational Phase) these calculations are replaced by data downloaded from ROS.**  
**\*\*\* Different rules and rates for Wage Subsidy apply in the Operational Phase.**  
**\*\*\* Operational Phase 4th May - 31st August**

Calculate Revenue Average Net Weekly Pay

The 'Revenue Average Net Weekly Pay' is calculated for January and February. This is Gross Pay less Income Tax, USC and PRSI paid. Only payments submitted to Revenue are included. Using this Revenue Average Net Weekly Pay the Wage Subsidy is calculated: 70% where Average Net is up to €586 €350 where Net is above €586 and less than €960 Where pay above 960, there must be a minimum pay reduction of 20%; Gross Pay + subsidy cannot exceed 960. Other employee eligibility criteria (as of 16th April 2020) Employee on payroll on 29th February Payment submissions made to Revenue between 1st February and 15th March Important - this is an emergency scheme and criteria and conditions may change. See Revenue.ie for up-to-date information on the scheme.

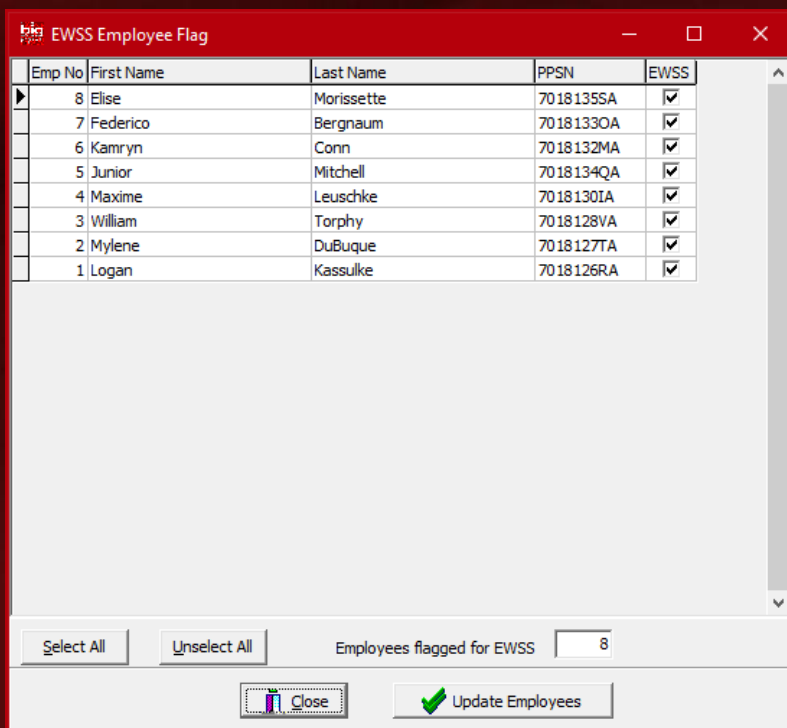
**Additional Payments - Temporary Wage Subsidy Scheme - 4th May to 31st August**  
 Additional Payments of up to the Average Net Weekly Pay (max. 960) can be paid per week without affecting the Wage Subsidy. Any amounts above this will be deducted from the allowable Wage Subsidy [16th April 2020]

X Cancel
✓ Save



# EWSS - USING PAYROLL 2020 (STEP 2)

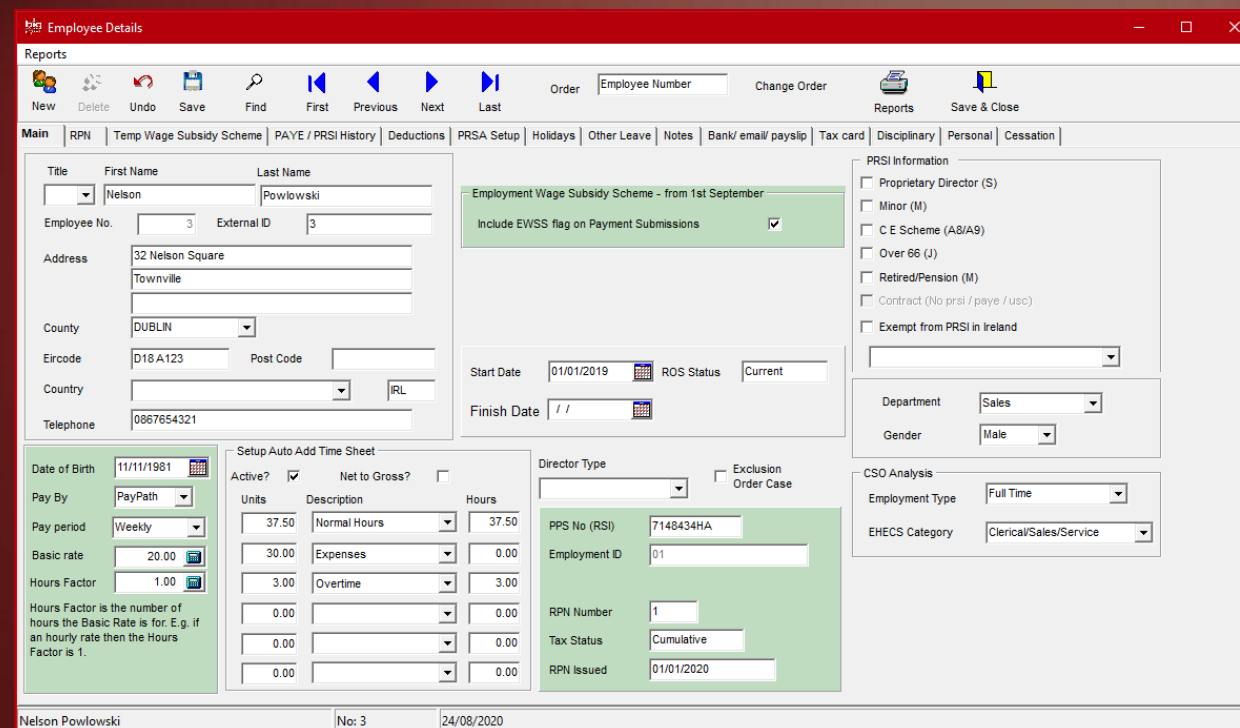
- In Payroll 2020, Employers mark each employee who is eligible to be included for EWSS in payment submissions in Utilities > Employee EWSS Flags or Employee Details > Main tab.



Emp No	First Name	Last Name	PPSN	EWSS
8	Elise	Morissette	70 18 1355A	<input checked="" type="checkbox"/>
7	Federico	Bergnaum	70 18 1330A	<input checked="" type="checkbox"/>
6	Kamryn	Conn	70 18 132MA	<input checked="" type="checkbox"/>
5	Junior	Mitchell	70 18 134QA	<input checked="" type="checkbox"/>
4	Maxime	Leuschke	70 18 130IA	<input checked="" type="checkbox"/>
3	William	Torphy	70 18 128VA	<input checked="" type="checkbox"/>
2	Mylene	DuBuque	70 18 127TA	<input checked="" type="checkbox"/>
1	Logan	Kassulke	70 18 126RA	<input checked="" type="checkbox"/>

Select All   Unselect All   Employees flagged for EWSS: 8

Close   Update Employees



Employee Details

Reports: New, Delete, Undo, Save, Find, First, Previous, Next, Last

Main | RPN | Temp Wage Subsidy Scheme | PAYE / PRSI History | Deductions | PRSA Setup | Holidays | Other Leave | Notes | Bank/ email/ payslip | Tax card | Disciplinary | Personal | Cessation

Title: Nelson Powlowski

Employee No: 3   External ID: 3

Address: 32 Nelson Square, Townville

County: DUBLIN   Eircode: D18 A123   Post Code:   Country:   Telephone: 0867654321

Start Date: 01/01/2019   ROS Status: Current   Finish Date: / /

Include EWSS flag on Payment Submissions:

Director Type:   Exclusion Order Case:

PPS No (RSI): 7148434HA   Employment ID: 01

RPN Number: 1   Tax Status: Cumulative   RPN Issued: 01/01/2020

Setup Auto Add Time Sheet

Units	Description	Hours
37.50	Normal Hours	37.50
30.00	Expenses	0.00
3.00	Overtime	3.00
0.00		0.00
0.00		0.00
0.00		0.00

Active?    Net to Gross?

Hours Factor is the number of hours the Basic Rate is for. E.g. if an hourly rate then the Hours Factor is 1.

Nelson Powlowski   No: 3   24/08/2020



# EWSS - USING PAYROLL 2020 (STEP 3)

- In Payroll 2020, Employers pay employees as normal, i.e. regular reporting of Income Tax, USC and PRSI.
  - There is nothing more to it. In the submission to Revenue, Payroll 2020 will add "EWSS" as the payment code for the other payments field and 0 as the amount (as required by Revenue) for every employee who is marked to be included for EWSS.
  - This payment code will only be included when the EWSS tickbox in Settings > Wage Subsidy tab is active. You will see the note 'EWSS flag will be added for selected Employees'.

ROS Submit Paylips

Payroll Run Reference: Sep2020  
 Submission ID: Week38\_01

Tax: 0.00 Status:   
 PRSI: 0.00  
 USC: 0.00  
 LPT: 0.00

**EWSS flag will be added for selected Employees**

ROS Status:  Submit Paylips

Payments (7)

RPN No.	Emp No.	Week No.	Mth	Pay Date	First Name	Last Name	Gross Pay	PPSN	Empl ID	EWSS	TaxCredit	Income Tax	TaxRefund	Tax Basis	Taxable Pay	EE PRSI	ER PRSI	Total PRSI	PRSI Class	Ins Wks	EE PRSA	ER PRSA	Pension
1	7	38	9	18/09/2020	Federico	Bergnaum	1,475.00	70181330A	B801	<input checked="" type="checkbox"/>	63.47	196.53		C	1,300.00	56.00	154.70	210.70	A1	1	100.00	75.00	0.0
1	6	38	9	18/09/2020	Kamryn	Conn	1,462.01	7018132MA	B801	<input checked="" type="checkbox"/>	63.47	228.93		C	1,462.01	58.48	161.55	220.03	A1	1	0.00	0.00	0.0
1	5	38	9	18/09/2020	Junior	Mitchell	1,462.01	7018134QA	B801	<input checked="" type="checkbox"/>	63.47	228.93		C	1,462.00	58.48	161.55	220.03	A1	1	0.00	0.00	0.0
1	4	38	9	18/09/2020	Maxime	Leschke	203.00	70181301A	B801	<input checked="" type="checkbox"/>	63.47	0.00		C	203.00	0.00	17.86	17.86	A0	1	0.00	0.00	0.0
1	3	38	9	18/09/2020	William	Torghy	202.99	7018128VA	B801	<input checked="" type="checkbox"/>	63.47	0.00		C	202.99	0.00	17.86	17.86	A0	1	0.00	0.00	0.0
1	2	38	9	18/09/2020	Mylene	DuBoque	151.50	7018127TA	B801	<input checked="" type="checkbox"/>	63.47	0.00		C	151.50	0.00	13.33	13.33	A0	1	0.00	0.00	0.0
1	1	38	9	18/09/2020	Logan	Kassulke	151.49	7018126RA	B801	<input checked="" type="checkbox"/>	63.47	0.00		C	151.49	0.00	13.33	13.33	A0	1	0.00	0.00	0.0

Close



# EWSS - WHAT DO REVENUE DO?

- On receipt of an eligible EWSS payslip from an eligible employer, Revenue will
  - a) calculate the subsidy payable by reference to the gross pay, pay frequency and insurable weeks reported on the payslip.
  - b) calculate a PRSI credit due to the employer by recalculating employer PRSI using 0.5% and if greater than employer PRSI paid subtracting this from employer PRSI paid as reported on the payslip.
- On the 5th of the following month Revenue will post a statement into the ROS inbox of employers setting out the monthly subsidy total for all eligible EWSS payslips.
  - This allows a window for employers to make any corrections before the return due date (14th of the Month)
- On the return due date, Revenue will post the Employer PRSI credit total due which will reduce the balance of the employer's payroll taxes balance due.
- After the return due date, the system will process the EWSS claim and make the payment into the designated bank account as soon as practicable thereafter.

# EWSS - VIEWING SUBMISSIONS ON ROS

- As the EWSS payments and Employer PRSI credits are calculated by Revenue the running totals for a month as well as totals for each payslip can be view in ROS.

**View payroll** Make a new submission

Search by

Tax year

Period  Search

You will get summary of the amount of EWSS and PRSI credit calculated based on submissions with pay dates in that month so far:

You can also view all line items where EWSS was claimed. Any warning messages will show up here also.

## Employment Wage Subsidy Scheme (EWSS)

Employment Wage Subsidy Scheme (EWSS) info

### Submission results

Tax year: 2020  
Start date: 01/10/2020  
End date: 31/10/2020

### EWSS

EWSS subsidy: €879.67  
PRSI credit: €230.00

### ^ Active items including warnings

These are the active submission items including any items with warnings.

Submission ID	Employee name	PPS number	Employment ID	Employer reference	Pay date	EWSS subsidy	PRSI credit	Action
1	T-NEWELL KERTZM...	2737289G	1	-	08/10/2020	€0.00	€0.00	<a href="#">View</a>
<ul style="list-style-type: none"> <li><b>Warning:</b> Weekly Gross Pay amount is not eligible for Employment Wage Subsidy Scheme.</li> </ul>								
1	T-NEWELL KERTZM...	2737289G	1	-	29/10/2020	€0.00	€0.00	<a href="#">View</a>
<ul style="list-style-type: none"> <li><b>Warning:</b> Number of insurable weeks for Employment Wage Subsidy Scheme does not match the pay frequency reported.</li> </ul>								
1	T-NEWELL KERTZM...	2737289G	1	-	01/10/2020	€879.67	€230.00	<a href="#">View</a>





# EWSS - CHANGES & LATE SUBMISSIONS

Any amendments to submissions or new submissions adding a claim for EWSS after the return due date (the 14th of the following month) will not be processed for EWSS or the PRSI credit. This is in line with standard PMOD rules requiring;

1. payments to be submitted to Revenue on or before the date the employee is paid, and
2. any adjustments to the monthly return to be done by the return due date.



# EWSS - WHAT SUBSIDY DO I RECEIVE?

- The subsidy payable is based on a couple of factors as reported on each payslip
  - Gross Weekly Wages,
  - Pay Frequency and
  - Insurable Weeks.
- PRSI Exempt Employees will be treated as if they have the standard PRSI weeks for the pay frequency,
  - 1 Insurable Week for Weekly,
  - 2 Insurable Weeks for Fortnightly or
  - 4 or 5 Insurable Weeks for Monthly.



# EWSS - WEEKLY OR FORTNIGHTLY PAID

- Weekly or Fortnightly Pay Frequency
  - If Insurable Weeks is greater than 0 and less than or equal to 5
    - Gross Weekly Wages = Gross Pay / Insurable Weeks
    - Total Subsidy = Subsidy Payable \* Insurance Weeks

Gross Weekly Wages	Subsidy Payable
Less than € 151.50	Nil
From € 151.50 to € 202.99	€ 151.50
From € 203 to € 1,462	€ 203
More than € 1,462	Nil

Gross Pay	Insurable Weeks	Gross Weekly Wages	Subsidy Payable	Total Subsidy
345	1	345	203	203
345	2	172.50	151.50	303
851.75	2	425.88	203	406
851.75	3	283.92	203	609

- If insurable weeks less than or equal to 0
  - Nil subsidy payable
- If insurable weeks is greater than 5
  - Nil subsidy payable



# EWSS - MONTHLY PAID

- Monthly Pay Frequency

- If Insurable Weeks is 4 or 5
  - Gross Weekly Wages = (Gross Pay \*12) / 52
  - Total Subsidy = (Subsidy Payable \*52) /12
- If Insurable Weeks equal 1, 2, 3, 6, 7, 8, 9
  - Gross Weekly Wages = Gross Pay / Insurable Weeks
  - Total Subsidy = Subsidy Payable \* Insurance Weeks

Gross Weekly Wages	Subsidy Payable
Less than € 151.50	Nil
From € 151.50 to € 202.99	€ 151.50
From € 203 to € 1,462	€ 203
More than € 1,462	Nil

Gross Pay	Insurable Weeks	Gross Weekly Wages	Subsidy Payable	Total Subsidy
3451.21	3	1150.40	203	609
3451.21	6	575.20	203	1218
3451.21	4	796.43	203	879.67
3451.21	5	796.43	203	879.67

- If insurable weeks less than or equal to 0
  - Nil subsidy payable
- If insurable weeks is greater than 9
  - Nil subsidy payable





# EWSS - PAYROLL SUBMISSION WARNINGS AND REJECTIONS

- Revenue are putting in place Submission warnings and rejections in order to help with administration of EWSS.
- Payroll submission rejection where a payslip is marked for EWSS but employer is not registered or re-registered for EWSS
  - Messaging: "Employer is not EWSS registered."
    - The Employer can Register via ROS and attempt to submit again (assuming Pay Date is after Registration Date) or
    - The Employer should deactivate Employer EWSS in Payroll and submit without EWSS flags (May be the only option if Employer does not qualify for EWSS)
- Payroll submission warning where a payslip is marked for EWSS but employer does not have an active tax clearance certificate
  - Messaging: "EWSS employer does not currently have tax clearance"
    - The Employer will have up to the Return due Date to get an active Tax Clearance Cert in place or else the Subsidy Payment and ER PRSI Credit will not be processed



# EWSS - PAYROLL SUBMISSION LINE ITEM WARNINGS

- Revenue are putting in place Submission Line Item warnings in order to help with administration of EWSS.
- Line item warning where a payslip is marked for EWSS but the calculated weekly gross pay is below €151.50 or above €1462
  - Messaging: "EWSS payslip weekly gross pay not in range"
    - No Subsidy is Payable.
- Line item warning where a payslip is marked for EWSS but does not have an eligible number of insurable weeks
  - Messaging: "EWSS insurable weeks not within range for given pay frequency"
    - No Subsidy is payable