Temporary Wage Subsidy Scheme - Quick Start.

In response to the COVID 19 pandemic the Government introduced the Temporary Wage Subsidy Scheme (TWSS) to provide financial support to workers whose employers are affected by the pandemic and unable to pay the employee. Originally approved for 12 weeks, on 5 June 2020 the scheme was extended until the end of August 2020.

This Quick Start section will assist an employer to understand the fundamentals of the scheme and the main steps required to use the scheme. It should be used in conjunction with the material in the remainder of the document which provides more detailed information as well as worked examples.

1. The scheme is available for eligible employees of eligible employers. Employers must meet the eligibility criteria (see section 2.4) and eligibility criteria (see section 3.1) for employees.
2. Employers apply to Revenue to operate the scheme by submitting a self-declaration (see Section 2.2). Employers must ensure they add their refund bank details, otherwise refund cannot be made.
3. An employee's subsidy is based on their January 2020 and February 2020 Average Revenue Net Weekly Pay (ARNWP) (see sections 4.3 – 4.5) the applicable subsidy rates (see Section 4.17) and any additional gross payment (top-up)(see section 1.6) an employer pays to the employee (see examples in section 4.4 and Appendix A3). **If excessive additional gross payments are made to an employee, then the subsidy refund to the employer be reduced (tapered) accordingly** (see section 4.17 and the chart in appendix A5). If a subsidy if not payable, including after tapering, PRSI J9 class must not be used.
4. Revenue will calculate the ARNWP and provide it and other subsidy information in the Employer CSV file (see section 4.16). This must be downloaded from ROS and used to calculate the wage subsidy for an employee.
   The CSV information can be imported into compatible payroll software, or used outside of the payroll software, along with the subsidy rates and any Additional Gross Payment (top-up) amount, to calculate the wage subsidy for each eligible employee.
   Revenue has provided a [CSV subsidy calculator](#) to assist employers calculate the correct wage subsidy for each eligible employee (see section 4.19.2). Employers use this calculator together with the Employer CSV file to calculate employee's subsidy. Employers are reporting that this CSV subsidy calculator is very useful in assisting with subsidy calculation and reducing submission errors that can reduce the refund an employer receives.
5. Section 5.6 explains the reasons why refunds may not be made to the employer or why the refund amount is reduced. This section should be carefully reviewed before payroll is run and submitted to Revenue. Once a submission is made it cannot be amended (see section 4.10).
6. Using the steps in Section 4.18 enter the details into payroll ensuring that the subsidy is entered as a nontaxable amount and the PRSI class is set to J9 for eligible employees.
7. Employer submissions are usually refunded the following day and can be viewed online (see section 5.5).
8. The Statement of Account (SOA) on ROS provides a monthly summary of transactions for that month and any outstanding balance due (see Section 5.7).
9. When the employer's situation changes, or they no longer wish to operate the scheme then follow section 2.13 and prepare for a reconciliation (see section 6).

Taken from: https://www.revenue.ie/en/employing-people/documents/pmod-topics/guidance-on-operation-of-twss.pdf