

COVID-19 Wage Subsidy Scheme FAQs

1. The way the process reads currently, it is not clear that the employers doing the refund scheme can now pay 350 per week instead of the 203. Dozens of members have contacted me this morning and last night saying the employee is better off going directly to revenue if 70% of their wages is less than 350. I presume the Covid Employers refund scheme is as it was but now they pay 350 and not 203 from 25th March onwards for 12 weeks. This needs to be clarified on your website as it only makes reference to those seeking directly from DEASP currently. It doesn't make sense that the process has changed to the point that the employer cannot pay 350 now instead of 203 directly to the employee.

The Employer Covid Refund Scheme, operated by Revenue on behalf of DEASP, was replaced by the Temporary COVID Wage Subsidy with effect from 26th March. Revenue are transferring those employers who participated in the Refund scheme to the new Temporary Covid Wage Subsidy Scheme (TWS).

Initially the subsidy scheme will refund employers up to 70% of the employee's weekly wages to a maximum of €410 per each qualifying employee. However, employers should pay no more than the normal weekly net pay of the employee. Employers make the support payment through their normal payroll process and employers will be reimbursed for amounts paid to employees and notified to Revenue via the payroll process. Employers may top-up the wages. In April, the scheme will move to a subsidy payment based on 70% of the normal net weekly pay for each employee up to a maximum of €410. Many people who are on low incomes are in receipt of additional income support from the State, for example Working Family Payment, Casuals and Jobs Seeker Transition, will still be getting €350 per week or more if they stay in work which is the desired outcome. Guidance is available at <https://revenue.ie/en/news/articles/guidance-on-the-temporary-covid-19-wage-subsidy-scheme.aspx>

2. If an employee went to DEASP but the employer now feels they can pay them directly based on this newly introduced schemes, what is the process for doing that? There are a lot in this category for us as pubs were one of the first private sectors to close. What do they need to do and what is the timeline for the change please?

An online facility is being put in place by DEASP to enable workers to close their PUP claim. In the meantime the worker can call the Intreo line and details will be taken to update their recorded. A worker can then advise their employer that they are returning to work and can put them back on the payroll immediately and the TWS applied from 26 March.

3. If someone earns less than 350 a week, we presume they still get 350 per week? All documents say it is a flat rate however in the early hours of this morning, Regina Doherty said in a tweet it's their normal wage up to a max of 350. This is very confusing.

€350 is the new, higher amount to be paid to workers who have been laid off on the COVID Pandemic Unemployment Payment. Workers who are being paid on the payroll by their employer (subject to Revenue eligibility) can avail of the TWS at a rate of €410 or €350 as appropriate- see 1 above

4. Many of the part time staff work for 2 or more places. How does the employer know with the refund scheme if they are claiming from other places? If another employer claimed first, how do they get the monies paid back and/or how soon will they know this mistake was made so they can stop payment? We gave out letters and said don't claim from both DEASP and the employer but others could've done the same. We never said don't claim from another employer.

Where an employee has multiple employers, each employer can operate the TWS scheme based on 70% of the employee's average weekly wages from that employment.

5. If any employer tops up wages from annual leave accrued and/or hours owed from time in lieu banked, does this still qualify them for the subsidy refund of 410? How would revenue/DEASP know? What instruction needs to go on their payroll?

The Temporary Covid Wage Subsidy Scheme is operated via the payroll system and covers employers who are in a position to provide top ups and those who are not. TWS does not allow for the employer to pay (subsidy + top-up) the employee more than the normal weekly net pay of the employee.

6. If the employee is going directly to DEASP and is owed annual leave or hours and the employer pays them, will this stop their social welfare payment of 350 that week/indefinitely?

If a worker has been let go and is due accrued entitlements, the employer should do this in the normal way and cease the employee through ROS in the normal way. This is no different to any other period when an employee finishes and becomes unemployed.

7. The policy from DEASP says that if the employee is getting paid by the social welfare, the employer needs to cease them on the payroll system, or they will not receive payment. Revenue responded to a member stating the same and they do not cease them if the employer is paying them (I have this email if you need it). If an employer ceases an employee, is that not unfair dismissal and what obligation does the employer have to take them back after the crisis is over?

The Temporary Covid Wage Subsidy Scheme applies to employees who were on the employer's payroll as at 29 February 2020, and the employer must, between 1 February 2020 and 15 March 2020, have made payroll submissions for payments to the employee to Revenue with pay-dates between 1 Feb 2020 and 29 Feb 2020. If an employee was on the payroll in this period and is active on the employer's payroll

then the TWS can apply. Matters of employee rights and employment law are outside of Revenue's scope.

Additional Revenue Queries:

1. The scheme says it applies to those who are unable to pay normal wages and normal outgoing's fully – if I can top up, then I couldn't say I can't pay normal wages so it is a contradiction there. Also, employers could have cash reserves for refurbishments and security etc. – if they have these, do they disqualify for the scheme. Is it just operational income they are looking at?

Employers are asked to make best efforts to maintain a significant income for their employees over the period of the scheme, however the scheme applies to both the employers who make additional payments to employees and those who are not able to do so. To qualify for the scheme, employers must be experiencing significant negative economic disruption due to Covid-19 and be able to demonstrate they meet the criteria in Revenue's published

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

2. The reimbursement says 2 days now – before it was 1 banking day if lodged before 2pm on a banking day – is the wage subsidy refund different to the Covid Employers Refund (as in are they both 2 days now or is the latter still refunded the next banking day).

The previous COVID Employers Refund scheme has been replaced by the COVID 19 Temporary Wage Subsidy. Under the Temporary Wage Subsidy the amounts paid to employees and notified to Revenue will be transferred into the employer's bank account by Revenue. This reimbursement will, in general, be made within two working days after the date of receipt of the payroll submission. If we receive a payroll submission on Day 1 the refunds will be processed and sent to the employer's bank account on the next working day (Day 2). Depending on the bank used the refund will be available to the employer on Day 3. Submissions made more than 4 days in advance of the pay dates will not be processed until 4 days before the pay day. In fact, in many instances, the employer is refunded in advance of paying its employees.

3. Is it 2 banking days for the refund or 2 working days?

See above

4. Revenue says to qualify the employer must be "able to demonstrate, to the satisfaction of revenue, a minimum of a 25% decline in turnover – if a place has closed is this enough? Are businesses going to be audited to show this? Is it going to be year-end figures – if the business over the 12 months is not at 25% less, do they own monies paid out back by revenue over the 12 weeks?

Guidance is available at: <https://revenue.ie/en/news/articles/guidance-on-the-temporary-covid-19-wage-subsidy-scheme.aspx>

5. Why are they listing employers who use the scheme? If so, from a GDPR perspective, can an employer say they do not approve to this – why is this?

The publication of employers' names is to ensure transparency of the wage subsidy scheme and to confirm the payments are passed on in full to the employee. It will provide clarity for all employees. It will allow employees to identify if their employer participated in the scheme and that the wage subsidy has been fully reflected in their pay and will help to safeguard against abuse of the scheme.

6. They say to qualify the employee needs to be on payroll as at 29th February 2020 and a submission made to revenue from the period 1st February to 15th March. If an employee was employed between 1st Feb and 28th February – do they no qualify – we are unclear here. The Covid refund scheme was all employees from 1st February to 15th March.

An eligible employee is someone who their employer cannot afford to fully pay because of the COVID-19 crisis who is being kept on the books of the employer. The employee must be on the payroll on 29 February 2020 and the employer must, between 1 February 2020 and 15 March 2020, have made payroll submissions for payments to the employee to Revenue with pay-dates between 1 Feb 2020 and 29 Feb 2020. There is no age restriction for employees to be eligible. The scheme includes employees on fulltime, part-time and short-time work arrangements.”