

Tax alert

Ireland

Guidance to employers on reporting, claims and subsidies during Covid-19 pandemic

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This alert addresses the temporary measures introduced to assist employers and their employees cope with the Covid-19 pandemic.

Employer Covid-19 refund scheme

This scheme provides employers with financial assistance to support employees who had been laid off as a result of the pandemic. Please click [here](#) for further details.

Temporary Covid-19 wage subsidy scheme

This is available to employers who retain employees on the payroll where financial support is provided through a Government subsidy. Further details are contained [here](#).

Benefit-in-Kind (BIK)

The costs associated with flight cancellations for employees who are integral to the business, and their family, and the costs incurred in returning prematurely to the State can be reimbursed tax-free provided the amounts are reasonable and are not reimbursed by a third party, e.g. under an insurance policy. These costs include cancellation of vacation flights and premature return from vacation in certain circumstances.

Benefit-in-Kind (BIK) continued

- Revenue will not impose a BIK charge on the provision of a taxi for employees travelling to and from work where there are health and safety concerns.
- A BIK will not arise on the provision of certain office equipment to employees requested to work from home. A tax-free allowance of €3.20 may also be paid.

For further details please see our alert on working from home and PAYE in the link below.

[\[Link to alert 04/2020 on 24 March\]](#)

Extension to filing, reporting and election deadlines

Revenue have extended a number of tax filing deadlines. These are outlined below:

- Real Time Foreign Tax Credit through payroll - the employee deadline to submit a tax return to support retrospective relief applied through payroll on Restricted Stock Units is extended from 31 March to 31 October 2020. Note, the employer must also notify Revenue of the claim by 31 October 2020.
- Equity / Share Remuneration - the filing deadline for all 2019 employer returns (Forms RSS1, KEEP1, ESOT1, ESS1, SRSO1) has been extended to 30 June 2020.
- SARP - the 90 day deadline to submit a SARP 1A form applying for the Special Assignee Relief Programme (SARP) has been extended by a further 60 days to 150 days from the date the eligible employee arrives in Ireland. A further extension may be allowed for exceptional cases on a case by case basis.

Cross border matters

- Transborder relief - provided all other conditions are met, an employee who is required to work from home in Ireland as a result of the pandemic will not be precluded from being entitled to claim relief.
- PAYE exclusion orders - the condition requiring an employee to exercise employment in the State for no more than 30 days will be relaxed, if the employer holds a PAYE exclusion order and the employee is genuinely on secondment abroad. Where the employee has more than 30 Irish work days during 2020 as a result of the outbreak the PAYE exclusion order will not be adversely impacted.
- Irish PAYE on foreign employers - foreign employers with employees who genuinely are working outside the State but return to Ireland and continue to exercise their employment remotely from home will not be required to operate Irish PAYE.
- Foreign business travellers coming to Ireland - Revenue will not strictly enforce the 30 day deadline to make a notification for a PAYE clearance for business travellers from a Double Taxation Agreement (DTA) country spending more than 60 work days in Ireland during 2020.
- Tax residence and Force Majeure - Irish tax residence is determined by the number of days spent in the State in the calendar (tax) year. If an individual's departure from the State is prevented due to the COVID-19 outbreak, Revenue will consider this 'force majeure' and the additional days an individual is forced to spend in Ireland as a result will not be included in establishing tax residency (where a day is any part of a day). Further details are contained in the [attached link](#).

Revenue services

- Revenue have confirmed that most tax services will continue as normal and advise taxpayers to continue to use Revenue's Online Services (ROS) and MyEnquiries.
- All audit and other compliance intervention activity on the taxpayer's premises will be suspended until further notice and Revenue will continue to work with taxpayers to finalise open cases.

Please see the link to Revenue's brief [here](#).

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