

BUSINESS SUPPORT SUMMARY

How you can get in touch for assistance in accessing these supports;

The team at Gilroy Gannon comprises over 50 staff with a wealth of experience in finance, business and tax consultancy. We are available to assist with applications to InterTrade Ireland, your Local Enterprise Office and Enterprise Ireland. Don't delay in seeking out support in these challenging times, contact one of our team for more information.

Our Team



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BUSINESS SUPPORT SUMMARY

1 – Business Supports

Temporary Wage Subsidy Scheme

- From 26th March this scheme became operational and replaced the Covid-19 Refund Scheme. The scheme is a subsidy from Government to employers of 70% of an employee's net wage per week, up to a maximum of €410 per week.
- We have prepared detailed guidance on this scheme which can be accessed on the [Gilroy Gannon website](#).

SBCI – Working Capital Loan Scheme

- To assist with future working capital requirements
- To fund innovation, change or adaptation of the business to mitigate the impact of COVID-19
- Not applicable for refinancing existing debt or for companies already in financial difficulties
- Aimed at businesses where turnover/profitability is being negatively impacted by a minimum of 15%.
- Loans range from €25,000 and €1.5m per qualifying business with loans of up to €500,000 unsecured.
- Term of loans is 1 to 3 years
- Interest rate no greater than 4%
- Received a further €250m in funding from the Government recently, bringing the total fund to €450m.
- <https://sbci.gov.ie/schemes/covid-19-loan-application>

SBCI – Future Growth Loan Scheme

- To provide longer-term loans to firms that have been impacted by Covid-19
- The aim of the scheme is to make available loans to eligible Irish businesses and the primary agriculture and seafood sectors to support strategic long-term investment such as the investment in Machinery/Equipment, R&D, Business Expansion etc.
- Loans will range from €100,000 (€50,000 for farmers) to €3 million per eligible business, with unsecured loans up to €500,000.
- The initial maximum interest rate is capped at 4.5% for loans up to €249,999 and 3.5% for loans more than or equal to €250,000 for the first six months. The rates thereafter are variable and will be dependent on the cost of funds at that point in time.
- Loan terms range from 8 to 10 years.
- Subject to eligibility criteria, is available to viable micro, small and medium sized enterprises (SMEs) and Small Mid-Cap enterprises (not a SME but has fewer than 500 employees)
- Apply initially via the SBCI. The scheme will be open with AIB, Bank of Ireland and Ulster Bank open for Credit Applications.
- <https://sbci.gov.ie/schemes/future-growth-loan-scheme>

BUSINESS SUPPORT SUMMARY

1 – Business Supports (Continued)

Enterprise Ireland – Sustaining Enterprise Fund

- A €180m fund specifically aimed at firms with 10 or more employees impacted by COVID-19 that are vulnerable but viable.
- Eligible businesses must have seen a negative impact arising from the COVID-19 outbreak and also have seen (or expect to see) a 15% or greater reduction in actual or projected turnover or profit, or a significant increase in costs, as a result of COVID-19.
- The Fund is open to eligible companies which:
 - Employ 10 or more full-time employees
 - Are operating in the manufacturing and internationally traded services sectors
 - For SMEs – have applied for funding from a financial institution, including, where appropriate, through the SBCI COVID-19 Working Capital Loan/Future Growth Loan Schemes
 - For large companies – have applied for funding with an appropriate financial institution
- The fund is operated by Enterprise Ireland, providing loans of up to €800,000
<https://www.enterprise-ireland.com/en/funding-supports/Company/Eestablish-SME-Funding/Sustaining-Enterprise-Fund.html>

BUSINESS SUPPORT SUMMARY

1 – Business Supports (Continued)

Enterprise Ireland – Key supports currently available

- COVID-19 Business Financial Planning Grant;
 - Companies involved in manufacturing or internationally traded services
 - Employ 10 or more full time employees.
 - The grant is worth up to €5,000 and is designed to help companies to develop a robust financial plan to secure the company in the short to medium term.
 - <https://globalambition.ie/supports/innovation-support/covid-19-business-planning-grant/>

- €2,500 LEAN Business Improvement Grant;
 - The grant is towards the cost of a training project of up to three days carried out by an approved external advisor/trainer directly with an eligible company to help companies quickly access expertise to review and optimise operations at a time of crisis and identify the key measures needed to ensure continued viability.
 - <https://enterprise-ireland.com/en/Productivity/Lean-Business-Offer/Lean-Business-Continuity-Voucher.html>

- COVID-19 Retail Online Scheme;
 - Available to retailers employing over 10 people.
 - A fund of up to €2m
 - Aims to support companies in the indigenous retail sector with a pre-existing online presence to respond to both the domestic and international consumer demand for a competitive online offer.
 - Funding of up 80% of the project costs.
 - Grants ranging from €10,000 to €40,000 will be awarded under the competitive scheme.
 - <https://www.enterprise-ireland.com/en/funding-supports/online-retail/online-retail-scheme/online-retail-scheme.html>

- Up to €7,200 Finance in Focus grant to support businesses with financial planning
 - <https://www.enterprise-ireland.com/en/Process/Companies/Finance-in-Focus-Grant-Claim.html>

- 50% Strategic consultancy grant (€35k max grant) towards hiring a consultant for grant
 - <https://www.enterprise-ireland.com/en/funding-supports/company/establish-sme-funding/strategic-consultancy-grant.html>

- 50% support up to €100k of salary cost for Key Manager Support Grants
 - <https://www.enterprise-ireland.com/en/funding-supports/Company/Establish-SME-Funding/Key-Manager.html>

BUSINESS SUPPORT SUMMARY

1 – Business Supports (Continued)

MicroFinance Ireland & LEO – COVID-19 Business Loan

- Aimed at small businesses i.e. sole traders, partnerships or Limited company) who are impacted by Covid-19 and struggling to get bank finance.
- Funding to MicroFinance Ireland has been increased from €13m to €20m
- Loans between €5,000 and €50,000 are available for eligible businesses.
- Loans are for a 36-month period with the first 6 months interest free and repayment free, the loan is then repaid over the remaining 30 months
- Interest rates have been reduced from 7.8% to 4.5%, you can apply via your LEO, main Bank or via Microfinance Ireland directly.
- Micro enterprises are businesses with less than 10 employees and up to €2m annual turnover and a Balance Sheet no greater than €2m
- <https://microfinanceireland.ie/loan-packages/covid19/>

Credit Guarantee Scheme:

- The Scheme aims to assist viable SMEs in accessing credit, when under normal lending criteria would normally be unable to borrow from their bank.
- The scheme operates by providing an 80% guarantee to participating finance providers (currently AIB, Bank of Ireland and Ulster Bank) on qualifying loans to SMEs.
- The scheme is aimed at overcoming the normal barriers to lending i.e.; collateral, novel business market, sector or technology and the need for refinancing caused by the exit of an SMEs lender from the Irish market.
- The Government has repurposed the CGS to provide counter guarantees to the banks, mitigating credit risk or need for collateral.
- The CGS can now be used by businesses to obtain loans to support changes they need to make to their business *in response to Covid-19*.
- Facilities range from €10,000 up to €1 million.
- Loan terms range up to 7 years.
- SME's may be eligible if;
 - Are involved in a commercial activity
 - Are a sole trader, partnership, franchise, co-operative or limited company
 - In the lender's opinion have a viable business proposal and will have ability to repay the facility
 - Those involved in primary agriculture and/or aquaculture sector are excluded from the scheme;
 - There are also restrictions on the funds being used fully to support export sales.
- The scheme is available through participating lenders, AIB, BOI and UB.
<https://sbci.gov.ie/schemes/sme-credit-guarantee-scheme-cgs>

BUSINESS SUPPORT SUMMARY

1 – Business Supports (Continued)

Inter Trade Ireland – Emergency Business Solutions

- Emergency business support to the value of €2,250 (including VAT) to assist businesses access supports to survive the downturn from the COVID-19 outbreak.
- The areas of assistance are as follows;
 - Guidance and direction to relevant Government Supports and assistance in applying for these
 - Assistance with cash-flows, people management and supply chain
 - Assisting with completion of lending applications for loan supports
 - HR and People relating issues (covering employment, contracts, redundancy advice and other legal aspects)
 - Helping businesses change production to offer other products or services to mitigate immediate risk.
 - At present this support is only available to businesses currently involved in Inter Trade Ireland projects (e.g. Acumen, Fusion and Elevate).
- covidsupport@intertradeireland.com

LEO - Business Continuity Voucher

- Worth up to €2,500 and accessed via your Local Enterprise Office.
- To help towards the cost of third-party consultancy costs incurred by companies in developing strategies to respond to the COVID-19 pandemic
- Any sole trader or company is eligible if they employ up to 50 people.
- <https://www.localenterprise.ie/Portal/response/Business-Continuity-Voucher/Business-Continuity-Voucher.html>

LEO – Mentoring

- If you are a client of your Local Enterprise Offices you can work with an experienced mentor to help you work through the areas of the business that are most exposed due to the downturn from the COVID-19 outbreak and identify solutions to these risks and challenges
- <https://www.localenterprise.ie/Portal/response/Other-LEO-Supports/Other-LEO-Supports.html>

BUSINESS SUPPORT SUMMARY

2 - Tax Measures in response to COVID-19

Revenue have issued specific advice for businesses experiencing trading difficulties as a result of the crisis and introduced a number of measures to ease the burden on business in the short-term;

- Interest on late payments is suspended for January/February and March/April VAT liabilities and February, March and April PAYE (Employers) liabilities, however it is important to ensure tax returns continue to be filed by their due date.
- All debt enforcement activity is suspended until further notice
- Current tax clearance status will remain in place for all businesses over the coming months
- The Relevant Contract Tax (RCT) rate review scheduled to take place in March has been suspended
- Critical pharmaceutical products and medicines will be given a Customs 'green routing' to facilitate uninterrupted importation and supply
- The EU has permitted the importation of goods to combat COVID-19 from outside the EU, free of import duties and VAT from 30 January 2020 to 31 July 2020
- Refundable R&D (Research & Development) tax credits due in 2020 are being expediated by Revenue
- Revenue have also introduced some relief from BIK charges related to certain travel costs (including cancellation costs), the provision of employer equipment to enable WIFI and BIK on company cars.
- An Employer may pay the employee up to €3.20 per day to cover the additional costs of working from home or, the employee may claim a tax deduction for a proportion of relevant bills, such as, heating and electricity
- The tax filing deadlines for 2019 for certain employee share schemes has been extended, and similarly for the Special Assignee Relief Programme (SARP) and real-time foreign tax credit (FTC) for Restricted Stock Unit (RSU).
- Revenue have also indicated they will not strictly enforce the 30-day notification requirements applicable to short term business travellers, who will spend > 60 days in Ireland in a tax year, where coming from double tax treaty countries.
- Local Property Tax for 2020 payable by Annual Debit Instruction or Single Debit Authority Payment, the deduction date will be pushed back from 21 March 2020 to 21 May 2020
- Revenue have confirmed the approach they will take to situations where company employees, directors, service providers, or agents are unable to travel due to COVID-19 related travel restrictions and the effect their presence or absence might have on the tax residence of the relevant company. Basically, the Revenue will disregard the presence of such individuals in Ireland. Their presence will not be regarded as being relevant for the purposes of establishing the residence or taxable presence of any foreign company which employs or engages them
- Similarly, where an individual is unable to travel to Ireland to attend board meetings, Revenue will not regard this failure to attend as impacting on the residence of that company in Ireland
- Revenue have confirmed that where, due to COVID-19 related travel restrictions, individuals spend more days in Ireland than intended in 2020, they will consider this 'force majeure' for the purpose of establishing an individual's personal tax residence position.

BUSINESS SUPPORT SUMMARY

2 - Tax Measures in response to COVID-19 (Continued)

- A similar approach is being taken in respect of a number of reliefs/exclusions from payroll taxes (PAYE) which rely on an employee performing duties for his or her employment outside Ireland, where this is not possible due to COVID 19 related travel restrictions. In summary, any unintended presence in Ireland due to the COVID-19 related travel restrictions should not affect the Irish tax position of the individuals nor, their employer's Irish payroll tax obligations
- <https://www.revenue.ie/en/corporate/communications/covid19/index.aspx>

3 - Nursing Home Supports

The Government announced a temporary financial support scheme for nursing homes of up to €72m. It aims to assist private and voluntary nursing homes in providing support in the context of the pandemic. The scheme is expected to operate for a three-month period, and it will be reviewed after the first month's operation.

There will be two components of the scheme being (i) assistance for nursing homes subject to a standard threshold and (ii) enhanced outbreak assistance where a nursing home is actively managing a COVID-19 outbreak.

i. *Assistance for nursing homes subject to a standard threshold*

Each applicant nursing home will be provided funding for the month ahead (the first of which will be the month of April) based on the number of residents onsite who avail of the Nursing Homes Support Scheme as reported for the month of March by the HSE Nursing Homes Support Office.

The nursing home will receive €800 per resident per month for the first 40 residents, €400 per resident per month for the next 40 residents and €200 per resident per month thereafter.

ii. *Enhanced outbreak assistance business case (for the same period) in the event of a COVID-19 outbreak*

Where a nursing home has incurred significant further costs or undertaken necessary enhanced actions arising directly from a COVID-19 outbreak as certified by the HSE, a nursing home may submit a separate business case for enhanced funding.

In such cases, the nursing home in question will be required to submit evidence of the measures undertaken and the costs incurred, along with independent certification from an auditor that the expenditure was incurred and that it relates directly to COVID-19.

The maximum assistance available to an individual nursing home per month will be twice that of the agreed monthly support under (a) above or a maximum amount of €75,000 inclusive of the monthly support, whichever is the lesser as seen here: <https://www.gov.ie/en/news/228125-minister-for-health-announces-enhanced-measures-to-support-nursing-h/>

BUSINESS SUPPORT SUMMARY

4 - Childcare Sector Support

- Temporary Covid-19 Wage Subsidy Childcare Scheme

- This new scheme, **once operational**, will replace ECCE, NCS, CCS and TEC for up to 12 weeks, it involves a 70% reimbursement from Revenue for childcare employers of their pre COVID-19 staff costs, in addition the;
- The Department of Children and Youth Affairs will also reimburse childcare employers by 30% of their pre COVID-19 staff costs.
- The Department of Children and Youth Affairs will also fund childcare providers with a proportion of staff costs during the closure period to assist with their ongoing costs where needed.
- This emergency support is for the duration of 12 weeks.
- Main conditions of the scheme:
 - No charging parents for childcare fees from March onwards
 - Ensure children's places are as secure as they can be post COVID-19
 - Agree to pay staff at pre COVID-19 levels, with the help of the funding from the Revenue and the Department of Children and Youth Affairs
 - Take steps to rehire staff that have been already laid off on the same terms as above
 - Give consent to Revenue to provide evidence of staff costs to allow the Department of Children and Youth Affairs to process payments to providers
- A date will shortly be confirmed for the operation of the new scheme
<https://www.gov.ie/en/publication/17507b-information-on-covid-19-measures-for-providers-and-staff-of-early-le/>