

Newsletter

April 2021

GOOD NEWS

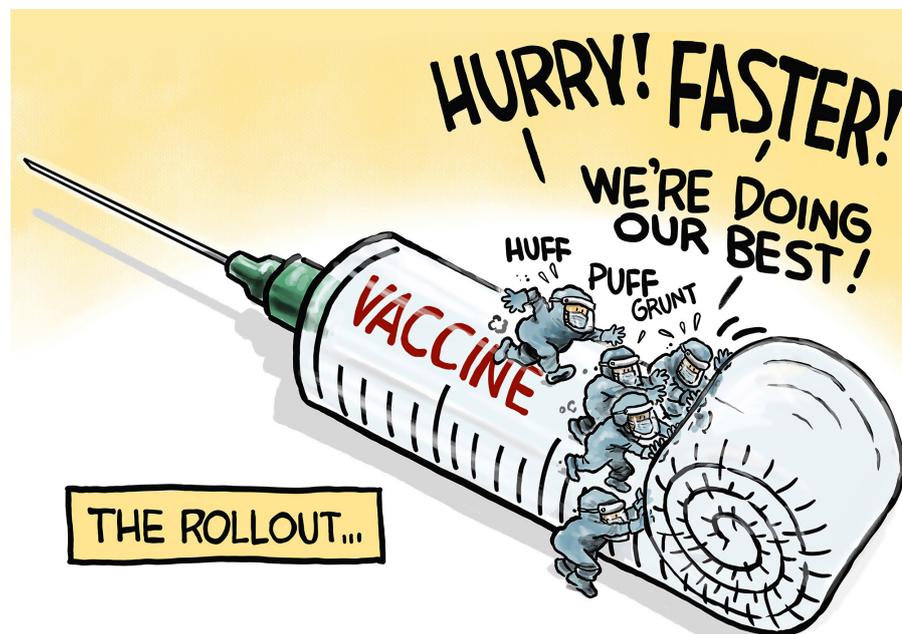


New grants

For those in the hospitality sector there is a very useful grant now available

The Outdoor Dining Enhancement Investment Scheme, launched by Fáilte Ireland in partnership with Local Authorities will work to facilitate greater capacity in outdoor dining by supporting hospitality businesses with upgrading and enhancing streets and public spaces and implementing weather-proofing solutions which will facilitate year-round outdoor dining.

Grants of up to €4,000 are available under the Scheme. Costs for outdoor tables, chairs, umbrellas, electric heaters, screens, wind breaks, plant stands and wooden platforms will be covered under the Scheme. Expenditure must be incurred between April 1, 2020 and September 30, 2021. Applications can now be made via your local authority.



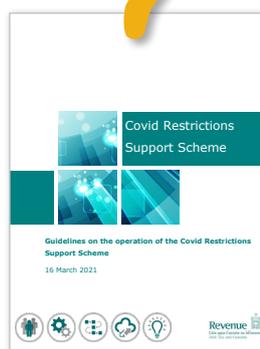
Well Happy April! - The sunrise is just after 6, and the sunset is almost 9pm. We can now travel within the county or up to 20km from our homes. Let's hope we all get vaccinated soon and get away for a bit of sun.

BAD NEWS



Taxation of the TWSS for directors

Revenue clarified last week that for self-employed (sole traders or directors) who availed of the TWSS and now have a tax liability, the company may not pay this without applying BIK. This in our mind is totally unfair, and yet another blow to the self-employed.





CRSS and EWSS schemes to continue

Both CRSS and EWSS run to 30 June 2021 currently, which ties in with the Rates Waiver running to 30 June too. If you need assistance with any of these schemes please contact us.



Bank feeds into Accounting packages

Bank statements may now once again be imported automatically into Quickbook's and Sage. We understand this feature shall return for XERO shortly.

Tax warehousing scheme

For those business's experiencing difficulty with cashflow, the Government introduced this scheme. What it offers, is that any business may elect not to pay any taxes for a period of 12 months "following the resumption of trading". At that point the business may then avail of 12 months interest free to repay the tax. If at the end of those 12 months, the business still cannot afford to repay the tax, they may enter into a Phased Payment Arrangement (PPA) and repay the tax over a period of up to 24 months at 3% interest rate – this is a significant reduction on the normal 10%.

In order to remain qualified to participate in this scheme it is a condition that you file (not necessarily pay) all returns when due.



VAT implications of dealing with the UK

In truth we have been spoiled since the EU was formed. Now that the UK has left, many of our clients are encountering issues around VAT. The general answer is that if you are selling to or buying services from a VAT registered business in the UK, you do not have to pay or charge VAT on the transaction, rather you apply the reverse charge basis as we have been doing to other EU countries. However for goods numerous issues have arisen with regard to the charging of import duties and VAT and who is responsible for payment of the charges.



TAX

Tax free payments to children/close friends

Recently we have assisted a number of clients with tax/estate planning. A valuable opportunity that is available to anyone is the "Small Gift Exemption". Under this scheme a person may give to another (they do not have to be a relative) up to €3,000 tax free per annum.

This does not count as an inheritance, so therefore does not affect the thresholds when a person receives an inheritance from a family member. For example a married couple could each give a child €3,000 each per annum, and their partner, and grandchild/grandchildren. This would distribute €18,000 tax free in 1 year, therefore saving €5,400 in inheritance tax. This is a very simple way of reducing inheritance tax.