

Newsletter

July 2022

Is there a €1,000 windfall on the way?

You may be aware that many health care workers were paid a €1,000 tax free bonus/thank you in the last few weeks as an acknowledgment of their efforts during Covid over the last 2 years.

Tánaiste Leo Varadkar, who broke the news, highlighted the €1,000 Covid bonus that was given to public sector workers, which was tax free, and noted that it would be unfair if private sector workers could not avail of the same if their employers wanted to pay them bonuses. As a result of this, the Minister for Finance, Paschal Donohoe TD, is currently drafting a proposal to allow all employers pay their team up to €1,000. Hopefully we will be able to confirm this initiative to you in next month's newsletter.



EWSS Self Review Letters

Over the last 2 weeks Revenue have begun a campaign of sending a letter/email to every business that availed of the EWSS scheme. The letter is merely asking/encouraging you to check that you did qualify for the scheme by carrying out a "Final self-review to verify your eligibility". They are not saying they are carrying out an audit, and you have no action to take, its merely giving people a chance to confess or correct any error they may have made in availing of any particular week.

If you have any concerns in this regard, please contact us immediately.

Employing students/family members this summer?

Many of our clients have seasonal work requiring extra staff suitable for inexperienced students over the summer months. Before engaging a person, you should consider the following points:

1. Avoid the temptation to pay anybody "cash" – there is no need in most cases as a student can earn up to €16,500 without paying any PAYE – they may have some liability to USC and PRSI but it tends to be minimal, and even then, they may be able to apply for a refund when the year is over, based on their total earnings in that year.

2. The minimum age that a person may be employed is 14, but they are subject to very strict conditions. The maximum hours such people can work is 35. A person aged 14 and 15, may be employed but not on a full-time basis. A person aged 16 and 17 may work a maximum of 40 hours per week.

3. Remember the minimum wage is now €10.50 per hour for an adult, but for people under 18 it is €7.35.

Time for a Health Checkup?

Sadly a number of clients have recently been diagnosed with serious illnesses some which if detected earlier could have been treated more easily and effectively. A company may pay for a full annual checkup for an employee or director free of benefit in kind. If it is a requirement of the person's employment that they receive more than 1 checkup in a year, there is no benefit in kind applicable in this case.



Time for your 2021 Income tax return

Many of our clients experience a slow-down in their business in the July/August period. If you are one of those, well now is the time to gather your data and send to us to prepare your Income tax return for 2021. By doing this we can then confirm

to you earlier how much tax if any you owe, and allows you to put plans in place to make the payment or indeed additional personal pension contributions to reduce this liability.



Crypto currency trading and possible losses?

The last number of months has seen a significant loss in many of these investments. If you have incurred a capital gain from the sale of any other asset in 2022, it may be beneficial to sell your Crypto investment now to realise the loss. By doing this, the loss may be offset against any gain incurred in 2022, even if the gain has been incurred earlier in the year. This could save you Capital Gains tax of 33%. You may still then re-purchase your Crypto should you believe the investment will recover. Discuss this with your financial advisor.



Some changes in the Companies Registration Office



1. PPS numbers will soon be required for directors when filing forms with the CRO. If the director doesn't have a PPS number, a CRO number can be applied for and used instead.
2. There will be no more extensions for annual returns for Covid 19.
3. CRO will recommence involuntary strike offs in the coming weeks so if you have any company with annual return that needs to be filed it needs to be sorted soon.

4. The Register of Beneficial Owners (RBO) are starting to issue summons for any company that hasn't filed their RBO so you need to make sure these are filed.

The last item is the one that may be most applicable to you, so please contact us if you have any concerns.