

Update on Grant Supports Available

A key part of the Government's July Stimulus package, there are now some additional grants available to enterprises which have been affected by the COVID 19 restrictions. Here Susan Wylie, Audit & Business Services partner at PKF explains the options available in greater detail.

Restart Grant PLUS

The Restart Grant Plus is a contribution towards the cost of re-opening or keeping a business operational and re-connecting with employees and customers. The grant could be used to defray ongoing fixed costs; for example, utilities, insurance, refurbishment or for measures to ensure employee and customer safety.

The scheme, which give grants of between €4,000 and €25,000 to businesses to help them re-open, replaces and supersedes the existing restart grant schemes, where previous grant amounts were between €2,000 and €10,000 respectively. With applications currently open, the scheme is available to those with less than 250 employees that have reopened or planned to reopen and have seen a 25% reduction in turnover between April and June.

Minister for Enterprise, Trade and Employment, Leo Varadkar, said that 35,000 businesses with fewer than 50 employees are eligible to apply for this grant even if they have already received the initial restart grant. He confirmed the maximum grant of €25,000 available to businesses including hotels, comes on top of other benefits including the wage subsidy scheme, commercial rate breaks and corporation tax rebate as well as the spend and save initiative which begins in October.

Details about the Restart Grant Plus

- The grant will be based on the amount of the rates assessment for the premises for 2019 (excluding arrears) with a new minimum grant of €4,000 and a maximum grant of €25,000 (Increased from €2,000 min and €10,000 max).
- Eligible firms now include medium-sized firms and independent hotels with up to 250 employees, as well as small firms (increased from 50 employees).
- Businesses impacted by a 25% reduction in turnover will be eligible provided they commit to reopening and to hiring and sustaining employment.
- A turnover of up to €25m is now allowable, increased from €5m. There is a cap of €100,000 turnover per employee.
- Commercial sports businesses and trading charity shops in rated premises can now apply for the grant.
- The hospitality sector, restaurants, pubs, activity centres and tourist attractions, for example, galleries, museums, are eligible if they are operating from a rated premise.
- B&Bs in non-rated premises will be eligible to apply for the minimum €4,000 grant from Fáilte Ireland.
- A franchisee which is a financially independent company and is completely separate to the franchisor is eligible to apply.
- Small company chains can apply if they meet the criteria of <250 employees and €25m turnover in totality across the company and all the branches.
- Multinationals are not eligible. Small Irish based subsidiaries with overseas parent companies are not eligible.
- Large chains that are part of a large group company, that is, one legal entity with a number of branches, such as fast food, group and multiple supermarkets, group hotels, group betting shops and group pharmacies are not eligible.

The closing date for receipt of applications is September 30, 2020

The REVAMPED Enterprise Support Grant

Applications are open for the newly revamped Enterprise Support Grant, designed to assist self-employed workers as they get back on their feet following Covid-19. The grant is designed to support those who have been severely affected by the pandemic and have therefore had to cease operations as a result. Previously, it supported entrepreneurs who were setting up new enterprises.

Worth up to €1,000 per person, it's aimed at sole traders such as plumbers, electricians, carpenters and taxi drivers, who do not pay commercial rates and therefore do not qualify for the Government's Restart Grant Plus Scheme. It also seeks to support micro self-employed enterprises, not currently eligible for similar grant funding through other departments.

Who can access the grant?

The extension of the grant to eligible recipients of the Pandemic Unemployment Payment will provide businesses with a once-off payment of up to €1,000. The Grant will be awarded to tax and PRSI compliant self-employed individuals who:

- Have been in receipt of the Covid-19 Pandemic Unemployment Payment and have closed their claim;
- Have reopened their business;
- Employ fewer than 10 people;
- Have an annual turnover of less than €1 million;
- Are not eligible for other similar Covid business re-start grants from other Government Departments;
- Are not liable for commercial rates;
- Produce VAT receipts/invoices in respect of business re-start costs and expenses claimed.

It is envisaged that those who close their PUP claim will have a period of 4 weeks, from date of claim closure, within which to submit a claim. This is to allow time for claimants to incur the necessary expenditure, gather receipts and submit a claim.

Anyone wishing to apply for the grant can download the application form on www.welfare.ie and forward it on when completed to their local Intreo Centre.

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Please contact a member of our team if you would like to discuss any of the issues raised.

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