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*Number 8 of 2020*

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**Financial Provisions (Covid-19) (No. 2) Act 2020**

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*Number 8 of 2020*

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## **FINANCIAL PROVISIONS (COVID-19) (NO. 2) ACT 2020**

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An Act to provide for the imposition, repeal, remission, alteration and regulation of taxation; to otherwise make further provision in connection with finance; to amend Part 7 of the Emergency Measures in the Public Interest (Covid-19) Act 2020 and otherwise make provision for supports to employers; and to provide for related matters.

[1st August, 2020]

**Be it enacted by the Oireachtas as follows:**

### **Definitions**

1. In this Act—

“Act of 1997” means the Taxes Consolidation Act 1997;

“Act of 2010” means the Value-Added Tax Consolidation Act 2010;

“Act of 2020” means the Emergency Measures in the Public Interest (Covid-19) Act 2020.

### **Amendment of Part 7 of Act of 2020**

2. (1) Section 28 of the Act of 2020 is amended—

(a) in subsection (1)—

(i) by substituting the following for the definition of “applicable period”:

“ ‘applicable period’ means the period commencing on 26 March 2020 and ending on 31 August 2020;”,

and

(ii) by substituting the following for the definition of “specified employee”:

“ ‘specified employee’, in relation to an employer, means—

(a) an individual who was on the payroll of the employer as at 29 February 2020, and the following is the case, the employer—

(i) has submitted to the Revenue Commissioners a notification or notifications of the payment of emoluments to the employee in February 2020 in accordance with Regulation 10 of the Regulations, and

(ii) has submitted the return required under section 985G of the Act for the month of February 2020 on or before the return date (within the meaning of section 983 of the Act) for that month;

or

(b) an individual to whom subsection (1A) applies;”,

(b) by inserting the following subsection after subsection (1):

“(1A) This subsection applies to an individual who returns to work with his or her employer on or after 1 March 2020—

(a) following a period of absence for which the individual was in receipt of maternity benefit, adoptive benefit, paternity benefit, parental benefit, health and safety benefit, parent’s benefit or illness benefit payable under the Social Welfare Acts, or a period of unpaid absence following on from and related to any such absence as aforesaid, or

(b) having been on an apprenticeship and training course administered by An tSeirbhís Oideachais Leanúnaigh agus Scileanna in February 2020.”,

(c) in subsection (4), by substituting “The conditions referred to in subsection (2)(c) are that, on or before 31 July 2020” for “The conditions referred to in subsection (2)(c) are”,

(d) in subsection (6)(d), by substituting “85 per cent” for “70 per cent”, and

(e) by deleting subsection (20).

(2) Part 7 of the Act of 2020 is amended by inserting the following sections after section 28:

**“Objectives of section 28B, purposes for which its provisions are enacted and certain duty of Minister for Finance respecting those provisions’ operation**

**28A.** (1) The objectives of section 28B are to provide—

(a) the necessary stimulus to the economy so as to mitigate the effects, on the economy, of Covid-19, and

(b) if, as of 1 January 2021, no agreement stands entered into between the European Union and the United Kingdom (with respect to the future relations between them on the relevant matters), to mitigate the effects on the economy which are apprehended may arise therefrom.

(2) In subsection (1) ‘relevant matters’ means the matters described in Part II of the Political declaration setting out the framework for the future relationship between the European Union and the United Kingdom<sup>1</sup>.

<sup>1</sup> OJ No. C384I, 12.11.2019, p. 178

- (3) The purposes for which the several provisions of section 28B (in this section referred to as the ‘wage subsidy scheme’) are, in furtherance of the foregoing objectives, enacted are:
- (a) in addition to the provision of basic mechanisms to fulfil those objectives, to ensure the efficient use of the wage subsidy scheme so as to minimise the cost to the Exchequer of the scheme (so far as consistent with fulfilment of those objectives);
  - (b) to avoid, where possible, allocation of resources to sectors of the economy that are not in need of direct stimulus by means of the wage subsidy scheme (and which sectors may reasonably be expected to be restored to financial viability and an eventual growth path by the indirect effects of the scheme);
  - (c) to protect the public finances through mechanisms for the discontinuance of one or more of the payments under the wage subsidy scheme (or for their variation) in defined circumstances;
  - (d) to take account of the need to reflect changes in the circumstances of individuals who, as employees, are individuals in respect of whom payments under the wage subsidy scheme are being made, in cases where such individuals avail themselves of other financial supports provided by the State;
  - (e) to have regard to the importance of maintaining the provision of child care facilities so as to enable parents to continue in, or to take up, positions of employment;
  - (f) to take account of changes in the State’s economic circumstances and the demands on its financial resources which may occur in the remainder of the current financial year and thereafter.
- (4) It shall be the duty of the Minister for Finance to monitor and superintend the administration of the wage subsidy scheme (but this subsection does not derogate from the function of care and management conferred on the Revenue Commissioners by section 28B(19)).
- (5) Without prejudice to the generality of subsection (4), the Minister for Finance shall cause an assessment, at such intervals as he or she considers appropriate but no less frequently than every 2 months beginning with the passing of the *Financial Provisions (Covid-19)(No. 2) Act 2020*, of the following, and any other relevant matters, to be made—
- (a) up-to-date data from the register commonly referred to as the ‘Live Register’ and data related to that register supplied to the Department of Finance by the Department of Business, Jobs and Innovation (whether data compiled by that last-mentioned Department of State from its own sources or those available to it

from sources maintained elsewhere in the Public Service),

- (b) up-to-date data compiled by the Department of Finance relating to the State's receipts and expenditure,
- (c) such other data as the Minister may consider relevant in relation to the impact from, and effects of, Covid-19 or the fact (should that be so) of there not being an agreement of the kind referred to in subsection (1)(b),

and, if the following is commissioned, by reference to an assessment, on economic grounds, of the wage subsidy scheme that may be commissioned by the Minister for Finance and any opinion as to the sustainability of the scheme expressed therein.

- (6) Following an assessment under subsection (5), it shall be the duty of the Minister for Finance, after consultation with the Minister for Public Expenditure and Reform and the Minister for Employment Affairs and Social Protection, to determine whether it is necessary to exercise any or all of the powers under paragraphs (a) to (c) of subsection (21) of section 28B so, as appropriate, to—
  - (a) fulfil, better, the objectives specified in subsection (1), or
  - (b) facilitate the furtherance of any of the purposes specified in subsection (2),

and, if the Minister for Finance determines that such is necessary, the powers under one, or more than one, as provided in that subsection (21), of those paragraphs (a) to (c) shall become and be exercisable by the Minister for Finance.

### **Covid-19: employment wage subsidy scheme**

**28B.** (1) In this section—

‘Act’ means the Taxes Consolidation Act 1997;

‘contribution week’ has the same meaning as it has in section 2 of the Social Welfare Consolidation Act 2005;

‘emoluments’, ‘employer’, ‘employee’ and ‘income tax month’ have the same meanings as they have in Chapter 4 of Part 42 of the Act;

‘gross pay’ has the same meaning as it has in the Regulations;

‘Minister’ means the Minister for Finance;

‘qualifying employee’, in relation to an employer, means—

- (a) an individual who, in relation to the employer, is or was a specified employee for the purposes of section 28, and
- (b) an individual, not being an individual to whom paragraph (a) applies,



who is on the payroll of the employer at any time in the qualifying period and receives in that period a payment of emoluments from the employer, but does not include—

- (i) in any case where the employer is a company, an individual who is a proprietary director (within the meaning of section 472 of the Act) of the company, and
- (ii) in the case of paragraph (b), any individual who is connected with the employer other than where that individual had been on the payroll of the employer at any time in the period from 1 July 2019 to 30 June 2020 and had received in that period a payment of emoluments from the employer,

and, for the purposes of this definition, the question of whether an individual is connected with any other person shall be determined in accordance with section 10 of the Act as it applies for the purposes of the Capital Gains Tax Acts;

‘qualifying period’ means the period commencing on 1 July 2020 and expiring on 31 March 2021 or on such later day than 31 March 2021 as the Minister may specify in an order made by him or her under subsection (21)(a);

‘Regulations’ means the Income Tax (Employments) Regulations 2018 (S.I. No. 345 of 2018);

‘wage subsidy payment’ shall be construed in accordance with subsections (7), (8) and (21)(c).

- (2) Subject to subsections (4) and (5), this section shall apply to an employer where—
  - (a) (i) in accordance with guidelines published by the Revenue Commissioners under subsection (20)(a), the employer demonstrates to the satisfaction of the Revenue Commissioners that, by reason of Covid-19 and the disruption that is being caused thereby to commerce—
    - (I) there will occur in the period from 1 July 2020 to 31 December 2020 (in this subsection referred to as ‘the specified period’) at least a 30 per cent reduction, or such other percentage reduction as the Minister may specify in an order made by him or her under subsection (21)(b), in either the turnover of the employer’s business or in the customer orders being received by the employer by reference to the period from 1 July 2019 to 31 December 2019 (in this subsection referred to as ‘the corresponding period’),
    - (II) in the case where the business of the employer has not operated for the whole of the corresponding period but the commencement of that business’s operation occurred no

later than 1 November 2019, there will occur in the part of the specified period, which corresponds to the part of the corresponding period in which the business has operated, at least a 30 per cent reduction, or such other percentage reduction as the Minister may specify in an order made by him or her under subsection (21)(b), in either the turnover of the employer's business or in the customer orders being received by the employer by reference to that part of the corresponding period, or

(III) in the case where the commencement of the operation of the employer's business occurred after 1 November 2019, the nature of the business is such that the turnover of the employer's business or the customer orders being received by the employer in the specified period will be at least—

(A) 30 per cent, or

(B) such other percentage as the Minister may specify in an order made by him or her under subsection (21)(b),

less than what that turnover or those customer orders, as the case may be, would otherwise have been had there been no disruption caused to the business by reason of Covid-19, or

(ii) the employer's name is entered in the register established and maintained under section 58C of the Child Care Act 1991,

and

(b) the employer satisfies the conditions specified in subsection (3).

(3) The conditions referred to in subsection (2)(b) are—

(a) the employer has logged on to the online system of the Revenue Commissioners (in this section referred to as 'ROS') and applied on ROS to be registered as an employer to which this section applies,

(b) having read the declaration referred to in ROS as the 'Covid-19: Employment Wage Subsidy Scheme' declaration, the employer has submitted that declaration to the Revenue Commissioners through ROS,

(c) the employer has provided details of the employer's bank account on ROS in the 'Manage bank accounts' and 'Manage EFT' fields, and

(d) the employer is throughout the qualifying period eligible for a tax clearance certificate, within the meaning of section 1095 of the Act, to be issued to him or her.

(4) Where on any date in the qualifying period the employer ceases to

satisfy the condition specified in subsection (3)(d), the employer shall cease to be an employer to which this section applies as on and from that date.

- (5) Where, by virtue of subsection (2) (apart from paragraph (a)(ii) thereof), and subsection (3), an employer is an employer to which this section applies—
- (a) immediately upon the end of each income tax month (in this subsection referred to as ‘the relevant income tax month’) in the qualifying period, apart from July 2020 and the last such month, the employer shall review his or her business circumstances, and
  - (b) if, based on the result of that review, it is manifest to the employer that the outcome referred to in clause (I), (II) or (III), as the case may be, of subsection (2)(a)(i) that had previously been envisaged would occur will not, in fact, now occur, then—
    - (i) the employer shall immediately log on to ROS and declare that, from the first day of the income tax month following the relevant income tax month (in subparagraph (ii) referred to as ‘the relevant day’), the employer is no longer an employer to which this section applies, and
    - (ii) on and from the relevant day, the employer shall not be an employer to which this section applies and shall not represent that his or her status is otherwise than as referred to in this subparagraph nor cause the Revenue Commissioners to believe it to be so otherwise.
- (6) (a) In this subsection, ‘authorised officer’ means an officer of the Revenue Commissioners authorised by them in writing to exercise the powers conferred by this subsection.
- (b) Where, upon making enquiries or on the basis of information already in the possession of the Revenue Commissioners, an authorised officer determines that it is reasonable to conclude that an employer, at any time in the qualifying period—
- (i) has, with respect to the operation of the employer’s payroll, in relation to the payment of emoluments to a qualifying employee, resorted to any contrivance by way of deferring, suspending, increasing or decreasing the gross pay that would otherwise have normally been paid to the qualifying employee, with a view to securing from the Revenue Commissioners a wage subsidy payment, or an increase in the amount of a wage subsidy payment, in relation to the qualifying employee, or
  - (ii) other than for *bona fide* commercial reasons, has laid off and removed from the employer’s payroll a qualifying employee (in this subparagraph referred to as ‘the first-mentioned employee’)

and replaced the first-mentioned employee with two or more qualifying employees each of whom work less hours than the first-mentioned employee, with a view to securing an increase in the number of qualifying employees in relation to whom a wage subsidy payment is payable from the Revenue Commissioners,

the employer shall be deemed to have ceased to be, and to have never been, an employer to which this section applies in relation to any of its employees, and any wage subsidy payments that had been paid by the Revenue Commissioners to the employer in relation to those employees shall be refunded by the employer to the Revenue Commissioners.

- (c) Subsections (12), (13), (14) (apart from paragraph (b) thereof), (15) and (16) shall apply in relation to an amount that is required to be refunded by the employer in accordance with paragraph (b) as they apply in relation to an amount that is required to be refunded by an employer in accordance with subsection (11).
- (7) Subject to subsections (8) and (9), where this section applies to an employer, then, following the notification by the employer of the payment of emoluments to a qualifying employee in an income tax month in the qualifying period in accordance with Regulation 10 of the Regulations, the following provisions shall apply where such notification was received by the Revenue Commissioners no later than the return date (within the meaning of section 983 of the Act) for the income tax month:
- (a) the Revenue Commissioners shall pay to the employer in relation to the qualifying employee the amount (in this section referred to as a ‘wage subsidy payment’) specified in subsection (8);
- (b) the payment referred to in paragraph (a) shall be made by way of bank transfer to the bank account of the employer, the details of which have been provided in accordance with subsection (3)(c);
- (c) where, under paragraph (a), two or more payments are required to be made by the Revenue Commissioners to the employer in respect of an income tax month, whether in relation to one or more than one qualifying employee, all such payments under paragraph (a) may be aggregated by the Revenue Commissioners for the purposes of compliance with paragraph (b);
- (d) a payment or aggregate payment required under this subsection to be made by the Revenue Commissioners to the employer in respect of an income tax month in relation to a qualifying employee or qualifying employees shall be made by the Revenue Commissioners as soon as may be practicable after the return date (within the meaning of section 983 of the Act) for the income tax month concerned;

- (e) as respects the payment of the aforesaid emoluments to the qualifying employee, the employer shall treat the qualifying employee as falling within such class of Pay-Related Social Insurance for the purposes of the employer's obligations under the Social Welfare Acts and the employer's reporting obligations specified in Chapter 4 of Part 42 of the Act and the Regulations as the employer determines to be appropriate having regard to guidelines published by the Revenue Commissioners under subsection (20)(b);
  - (f) the employer shall comply with any other direction of the Revenue Commissioners that, by virtue of this paragraph, they may reasonably give regarding the payment to the employer of a wage subsidy payment in relation to a qualifying employee in accordance with paragraph (a), being a direction that facilitates the effective administration of this section.
- (8) Subject to subsections (9) and (21)(c), the wage subsidy payment payable by the Revenue Commissioners to an employer in relation to a qualifying employee shall be—
- (a) in the case where the employer pays the qualifying employee gross pay of at least €151.50 per week but not more than €202.99 per week, the sum of €151.50 per contribution week,
  - (b) in the case where the employer pays the qualifying employee gross pay of not less than €203 per week but not more than €1,462 per week, the sum of €203 per contribution week,
- and, accordingly, neither in a case—
- (i) in which the employer pays gross pay of less than €151.50 per week to a qualifying employee, nor
  - (ii) in which the employer pays gross pay of more than €1,462 per week to a qualifying employee,
- shall there be paid by the Revenue Commissioners any wage subsidy payment to the employer in relation to that qualifying employee.
- (9) Where, following the notification by an employer of the payment of emoluments to any qualifying employee in the period from 1 July 2020 to 31 August 2020 in accordance with Regulation 10 of the Regulations, the employer would be entitled under section 28 to be paid a temporary wage subsidy (within the meaning of that section) by the Revenue Commissioners in relation to that qualifying employee, the employer shall not be entitled under this section to be paid a wage subsidy payment by the Revenue Commissioners in relation to that qualifying employee.
- (10) Notwithstanding any obligation imposed on the Revenue Commissioners under section 851A of the Act or any other enactment

in relation to the confidentiality of taxpayer information (within the meaning of that section), the names and addresses of all employers to whom a wage subsidy payment has been paid by the Revenue Commissioners for an income tax month shall be published on the website of the Revenue Commissioners—

- (a) in a case in which wage subsidy payments are so paid in any of the income tax months July to December 2020, as soon as may be practicable in January 2021, and
  - (b) in a case in which wage subsidy payments are so paid subsequent to the income tax month December 2020, as soon as may be practicable following the end of each relevant period (that is to say, firstly, the period beginning on 1 January 2020 and ending on 31 March 2020 and, then, each subsequent period of 3 months thereafter) in which wage subsidy payments were so paid.
- (11) Where the Revenue Commissioners have paid to an employer a wage subsidy payment in relation to an employee in accordance with subsection (7)(a) and it transpires that the employer was not entitled to receive such payment in relation to the employee, the wage subsidy payment so paid to the employer shall be refunded by the employer to the Revenue Commissioners.
- (12) An amount that is required to be refunded by an employer to the Revenue Commissioners in accordance with subsection (11) (in this section referred to as ‘relevant tax’) shall be treated as if it were income tax due and payable by the employer from the date the wage subsidy payment referred to in that subsection had been paid by the Revenue Commissioners to the employer and shall be so due and payable without the making of an assessment.
- (13) Notwithstanding subsection (12), where an officer of the Revenue Commissioners is satisfied there is an amount of relevant tax due to be paid by an employer which has not been paid, that officer may make an assessment on the employer to the best of the officer’s judgment, and any amount of relevant tax due under an assessment so made shall be due and payable from the date the wage subsidy payment referred to in subsection (11) had been paid by the Revenue Commissioners to the employer.
- (14) The provisions of the Income Tax Acts relating to—
- (a) assessments to income tax,
  - (b) appeals against such assessments (including the rehearing of appeals and the statement of a case for the opinion of the High Court), and
  - (c) the collection and recovery of income tax,
- shall, in so far as they are applicable, apply to the assessment,

collection and recovery of relevant tax.

- (15) Any amount of relevant tax payable in accordance with this section shall carry interest at the rate of 0.0219 per cent for each day or part of a day from the date when the amount is due and payable.
- (16) Subsections (3) to (5) of section 1080 of the Act shall apply in relation to interest payable under subsection (15) as they apply in relation to interest payable under section 1080 of the Act.
- (17) A person shall, without prejudice to any other penalty to which the person may be liable, be guilty of an offence under this section if the person—
- (a) knowingly or wilfully delivers any incorrect return or statement, or knowingly or wilfully furnishes any incorrect information, in connection with the operation of subsection (2) or the eligibility for a wage subsidy payment in relation to any individual, or
  - (b) knowingly aids, abets, assists, incites or induces another person to make or deliver knowingly or wilfully any incorrect return or statement, or knowingly or wilfully furnish any incorrect information, in connection with the operation of subsection (2) or the eligibility for a wage subsidy payment in relation to any individual,
- and the provisions of subsections (3) to (10) of section 1078, and section 1079, of the Act shall, with any necessary modifications, apply for the purposes of this subsection as they apply for the purposes of offences in relation to tax within the meaning of section 1078 of the Act.
- (18) Notwithstanding any obligation imposed on the Revenue Commissioners under section 851A of the Act or any other enactment in relation to the confidentiality of taxpayer information (within the meaning of that section) or any obligation imposed on the Minister for Employment Affairs and Social Protection under the Social Welfare Acts or any other enactment in relation to the confidentiality of information relating to employers and insured persons or other persons entitled to benefits or assistance under those Acts, information relevant to the effective operation of this section may be exchanged between the Minister for Employment Affairs and Social Protection and the Revenue Commissioners.
- (19) The administration of this section shall be under the care and management of the Revenue Commissioners and section 849 of the Act shall apply for this purpose with any necessary modifications as it applies in relation to tax within the meaning of that section.
- (20) The Revenue Commissioners shall prepare and publish guidelines with respect to—

- (a) the matters that are considered by them to be matters to which regard shall be had in determining whether a reduction, as referred to in subsection (2), will occur by reason of Covid-19 and the disruption that is being caused thereby to commerce, and
  - (b) the matters to which an employer shall have regard in determining the appropriate class of Pay-Related Social Insurance to be operated by an employer in relation to a qualifying employee for the purposes of compliance by the employer with subsection (7)(e).
- (21) Where the Minister makes a determination of the kind lastly referred to in section 28A(6), the Minister shall, as he or she deems fit and necessary—
- (a) make an order that the day referred to in the definition of ‘qualifying period’ in subsection (1) as the day on which the period there referred to shall expire shall be such day as is later than 31 March 2021 (but not later than 30 June 2021) as the Minister considers appropriate and specifies in the order,
  - (b) make an order that the percentage reduction specified in clauses (I) to (III) of subsection (2)(a)(i) shall be such percentage reduction, greater or lower than the percentage reduction specified in those clauses, as the Minister—
    - (i) considers necessary to—
      - (I) fulfil, better, the objectives specified in section 28A(1), or
      - (II) facilitate the furtherance of any of the purposes specified in section 28A(2),and
    - (ii) specifies in the order,or
  - (c) make an order providing that an amount, being such amount as the Minister—
    - (i) considers necessary to—
      - (I) fulfil, better, the objectives specified in section 28A(1), or
      - (II) facilitate the furtherance of any of the purposes specified in section 28A(2),and
    - (ii) specifies in the order,shall stand substituted for an amount for the time being specified in subsection (8) (and which amount, so specified, is greater or lower, as the Minister considers necessary, than the amount concerned for



the time being specified in subsection (8)) and references in this paragraph to the amount concerned for the time being specified in the foregoing subsection are references to the amount concerned for the time being specified in that subsection, as enacted, or in consequence of a previous order that has been made under this paragraph.

- (22) Where an order under paragraph (a), (b) or (c) of subsection (21) is proposed to be made, a draft of the order shall be laid before Dáil Éireann and the order shall not be made unless a resolution approving of the draft has been passed by that House.
- (23) (a) In so far as it relates to income tax, this section shall be construed together with the Income Tax Acts.
- (b) Subsection (7)(e), in so far as it relates to pay related social insurance, shall be construed together with the Social Welfare Acts.”.
- (3) (a) *Subsection (1)(a)(ii)* and *(b)* shall be deemed to have come into operation on 26 March 2020 and shall apply and have effect in relation to an employee as on and from the latest of that date, the date the employee’s employer has satisfied the conditions specified in section 28(4) of the Act of 2020 or the date of the employee’s return to work with the employer concerned.
- (b) *Subsection (1)(c)* shall be deemed to have come into operation on and from 24 July 2020.
- (c) *Subsection (1)(d)* shall be deemed to have come into operation on 4 May 2020, and shall apply and have effect as respects the payment of emoluments by an employer on payroll dates on or after that date, where the Revenue Commissioners have received the requisite payroll notification from the employer on or after that date.
- (d) *Subsection (2)* shall be deemed to have come into operation on and from 1 July 2020.
- (e) In this subsection “emoluments”, “employee” and “employer” have the same meanings as they have in section 28 of the Act of 2020.

**Covid-19: special warehousing and interest provisions (income tax and universal social charge)**

3. The Act of 1997 is amended by inserting the following section after section 991A:

**“Covid-19: special warehousing and interest provisions**

**991B.** (1) In this section—

‘the Acts’ means—

- (a) Parts 18C and 18D,
- (b) the Stamp Duties Consolidation Act 1999 and the enactments

amending or extending that Act,

- (c) the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending or extending that Act,
- (d) the Value-Added Tax Consolidation Act 2010 and the enactments amending or extending that Act,
- (e) the Finance (Local Property Tax) Act 2012 and the enactments amending or extending that Act,
- (f) the Customs Act 2015 and the enactments amending or extending that Act,
- (g) the Capital Gains Tax Acts,
- (h) the Tax Acts, other than this section,
- (i) the statutes relating to the duties of excise and to the management of those duties, and
- (j) any instruments made under any of the enactments referred to in paragraphs (a) to (i);

‘Covid-19’ has the same meaning as it has in the Emergency Measures in the Public Interest (Covid-19) Act 2020;

‘Covid-19 liabilities’ means, subject to subsections (14) and (15), the following that an employer is required to pay in respect of income tax months in Period 1 to the Revenue Commissioners, namely—

- (a) income tax under this Chapter and any regulations made under this Chapter, and
- (b) universal social charge under Part 18D;

‘Period 1’, in relation to an employer, means the period—

- (a) beginning on the later of—
  - (i) the first day of the income tax month immediately preceding the income tax month in which the employer’s business was first adversely affected by Covid-19, and
  - (ii) 1 February 2020,

and

- (b) ending on the last day of the taxable period next following the taxable period in which the recommencement date falls;

‘Period 2’, in relation to an employer, means the period—

- (a) beginning on the day next following the last day of Period 1, and
- (b) ending on—
  - (i) the day that is the earlier of—

(I) the day that is 12 months from the day first-mentioned in paragraph (a), and

(II) 31 December 2022,

or

(ii) where the Minister for Finance makes an order for the purposes of this subparagraph, the day that is the earlier of—

(I) the day specified in the order, and

(II) 31 December 2022;

‘Period 3’, in relation to an employer, means the period—

(a) beginning on the day next following the last day of Period 2, and

(b) ending on the day on which the employer has discharged the Covid-19 liabilities in full;

‘recommencement date’, in relation to an employer, means the later of—

(a) the day on which the employer’s business ceased to be subject to restrictions provided for in regulations made under sections 5 and 31A of the Health Act 1947, and

(b) where it is demonstrated to the satisfaction of the Revenue Commissioners that the business did not recommence on the day referred to in paragraph (a), the day on which the business recommenced after it ceased to be subject to the restrictions referred to in that paragraph;

‘taxable period’ has the same meaning as it has in the Value-Added Tax Consolidation Act 2010.

(2) For the purposes of this section, the business of an employer shall be treated as being adversely affected by Covid-19 on the date on which the Revenue Commissioners agreed to temporarily suspend the collection of the liabilities of the employer in respect of the tax and charge referred to in the definition of ‘Covid-19 liabilities’ as a consequence of the effect on the employer’s business of Covid-19.

(3) This section shall apply to an employer—

(a) who, as a consequence of the effect on the employer’s business of Covid-19 is unable to pay all or part of the employer’s Covid-19 liabilities,

(b) who complies with the requirements to file returns under this Chapter, and

(c) either—

(i) the employer’s tax affairs are administered by the Personal

Division or Business Division of the Office of the Revenue Commissioners, or

- (ii) the employer has formed the view that the employer is unable to pay all or part of the employer's Covid-19 liabilities, and has notified the Revenue Commissioners that the employer has formed such a view.
- (4) For the purposes of subsection (3)(c)(i), an employer's tax affairs shall be treated as being administered by the Personal Division or Business Division of the Office of the Revenue Commissioners where the most recent correspondence received by the employer from that Office indicates that to be the case.
- (5) An inspector, or such other officer as the Revenue Commissioners have nominated for the purposes of section 990, may make such enquiries as he or she considers necessary to satisfy himself or herself as to whether an employer is unable to pay all or part of the employer's Covid-19 liabilities.
- (6) Where this section applies to an employer, section 991 shall not apply to the employer's Covid-19 liabilities.
- (7) Where—
- (a) this section applies to an employer, and
  - (b) the employer complies with the employer's obligations under the Acts,
- no interest shall be due and payable by the employer in respect of the employer's Covid-19 liabilities during Period 1 and Period 2.
- (8) Where—
- (a) this section applies to an employer,
  - (b) the employer complies with the employer's obligations under the Acts,
  - (c) the employer has, prior to Period 3, entered into an agreement with the Collector-General to pay the employer's Covid-19 liabilities, together with interest under this subsection, and
  - (d) the employer complies with the obligations of the employer under the agreement referred to in paragraph (c),
- interest shall be paid by the employer in respect of the Covid-19 liabilities from the first day of Period 3 and the amount of that interest shall be determined in accordance with subsection (9).
- (9) The interest referred to in subsection (8) shall be the amount determined by the formula—

$$DL \times D \times P$$

where—

DL is the amount of the Covid-19 liabilities which remains unpaid on the first day of Period 3,

D is the number of days (including part of a day) forming Period 3, and

P is 0.0082 per cent.

(10) Where an employer—

(a) during Period 1 or Period 2, fails to comply with an obligation referred to in subsection (7)(b),

(b) on the first day of Period 3, has not entered into an agreement referred to in subsection (8)(c), or

(c) during Period 3, fails to comply with an obligation referred to in subsection (8)(b) or (d),

interest shall be paid by the employer in respect of the employer's Covid-19 liabilities from—

(i) in a case in which paragraph (a) or (c) applies, the date on which the event resulting in failure to comply with the obligation concerned occurred, and

(ii) in a case in which paragraph (b) applies, the first day of Period 3, and the amount of that interest shall be determined in accordance with subsection (11).

(11) The interest referred to in subsection (10) shall be the amount determined by the formula—

$$DL \times D \times P$$

where—

DL is the amount of the Covid-19 liabilities which remains unpaid on the date referred to in subsection (10),

D is the number of days (including part of a day) during which the Covid-19 liabilities remain unpaid, and

P is 0.0274 per cent.

(12) Where an employer has complied with the requirements to file returns under this Chapter, the failure of the employer to pay Covid-19 liabilities shall not, for the purpose of section 1094 or 1095, be treated as a failure to comply with the obligations imposed on the employer by the Acts (within the meaning of section 1094 or 1095, as the case may be).

(13) Section 960E(2) shall not apply in respect of Covid-19 liabilities

where the employer concerned complies with the employer's requirements to file returns under this Chapter.

(14) Where the Collector-General has, under section 985G(7), varied the due date for payment of any income tax due in respect of an income tax month such that an employer may pay such tax liabilities quarterly, liabilities in respect of—

(a) income tax under this Chapter and any regulations made under this Chapter, and

(b) universal social charge under Part 18D,

for any income tax months which are due from the employer at the same time as liabilities for income tax months within Period 1 shall be treated as Covid-19 liabilities.

(15) Where—

(a) the Collector-General has, under section 985G(7), varied the due date for payment of any income tax due in respect of an income tax month such that an employer may pay such tax liabilities annually, and

(b) Period 1 for the employer ends in December 2020 or February 2021,

liabilities of the employer in respect of—

(i) income tax under this Chapter and any regulations made under this Chapter, and

(ii) universal social charge under Part 18D,

for all income tax months in 2020 shall be treated as Covid-19 liabilities.

(16) (a) The Minister for Finance may, in order to mitigate the adverse economic consequences resulting, or likely to result, from the spread of Covid-19, by order specify a day for the purpose of subparagraph (ii) of paragraph (b) of the definition of 'Period 2' in subsection (1).

(b) The Minister for Finance shall not specify in an order under paragraph (a) a day that falls after 31 December 2022.

(c) An order under this subsection shall be laid before Dáil Éireann as soon as may be after it has been made and, if a resolution annulling the order is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the order is laid before it, the order shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.”.

**Covid-19: special warehousing and interest provisions (value-added tax)**

4. The Act of 2010 is amended by inserting the following section after section 114A:

**“Covid-19: special warehousing and interest provisions**

**114B.** (1) In this section—

‘the Acts’ means—

- (a) this Act, other than this section,
- (b) Parts 18C and 18D of the Taxes Consolidation Act 1997,
- (c) the Stamp Duties Consolidation Act 1999 and the enactments amending or extending that Act,
- (d) the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending or extending that Act,
- (e) the Finance (Local Property Tax) Act 2012 and the enactments amending or extending that Act,
- (f) the Customs Act 2015 and the enactments amending or extending that Act,
- (g) the Capital Gains Tax Acts,
- (h) the Tax Acts, within the meaning of section 1 of the Taxes Consolidation Act 1997,
- (i) the statutes relating to the duties of excise and to the management of those duties, and
- (j) any instruments made under any of the enactments referred to in paragraphs (a) to (i);

‘Covid-19’ has the same meaning as it has in the Emergency Measures in the Public Interest (Covid-19) Act 2020;

‘Covid-19 liabilities’ means, subject to subsection (14), value-added tax due and payable by an accountable person under this Act and any regulations made under this Act, in respect of taxable periods in Period 1;

‘Period 1’, in relation to an accountable person, means the period—

- (a) beginning on the later of—
  - (i) the first day of the taxable period immediately preceding the taxable period in which the accountable person’s business was first adversely affected by Covid-19, and
  - (ii) 1 January 2020,and
- (b) ending on the last day of the taxable period next following the taxable period in which the recommencement date falls;

‘Period 2’, in relation to an accountable person, means the period—

- (a) beginning on the day next following the last day of Period 1, and
- (b) ending on—
  - (i) the day that is the earlier of—
    - (I) the day that is 12 months from the day first-mentioned in paragraph (a), and
    - (II) 31 December 2022,
  - or
  - (ii) where the Minister makes an order for the purposes of this subparagraph, the day that is the earlier of—
    - (I) the day specified in the order, and
    - (II) 31 December 2022;

‘Period 3’, in relation to an accountable person, means the period—

- (a) beginning on the day next following the last day of Period 2, and
- (b) ending on the day on which the accountable person has discharged the Covid-19 liabilities in full;

‘recommencement date’, in relation to an accountable person, means the later of—

- (a) the day on which the accountable person’s business ceased to be subject to restrictions provided for in regulations made under sections 5 and 31A of the Health Act 1947, and
  - (b) where it is demonstrated to the satisfaction of the Revenue Commissioners that the business did not recommence on the day referred to in paragraph (a), the day on which the business recommenced after it ceased to be subject to the restrictions referred to in that paragraph.
- (2) For the purposes of this section, the business of an accountable person shall be treated as being adversely affected by Covid-19 on the date on which the Revenue Commissioners agreed to temporarily suspend the liabilities of the accountable person in respect of value-added tax as a consequence of the effect on the accountable person’s business of Covid-19.
- (3) This section shall apply to an accountable person—
- (a) who, as a consequence of the effect on the accountable person’s business of Covid-19 is unable to pay all or part of the accountable person’s Covid-19 liabilities,
  - (b) who complies with the requirements to furnish returns under



Chapter 3 of Part 9, and

- (c) either—
- (i) the accountable person's tax affairs are administered by the Personal Division or Business Division of the Office of the Revenue Commissioners, or
  - (ii) the accountable person has formed the view that the accountable person is unable to pay all or part of the accountable person's Covid-19 liabilities and has notified the Revenue Commissioners that the accountable person has formed such a view.
- (4) For the purposes of subsection (3)(c)(i), an accountable person's tax affairs shall be treated as being administered by the Personal Division or Business Division of the Office of the Revenue Commissioners where the most recent correspondence received by the accountable person from that Office indicates that to be the case.
- (5) An inspector of taxes, or such other officer as the Revenue Commissioners have nominated for the purposes of section 111, may make such enquiries as he or she considers necessary to satisfy himself or herself as to whether an accountable person is unable to pay all or part of the accountable person's Covid-19 liabilities.
- (6) Where this section applies to an accountable person, section 114 shall not apply to the accountable person's Covid-19 liabilities.
- (7) Where—
- (a) this section applies to an accountable person, and
  - (b) the accountable person complies with the accountable person's obligations under the Acts,
- no interest shall be due and payable by the accountable person in respect of the accountable person's Covid-19 liabilities during Period 1 and Period 2.
- (8) Where—
- (a) this section applies to an accountable person,
  - (b) the accountable person complies with the accountable person's obligations under the Acts,
  - (c) the accountable person has prior to Period 3, entered into an agreement with the Collector-General to pay the accountable person's Covid-19 liabilities, together with interest under this section, and
  - (d) the accountable person complies with the obligations of the accountable person under the agreement referred to in paragraph

(c),

interest shall be paid by the accountable person in respect of the Covid-19 liabilities from the first day of Period 3 and the amount of that interest shall be determined in accordance with subsection (9).

- (9) The interest referred to in subsection (8) shall be the amount determined by the formula—

$$DL \times D \times P$$

where—

DL is the amount of the Covid-19 liabilities which remains unpaid on the first day of Period 3,

D is the number of days (including part of a day) forming Period 3, and

P is 0.0082 per cent.

- (10) Where an accountable person—

- (a) during Period 1 or Period 2, fails to comply with an obligation referred to in subsection (7)(b),
- (b) on the first day of Period 3, has not entered into an agreement referred to in subsection (8)(c), or
- (c) during Period 3, fails to comply with an obligation referred to in subsection (8)(b) or (d),

interest shall be paid by the accountable person in respect of the accountable person's Covid-19 liabilities from—

- (i) in a case in which paragraph (a) or (c) applies, the date on which the event resulting in failure to comply with the obligation concerned occurred, and
- (ii) in a case in which paragraph (b) applies, the first day of Period 3, and the amount of that interest shall be determined in accordance with subsection (11).

- (11) The interest referred to in subsection (10) shall be the amount determined by the formula—

$$DL \times D \times P$$

where—

DL is the amount of the Covid-19 liabilities which remains unpaid on the date referred to in subsection (10),

D is the number of days (including part of a day) during which the Covid-19 liabilities remain unpaid, and

P is 0.0274 per cent.

- (12) Where an accountable person has complied with the requirements to file returns under Chapter 3 of Part 9, the failure of the accountable person to pay Covid-19 liabilities shall not, for the purpose of section 1094 or 1095 of the Taxes Consolidation Act 1997, be treated as a failure to comply with the obligations imposed on the accountable person by the Acts (within the meaning of section 1094 or 1095 of the Taxes Consolidation Act 1997, as the case may be).
- (13) Section 960E(2) of the Taxes Consolidation Act 1997 shall not apply in respect of Covid-19 liabilities where the accountable person concerned complies with the requirements to furnish returns under Chapter 3 of Part 9.
- (14) Where an accountable person—
- (a) is an authorised person for the purposes of section 77, and
  - (b) has been authorised to use an accounting period, within the meaning of that section, of 12 months' duration which ends—
    - (i) in that part of Period 1 which is on or after 1 February 2020, or
    - (ii) in the month immediately following Period 1,the value-added tax due and payable for that accounting period by the accountable person under this Act and any regulations under this Act shall be treated as Covid-19 liabilities.
- (15) (a) The Minister may, in order to mitigate the adverse economic consequences resulting, or likely to result, from the spread of Covid-19, by order specify a day for the purpose of subparagraph (ii) of paragraph (b) of the definition of 'Period 2' in subsection (1).
- (b) The Minister shall not specify in an order under paragraph (a) a day that falls after 31 December 2022.
- (c) An order under this subsection shall be laid before Dáil Éireann as soon as may be after it has been made and, if a resolution annulling the order is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the order is laid before it, the order shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.”.

**Covid-19: special warehousing and interest provisions (contributions)**

5. The Social Welfare Consolidation Act 2005 is amended by inserting the following section after section 17B:

**“Covid-19: special warehousing and interest provisions for contributions**

**17C.** (1) In this section—

‘Covid-19’ has the same meaning as it has in the Emergency Measures in the Public Interest (Covid-19) Act 2020;

‘Covid-19 liabilities’ means, subject to subsections (13) and (14), the contributions that an employer is liable to pay under section 13 in respect of income tax months in Period 1, to the Collector-General;

‘inspector of taxes’ means an inspector of taxes appointed under section 852 of the Act of 1997;

‘Period 1’, in relation to an employer, means the period—

- (a) beginning on the later of—
  - (i) the first day of the income tax month immediately preceding the income tax month in which the employer’s business was first adversely affected by Covid-19, and
  - (ii) 1 February 2020,and
- (b) ending on the last day of the taxable period next following the taxable period in which the recommencement date falls;

‘Period 2’, in relation to an employer, means the period—

- (a) beginning on the day next following the last day of Period 1, and
- (b) ending on—
  - (i) the day that is the earlier of—
    - (I) the day that is 12 months from the day first-mentioned in paragraph (a), and
    - (II) 31 December 2022,or
  - (ii) where the Minister for Finance makes an order for the purposes of this subparagraph, the day that is the earlier of—
    - (I) the day specified in the order, and
    - (II) 31 December 2022;

‘Period 3’, in relation to an employer, means the period—

- (a) beginning on the day next following the last day of Period 2, and
- (b) ending on the day on which the employer has discharged the Covid-19 liabilities in full;

‘recommencement date’, in relation to an employer, means the later of—

- (a) the day on which the employer’s business ceased to be subject to

restrictions provided for in regulations made under sections 5 and 31A of the Health Act 1947, and

- (b) where it is demonstrated to the satisfaction of the Revenue Commissioners that the business did not recommence on the day referred to in paragraph (a), the day on which the business recommenced after it ceased to be subject to the restrictions referred to in that paragraph;

‘taxable period’ means a period of 2 months beginning on 1 January, 1 March, 1 May, 1 July, 1 September or 1 November.

- (2) For the purposes of this section, the business of an employer shall be treated as being adversely affected by Covid-19 on the date on which the Revenue Commissioners agreed to temporarily suspend the collection of the liabilities of the employer in respect of contributions as a consequence of the effect on the employer’s business of Covid-19.
- (3) This section shall apply to an employer—
- (a) who, as a consequence of the effect on the employer’s business of Covid-19 is unable to pay all or part of the employer’s Covid-19 liabilities,
- (b) who complies with the requirement to file returns under section 17A, and
- (c) either—
- (i) the employer’s tax affairs are administered by the Personal Division or Business Division of the Office of the Revenue Commissioners, or
- (ii) the employer has formed the view that the employer is unable to pay all or part of the employer’s Covid-19 liabilities and has notified the Revenue Commissioners that the employer has formed such a view.
- (4) For the purposes of subsection (3)(c)(i), an employer’s tax affairs shall be treated as being administered by the Personal Division or Business Division of the Office of the Revenue Commissioners where the most recent correspondence received by the employer from that Office indicates that to be the case.
- (5) An inspector of taxes, or such other officer as the Revenue Commissioners have nominated for the purposes of section 990 of the Act of 1997, may make such enquiries as he or she considers necessary to satisfy himself or herself as to whether an employer is unable to pay all or part of the employer’s Covid-19 liabilities.
- (6) Where this section applies to an employer—
- (a) subsections (1) and (2) of section 17B,

- (b) section 991 of the Act of 1997, and
  - (c) Article 10 of the Social Welfare (Consolidated Contributions and Insurability) Regulations, 1996 (S.I. No. 312 of 1996),
- shall not apply to the employer's Covid-19 liabilities.

## (7) Where—

- (a) this section applies to an employer, and
  - (b) the employer complies with the employer's obligations under section 17A,
- no interest shall be due and payable by the employer in respect of the employer's Covid-19 liabilities during Period 1 and Period 2.

## (8) Where—

- (a) this section applies to an employer,
- (b) the employer complies with the employer's obligations under section 17A,
- (c) the employer has, prior to Period 3, entered into an agreement with the Collector-General to pay the employer's Covid-19 liabilities, together with interest under this subsection, and
- (d) the employer complies with the obligations of the employer under the agreement referred to in paragraph (c),

interest shall be paid by the employer in respect of the Covid-19 liabilities from the first day of Period 3 and the amount of that interest shall be determined in accordance with subsection (9).

- (9) The interest referred to in subsection (8) shall be the amount determined by the formula—

$$DL \times D \times P$$

where—

DL is the amount of the Covid-19 liabilities which remains unpaid on the first day of Period 3,

D is the number of days (including part of a day) forming Period 3, and

P is 0.0082 per cent.

## (10) Where an employer—

- (a) during Period 1 or Period 2, fails to comply with an obligation referred to in subsection (7)(b),
- (b) on the first day of Period 3, has not entered into an agreement referred to in subsection (8)(c), or

(c) during Period 3, fails to comply with an obligation referred to in subsection (8)(b) or (d),

interest shall be paid by the employer in respect of the employer's Covid-19 liabilities from—

(i) in a case in which paragraph (a) or (c) applies, the date on which the event resulting in failure to comply with the obligation concerned occurred, and

(ii) in a case in which paragraph (b) applies, the first day of Period 3, and the amount of that interest shall be determined in accordance with subsection (11).

(11) The interest referred to in subsection (10) shall be the amount determined by the formula—

$$DL \times D \times P$$

where—

DL is the amount of the Covid-19 liabilities which remains unpaid on the date referred to in subsection (10),

D is the number of days (including part of a day) during which the Covid-19 liabilities remain unpaid, and

P is 0.0274 per cent.

(12) Section 960E(2) of the Act of 1997 shall not apply in respect of Covid-19 liabilities where the employer concerned complies with the employer's requirement to file returns under section 17A.

(13) Where the Collector-General has, under section 985G(7) of the Act of 1997, varied the due date for payment of any income tax due in respect of an income tax month such that an employer may pay such tax liabilities quarterly, liabilities in respect of contributions for any income tax months which are due from the employer at the same time as liabilities for income tax months within Period 1 shall be treated as Covid-19 liabilities.

(14) Where—

(a) the Collector-General has, under section 985G(7) of the Act of 1997, varied the due date for payment of any income tax due in respect of an income tax month such that an employer may pay such tax liabilities annually, and

(b) Period 1 for the employer ends in December 2020 or February 2021,

liabilities of the employer in respect of contributions for all income tax months in 2020 shall be treated as Covid-19 liabilities.

- (15) (a) The Minister for Finance may, in order to mitigate the adverse economic consequences resulting, or likely to result, from the spread of Covid-19, by order specify a day for the purpose of subparagraph (ii) of paragraph (b) of the definition of ‘Period 2’ in subsection (1).
- (b) The Minister for Finance shall not specify in an order under paragraph (a) a day that falls after 31 December 2022.
- (c) An order under this subsection shall be laid before Dáil Éireann as soon as may be after it has been made and, if a resolution annulling the order is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the order is laid before it, the order shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.”.

### **Interest on overdue tax – supplementary provision**

6. The Act of 1997 is amended by inserting the following section after section 1080:

#### **“Interest on overdue tax – supplementary provision**

**1080A.** (1) In this section—

‘the Acts’ means—

- (a) Parts 18C and 18D,
- (b) the Stamp Duties Consolidation Act 1999 and the enactments amending or extending that Act,
- (c) the Capital Acquisitions Tax Consolidation Act 2003 and the enactments amending or extending that Act,
- (d) the Value-Added Tax Consolidation Act 2010 and the enactments amending or extending that Act,
- (e) the Finance (Local Property Tax) Act 2012 and the enactments amending or extending that Act,
- (f) the Customs Act 2015 and the enactments amending or extending that Act,
- (g) the Capital Gains Tax Acts,
- (h) the Tax Acts,
- (i) the statutes relating to the duties of excise and to the management of those duties, and
- (j) any instruments made under any of the enactments referred to in paragraphs (a) to (i);

‘declared liabilities’ means any tax included in a return, including an amended return, which a person is required to make under the Acts;



‘period of delay’, in relation to any declared liabilities, means the period during which those declared liabilities remain unpaid;

‘tax’ means any tax, duty, levy or charge under the care and management of the Revenue Commissioners.

- (2) This subsection shall apply where—
- (a) an agreement is entered into between a person and the Collector-General in relation to the payment by the person of declared liabilities under section 849, and
  - (b) the agreement was entered into, or the person requested that the Collector-General enter into the agreement, on or before 30 September 2020.
- (3) Subject to subsection (6), where subsection (2) applies, the following provisions shall not apply to the declared liabilities from the date on which the interest determined in accordance with subsection (5) applies to the declared liabilities in accordance with subsection (4):
- (a) section 128B(9)(b);
  - (b) section 172K(6)(b);
  - (c) section 240(3)(a);
  - (d) section 258(9)(b);
  - (e) section 529H(1);
  - (f) section 530Q;
  - (g) section 531(9);
  - (h) section 531AJ;
  - (i) section 730G(7)(b);
  - (j) section 739F(7)(b);
  - (k) section 787S(7)(b);
  - (l) section 790AA(13)(b);
  - (m) section 991;
  - (n) section 1080(2);
  - (o) paragraph 21(1) of Part 4 of Schedule 2;
  - (p) section 159D of the Stamp Duties Consolidation Act 1999;
  - (q) section 103(2)(a)(ii) of the Finance Act 2001;
  - (r) section 51 of the Capital Acquisitions Tax Consolidation Act 2003;
  - (s) section 114 of the Value-Added Tax Consolidation Act 2010;

- (t) section 114A of the Value-Added Tax Consolidation Act 2010;
  - (u) section 149 of the Finance (Local Property Tax) Act 2012;
  - (v) section 28(13) of the Emergency Measures in the Public Interest (Covid-19) Act 2020.
- (4) Where subsection (2) applies, the declared liabilities shall carry interest from the later of—
- (a) 1 August 2020, and
  - (b) the date on which the agreement referred to in subsection (2) is entered into,
- and the amount of that interest shall be determined in accordance with subsection (5).
- (5) The interest to be carried by the declared liabilities referred to in subsection (4) shall be the amount determined by the formula—
- $$DL \times D \times P$$
- where—
- DL is the amount of the declared liabilities which remains unpaid,
- D is the number of days (including part of a day) forming the period of delay, and
- P is 0.0082 per cent.
- (6) Where subsection (2) applies and the person concerned has not complied with an obligation under the agreement referred to in that subsection, a provision referred to in subsection (3) shall apply—
- (a) from the date on which the event resulting in failure to comply with the obligation occurred, and
  - (b) in respect of that part, if any, of the declared liabilities to which the provision would apply, but for subsection (3).
- (7) The interest payable under this section—
- (a) shall be payable without deduction of income tax and shall not be allowed as a deduction for any of the purposes of the Acts, and
  - (b) shall be deemed to be a debt due to the Minister for Finance for the benefit of the Central Fund and shall be payable to the Revenue Commissioners.
- (8) Subject to subsection (9)—
- (a) every enactment relating to the recovery of tax,
  - (b) every rule of court so relating,
  - (c) section 81 of the Bankruptcy Act 1988, and

- (d) sections 440 and 621 of the Companies Act 2014,  
shall apply to the recovery of any amount of interest payable on that tax as if that amount of interest were a part of that tax.
- (9) In proceedings instituted by virtue of subsection (8)—
- (a) a certificate signed by an officer of the Revenue Commissioners certifying that a stated amount of interest is due and payable by the person against whom the proceedings were instituted shall be evidence until the contrary is proved that that amount is so due and payable, and
- (b) a certificate so certifying and purporting to be signed as specified in this subsection may be tendered in evidence without proof and shall be deemed until the contrary is proved to have been signed by an officer of the Revenue Commissioners.
- (10) This section shall not apply to declared liabilities—
- (a) where proceedings have been taken in respect of all or part of the declared liabilities by the Collector-General under section 960I, but judgment has not yet been given in those proceedings,
- (b) where the sheriff or county registrar has commenced, but not yet completed, seizing goods, animals or other chattels on foot of a certificate issued under section 960L relating to the declared liabilities,
- (c) where the Collector-General has made an application or presented a petition in respect of the declared liabilities under section 960M, or
- (d) where proceedings taken under section 960I or 960M have been completed and the declared liabilities are subject to a court order determining how they are to be paid.”.

### **Stay and spend tax credit**

7. The Act of 1997 is amended—

- (a) in section 458, in Part 2 of the Table to that section, by inserting “Section 478A” after “Section 478”, and
- (b) by inserting the following section after section 478:

#### **“Stay and spend tax credit**

**478A.** (1) In this section—

‘eligible service provider’ means a person who—

- (a) provides a qualifying service in the course of carrying on a business,
- (b) has been issued with a tax clearance certificate in accordance with

section 1095 and such tax clearance certificate has not been rescinded under subsection (3A) of that section, and

- (c) is an accountable person under section 5 of the Value-Added Tax Consolidation Act 2010 and has been assigned a VAT registration number under section 65 of that Act;

‘food and drink’ means food with or without drink, but does not include drink without food;

‘holiday accommodation’ means accommodation at—

- (a) premises that are registered in a register maintained and kept by the National Tourism Development Authority under Part III of the Tourist Traffic Act 1939, or
- (b) premises that are listed in the list published or caused to be published by the National Tourism Development Authority under section 9 of the Tourist Traffic Act 1957;

‘PPS Number’, in relation to an individual, means the individual’s Personal Public Service Number within the meaning of section 262 of the Social Welfare Consolidation Act 2005;

‘qualifying expenditure’ means expenditure on a qualifying service provided by a qualifying service provider but does not include expenditure incurred—

- (a) on the provision of any alcoholic drink provided as part of the qualifying service, or
- (b) on a particular instance of the provision of a qualifying service where the expenditure so incurred is less than €25;

‘qualifying period’ means the period beginning on 1 October 2020 and expiring on the day that is the later of—

- (a) 30 April 2021, and
- (b) where the Minister for Finance makes an order for the purposes of this paragraph, the day specified in the order;

‘qualifying service’ means—

- (a) the provision of holiday accommodation, or
- (b) the provision of food and drink, in a form suitable for human consumption without further preparation, in a hotel, restaurant, café, licensed premises (within the meaning of section 2 of the Public Health (Alcohol) Act 2018) or other similar establishment, where the food and drink so provided is consumed in the establishment in which it is provided;

‘qualifying service provider’ means an eligible service provider who has provided to the Revenue Commissioners (through such electronic

means as the Revenue Commissioners make available) the information specified in subsection (2) and to whom a notice has been issued by the Revenue Commissioners in accordance with subsection (3)(a);

‘tax reference number’ means, in the case of an individual, the individual’s PPS Number and, in the case of a company, the reference number stated on any return of income form or notice of assessment issued to the company by the Revenue Commissioners;

‘tax year’ means a year of assessment for income tax purposes.

- (2) The information referred to in the definition of ‘qualifying service provider’ in subsection (1) is as follows:
- (a) the service provider’s name, including any trading name (if different);
  - (b) the service provider’s business address;
  - (c) the service provider’s tax reference number;
  - (d) the service provider’s VAT registration number;
  - (e) the service provider’s tax clearance access number (within the meaning of section 1094);
  - (f) where the service provider provides holiday accommodation—
    - (i) details of the type of accommodation provided,
    - (ii) in the case of premises registered in a register kept by the National Tourism Development Authority under Part III of the Tourist Traffic Act 1939, details of such registration, and
    - (iii) in the case of premises listed in the list published or caused to be published by the National Tourism Development Authority under section 9 of the Tourist Traffic Act 1957, details of such listing;
  - (g) where the service provider provides food and drink, details of the type of establishment in which the food and drink is provided;
  - (h) a declaration that the service provider is an eligible service provider for the purposes of this section;
  - (i) such other information as may reasonably be required by the Revenue Commissioners for the purposes of determining whether the requirements of this section are met.
- (3) As soon as practicable after receipt of the information referred to in subsection (2) from a service provider the Revenue Commissioners shall—
- (a) where they are satisfied that the information is complete and accurate, issue to that service provider a notice specifying that the

service provider is a qualifying service provider for the purposes of this section, or

- (b) where they are not so satisfied, issue to that service provider a notice specifying that the service provider is not a qualifying service provider for the purposes of this section and the reasons why they are not so satisfied,

and any such notice may be issued in writing or by electronic means.

- (4) Notwithstanding any obligation imposed on the Revenue Commissioners under section 851A in relation to the confidentiality of taxpayer information (within the meaning of that section), the trading name, business address and nature of the business of all qualifying service providers shall be published on the website of the Revenue Commissioners.

- (5) Subject to this section, where, for a tax year, an individual (in this section referred to as the 'claimant'), on making a claim in that behalf, proves that, in the part of the tax year that coincides with the qualifying period, qualifying expenditure was incurred by—

- (a) in a case in which the claimant is a married person assessed to tax for the tax year in accordance with section 1017 or a civil partner assessed to tax for the tax year in accordance with section 1031C, the claimant or his or her spouse or civil partner, or

- (b) in any other case, the claimant,

then the claimant shall be entitled to a tax credit (to be known as the 'stay and spend tax credit') equal to—

- (i) in a case referred to in paragraph (a), the lesser of—

(I) €250, and

(II) 20 per cent of the total qualifying expenditure incurred by the claimant, or his or her spouse or civil partner, in the part of the tax year that coincides with the qualifying period,

or

- (ii) in any other case, the lesser of—

(I) €125, and

(II) 20 per cent of the total qualifying expenditure incurred by the claimant in the part of the tax year that coincides with the qualifying period.

- (6) (a) Subject to paragraph (b), where a claimant is entitled under this section to a tax credit for each of the tax years 2020 and 2021, the aggregate of the tax credits for those tax years shall not exceed—

- (i) in a case in which the claimant is, for each of those tax years, a

married person assessed to tax in accordance with section 1017 or a civil partner assessed to tax in accordance with section 1031C, €250, or

- (ii) in the case of any other claimant, €125.
- (b) Where a claimant is entitled under this section to a tax credit for each of the tax years 2020 and 2021 and is, for only one of those tax years, a married person assessed to tax in accordance with section 1017 or a civil partner assessed to tax in accordance with section 1031C, the aggregate of the tax credits in respect of the claimant and his or her spouse or civil partner for those tax years shall be determined as if the claimant were a married person assessed to tax in accordance with section 1017 or a civil partner assessed to tax in accordance with section 1031C for each of those tax years.
- (7) Notwithstanding any other provision of the Income Tax Acts or Part 18D, where the amount of a tax credit to which a claimant is entitled under this section in a tax year is greater than the amount of income tax payable by the claimant for the tax year after any other allowance, deduction or relief specified in the Table to section 458 has been given to the claimant, the difference between the amount of the tax credit and the amount of income tax payable may be set against a charge to universal social charge which is due and payable by the claimant for that tax year.
- (8) On making a claim under this section, a claimant shall provide to the Revenue Commissioners, through such electronic means as the Revenue Commissioners make available, the following information:
  - (a) his or her name, address and PPS Number;
  - (b) in the case of a claimant referred to in subsection (5)(a), the name, address and PPS Number of the claimant's spouse or civil partner;
  - (c) full particulars of the qualifying expenditure incurred, including—
    - (i) the trading name and business address of the qualifying service provider,
    - (ii) details of the qualifying service,
    - (iii) a copy of the statement issued by the qualifying service provider on receipt of payment specifying the qualifying service provided to the claimant, and
    - (iv) any other relevant information that may reasonably be required by the Revenue Commissioners to determine whether the requirements of this section are met.
- (9) A qualifying service provider shall, when required to do so by notice in writing by the Revenue Commissioners, furnish the Revenue

Commissioners, within such time (not being less than 30 days) as may be specified in the notice, with such information as the Revenue Commissioners consider necessary for the purposes of determining whether the requirements of this section are met.

- (10) (a) The Minister for Finance may, in order to mitigate the adverse economic consequences resulting, or likely to result, from the spread of Covid-19, by order specify a day for the purpose of paragraph (b) of the definition of ‘qualifying period’.
- (b) The Minister for Finance shall not specify in an order under paragraph (a) a day that falls after 31 December 2021.
- (c) An order under this subsection shall be laid before Dáil Éireann as soon as may be after it has been made and, if a resolution annulling the order is passed by Dáil Éireann within the next 21 days on which Dáil Éireann has sat after the order is laid before it, the order shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.”.

#### **Amendment of section 477C of Act of 1997**

8. The Act of 1997 is amended in section 477C by inserting the following subsection after subsection (5):

“(5A) Where an individual has, in that part of the qualifying period beginning on 23 July 2020 and ending on 31 December 2020, either—

- (a) entered into a contract with a qualifying contractor for the purchase by that individual of a qualifying residence, that is not a self-build qualifying residence, or
- (b) drawn down the first tranche of a qualifying loan in respect of that individual’s self-build qualifying residence,

paragraph (a) of subsection (5) shall apply subject to the following modifications:

- (i) in subparagraph (i) of that paragraph, ‘€30,000’ shall be substituted for ‘€20,000’;
- (ii) in subparagraph (iii) of that paragraph, ‘10 per cent’ shall be substituted for ‘5 per cent’.”.

#### **Amendment of section 118 of Act of 1997**

9. Section 118 of the Act of 1997 is amended in subsection (5G)—

- (a) by substituting “€1,250” for “€1,000” in paragraph (a),
- (b) by substituting “4” for “5” in paragraph (c), and
- (c) by inserting the following after paragraph (c):



“(d) Notwithstanding paragraph (a), where the expense or part thereof, as the case may be, is in connection with the provision of a pedelec, the amount referred to in paragraph (a) shall be €1,500.”.

### **Covid-19 losses**

#### **10.** The Act of 1997 is amended—

(a) in section 304, by inserting the following subsection after subsection (3):

“(3A) (a) (i) In this subsection—

‘relevant period’ means the period beginning on 1 January 2020 and ending on 31 December 2020;

‘specified allowance’ means an allowance referred to in section 531AU(2);

‘relevant allowances’ has the meaning assigned to it in paragraph (b).

(ii) For the purposes of paragraph (b), where the basis period for the year of assessment 2020 is other than the relevant period, the specified allowances of any basis period which overlaps with the relevant period shall be apportioned to the relevant period in proportion to the number of months or fractions of months in the respective periods.

(b) Where an individual carrying on a trade, either solely or in partnership, claims one or more specified allowances, or part of one or more specified allowances, in respect of the relevant period to which, but for the making of a claim under paragraph (c), effect would be given in the following year or years under subsection (4) (in this subsection referred to as the ‘relevant allowances’), the individual may make a claim under paragraph (c).

(c) (i) Subject to section 395C, an individual may make a claim under this paragraph to have any portion of the relevant allowances carried back and that portion shall, for the purpose of making the assessment to income tax for the year 2019, be added to the amount of the allowances to be made under this Part in taxing the trade for that year.

(ii) Where relief is claimed under this paragraph, effect shall be given in respect of allowances from an earlier period in advance of allowances from a later period.

(iii) Allowances in respect of which a claim is made under this paragraph cannot be used, directly or indirectly, to create or augment a loss under Chapter 2 of Part 12.

(d) If and in so far as relief for relevant allowances is given to an individual under this subsection, the individual shall not be entitled

to relief in respect of those relevant allowances under any other provision of the Income Tax Acts.”,

- (b) in Part 12, by inserting the following Chapter after section 395:

“Chapter 2A

*Income tax: Covid-19 loss relief*

**Right to carry-back losses sustained between 1 January 2020 and 31 December 2020**

**395A.** (1) In this Chapter—

‘relevant period’ means the period beginning on 1 January 2020 and ending on 31 December 2020;

‘relevant loss’ has the meaning assigned to it in subsection (2).

- (2) Where an individual carrying on a trade or profession, either solely or in partnership, has sustained a loss in the relevant period in respect of which that individual could, but for the making of a claim under subsection (3), make a claim to carry forward such loss under section 382, (in this section referred to as the ‘relevant loss’) the individual may make a claim under subsection (3).
- (3) Subject to section 395C, an individual may make a claim under this subsection to have any portion of the relevant loss carried back and deducted from or set off against the amount of profits or gains on which the individual is assessed under Schedule D in respect of the trade or profession concerned for the year of assessment 2019 and, on the making of the claim, the relief shall be given as a deduction from or set off against the amount of those profits or gains.
- (4) If and in so far as relief for any relevant loss has been given to an individual under subsection (3), the individual shall not be entitled to claim relief in respect of such relevant loss under any other provision of the Income Tax Acts.
- (5) Where relief is claimed under this section, relief shall be given in respect of losses sustained in an earlier period in advance of losses sustained in a later period.

**Interim claim for carry-back of relevant losses and relevant allowances**

**395B.**(1) For the purposes of this section—

‘the Acts’ has the same meaning as it has in section 1095;

‘basis period’, in respect of an individual carrying on a trade or profession for any year of assessment, is the period on the profits or gains of which income tax for that year is to be computed under Case I or II of Schedule D in respect of that trade or profession or where by virtue of the Acts the profits or gains or income of any other period are to be taken to be the profits or gains or income of that period, that

other period;

‘estimated relevant allowances’ means an amount that, based on the best estimate that may reasonably be made, is likely to equal the amount of the relevant allowances when the amount of those allowances is calculated in accordance with section 304(3A);

‘estimated relevant loss’ means an amount that, based on the best estimate that may reasonably be made, is likely to equal the amount of the relevant loss when the amount of that loss is calculated in accordance with section 395A;

‘excess claim’ means the amount by which the amount, referred to in this definition as ‘A’, exceeds the amount referred to in this definition as ‘B’:

- (a) A, being the amount of tax repaid to the individual for the year of assessment 2019 as computed in accordance with an interim claim made pursuant to this section, and
- (b) B, being the amount of tax that would have been repaid to the individual for the year of assessment 2019 if that amount had been computed in accordance with a true and correct final claim;

‘final claim’ has the meaning given to it in subsection (4)(c);

‘interim claim’ has the meaning given to it in subsection (2);

‘relevant allowances’ has the same meaning as it has in section 304(3A);

‘relevant individual’ means an individual carrying on a trade or profession in whose opinion it is likely that a relevant loss or relevant allowances will arise in respect of that trade or profession;

‘return’ has the same meaning as it has in section 959A;

‘specified return date for the tax year’ has the same meaning as it has in section 959A;

‘tax compliant individual’ means an individual who has complied with all obligations imposed on the individual by the Acts in relation to—

- (a) the payment or remittances of taxes, interest or penalties required to be paid or remitted under the Acts, and
- (b) the delivery of any returns to be made under the Acts;

‘tax repaid’, in relation to an excess claim, means—

- (a) any amount of tax that has been repaid to the individual by the Revenue Commissioners, and
- (b) any amount of tax that would have been repaid to the individual in respect of the excess claim but for the offset of that tax against any

other liability of the individual in accordance with section 960H.

- (2) Subject to subsections (3) and (4), a relevant individual may make a provisional claim for relief under section 395A or 304(3A), as the case may be (in this section referred to as an ‘interim claim’) as if—
  - (a) references to relevant losses in section 395A were references to estimated relevant losses, and
  - (b) references to relevant allowances in section 304(3A) were references to estimated relevant allowances.
- (3) (a) Subject to paragraph (b), an interim claim made pursuant to subsection (2), where the interim claim relates to relevant losses sustained, or relevant allowances that are to be claimed—
  - (i) in the year of assessment 2020, may not be made after 31 May 2021, or
  - (ii) in the year of assessment 2021, may not be made—
    - (I) earlier than the end of the period of 4 months from the beginning of the basis period for the year of assessment 2021, or
    - (II) after 31 May 2022.
- (b) An interim claim may only be made where, immediately before the claim is made, the relevant individual is a tax compliant individual.
- (4) Where a relevant individual makes an interim claim—
  - (a) the interim claim shall be accompanied by a declaration by the relevant individual that he or she has incurred, or may reasonably expect to incur, a relevant loss or relevant allowance, as the case may be,
  - (b) the relevant individual shall maintain and have available such records which may reasonably be required for the purposes of determining whether the estimated relevant losses and the estimated relevant allowances have been computed in a reasonable manner and to the best of that individual’s knowledge and belief, and
  - (c) a claim under section 395A or 304(3A), as the case may be, shall be made by the specified return date for the tax year in which the relevant loss is sustained or relevant allowances are claimed (in this section referred to as the ‘final claim’), as the case may be, and if no such claim is made by that date then, where the amounts of the relevant loss and the relevant allowances that would be subject to such a claim are not lower than the estimated relevant loss and the estimated relevant allowances upon which the interim claim was made, the interim claim shall be deemed to be a final claim.

- (5) Subject to section 959V, where subsequent to making an interim claim—
- (a) but before making a final claim—
- (i) it comes to an individual's notice that the amount of the estimated relevant losses or estimated relevant allowances are lower than those upon which the interim claim has been made, or
- (ii) an individual determines that a lower portion of the estimated relevant losses or estimated relevant allowances should be claimed pursuant to this section,
- the individual shall, without unreasonable delay, reduce the amount in respect of which the interim claim is made accordingly;
- (b) but before the date referred to in paragraph (a)(i) or (a)(ii)(II) of subsection (3), as appropriate—
- (i) it comes to an individual's notice that the amount of the estimated relevant losses or estimated relevant allowances are greater than those upon which the interim claim has been made, or
- (ii) an individual determines that a greater portion of the estimated relevant losses or estimated relevant allowances should be claimed pursuant to this section,
- the individual may increase the amount in respect of which the interim claim is made accordingly.
- (6) (a) Where an individual makes an interim claim which gives rise to an excess claim—
- (i) then, subject to subparagraph (ii), the tax repaid in respect of the excess claim shall carry interest as determined in accordance with section 1080(2)(c) as if a reference to the date when the tax became due and payable were a reference to the date the amount was repaid by the Revenue Commissioners or offset in accordance with section 960H, as the case may be,
- (ii) where the interim claim was made neither deliberately nor carelessly (within the meaning of section 1077E) and the individual, without unreasonable delay upon it coming to the individual's notice that the claim is overstated, reduces the claim by such amount as is necessary to ensure it is no longer overstated, the tax repaid in respect of the excess claim shall carry interest as determined in accordance with section 1080(2)(c) as if a reference to the date when the tax became due and payable were a reference to the date the claim was reduced.
- (b) Subject to paragraph (c), for the purpose of the application of

subsection (3) of section 959AO in determining whether an amount of preliminary tax has been paid by the individual in accordance with that subsection, no account shall be taken of any amount of tax repaid to the individual pursuant to this section.

- (c) Paragraph (b) shall not apply where an individual makes an interim claim in a return to which subsection (2) or (5), as the case may be, of section 1077E applies.

### **Limitation of relief for relevant losses and allowances**

**395C.**(1) In this section—

‘relevant allowances’ has the same meaning as it has in section 304(3A);

‘specified individual’ means an individual to whom Chapter 2A of Part 15 applies, prior to making a claim under this Chapter or section 304(3A).

- (2) Subject to subsections (3) and (4), the total amount of relevant losses and relevant allowances in respect of which an individual carrying on a trade or profession may claim relief in the year of assessment 2019 under this Chapter and section 304(3A) shall not exceed €25,000.
- (3) Where an individual carrying on a trade or profession is a specified individual, the total amount of relevant losses and relevant allowances which that individual may claim to have carried back is restricted in accordance with subsection (4).
- (4) The restriction referred to in subsection (3) is that the total amount that may be claimed under this Chapter and section 304(3A) shall be limited such that there shall be no reduction in the amount of any other relief used, within the meaning of section 485C(2)(a), in respect of the year of assessment 2019 prior to claims being made under this Chapter or section 304(3A).”,

and

(c) in section 657—

- (i) in subsection (6A)(d), by substituting “an election in accordance with this subsection or subsection (6B) has not been made” for “an election has not been made”,

(ii) by inserting the following subsection after subsection (6A):

“(6B) (a) In this subsection—

‘Covid-19 period’ means the period beginning on 1 January 2020 and ending on 31 December 2020;

‘Covid-19 deferred tax’ means the amount of income tax determined by the formula—

A — B

where—

A is the amount of income tax which would, apart from this subsection, be charged on an individual by virtue of subsection (6) in accordance with subsection (5) in respect of a year of assessment, and

B is the amount of income tax which would, apart from this subsection, be chargeable in accordance with Chapter 3 of Part 4 in respect of the year of assessment 2020.

- (b) This subsection applies to an individual who—
- (i) has made a claim under subsection (6A) in respect of the year of assessment 2019 or one of the 3 immediately preceding years of assessment, and
  - (ii) sustains a loss in the Covid-19 period.
- (c) Where an individual to whom this subsection applies is, by virtue of subsection (6), chargeable to income tax in respect of profits or gains from farming in accordance with subsection (5), that individual may, on including a claim in that behalf with the return required under Chapter 3 of Part 41A for the year of assessment, elect to defer payment of the Covid-19 deferred tax.
- (d) Where an individual duly elects in accordance with paragraph (c) in respect of a year of assessment, the Covid-19 deferred tax in respect of that year of assessment shall be payable in 4 equal instalments.
- (e) The first instalment of the 4 instalments referred to in paragraph (d) shall be due and payable on or before the specified return date for the chargeable period of the year of assessment following the year of assessment in which the election, referred to in paragraph (c), is made and the remaining 3 instalments shall be due and payable respectively on or before each of the following 3 anniversaries of the date on which the first instalment was due and payable.”

and

- (iii) in subsection (8)(e), by substituting “deferred tax or Covid-19 deferred tax” for “deferred tax”.

### **Accelerated loss relief for certain accounting periods**

**11.** The Act of 1997 is amended by inserting the following section after section 396C:

#### **“Accelerated loss relief for certain accounting periods**

**396D.(1)** In this section—

‘the Acts’ has the same meaning as it has in section 1095;

‘estimated non-relevant trading loss’, in relation to a specified accounting period, means a non-relevant trading loss incurred or expected to be incurred, based on the best estimate that may reasonably be made, by a company in a specified accounting period;

‘estimated relevant trading loss’, in relation to a specified accounting period, means a relevant trading loss incurred or expected to be incurred, based on the best estimate that may reasonably be made, by a company in a specified accounting period;

‘excess claim’ means the amount by which the amount, referred to in this definition as ‘A’, exceeds the amount referred to in this definition as ‘B’:

- (a) A, being the amount of tax repaid to a company for the preceding accounting period as computed in accordance with an interim claim made under this section, and
- (b) B, being the amount of tax that would have been repaid to a company for the preceding accounting period if that amount had been computed in accordance with a true and correct interim claim based on 50 per cent of the amount of the non-relevant trading loss or 50 per cent of the amount of the relevant trading loss, as the case may be, incurred in the specified accounting period and not on 50 per cent of the estimated non-relevant trading loss or 50 per cent of the estimated relevant trading loss, as the case may be;

‘interim claim’, in relation to a specified accounting period, has the meaning assigned to it in subsection (2);

‘non-relevant trading loss’ means a loss incurred by a company carrying on a trade to which section 396(2) applies and which is not a relevant trading loss;

‘preceding accounting period’, in relation to a company, means the accounting period that is equal in length to, and that immediately precedes, a specified accounting period for which a company has an estimated non-relevant trading loss or an estimated relevant trading loss, as the case may be;

‘relevant trading loss’ has the same meaning as it has in section 396A;

‘return’ has the same meaning as it has in section 959A;

‘specified accounting period’ means any accounting period of a company carrying on a trade which includes some or all of the period commencing on 1 March 2020 and ending on 31 December 2020;

‘specified return date for the accounting period’ has the same meaning as it has in section 959A;



‘specified return date for the preceding accounting period’ has the same meaning as is assigned by section 959A to the definition of the expression, ‘specified return date for the accounting period’, but subject to the modification that the reference in that definition to ‘accounting period’ shall be construed as a reference to ‘preceding accounting period’;

‘tax compliant company’ means a company which has complied with all obligations imposed on the company by the Acts in relation to—

- (a) the payment or remittance of taxes, interest or penalties required to be paid or remitted under the Acts, and
- (b) the delivery of any returns to be made under the Acts;

‘tax repaid’, in relation to an excess claim, means—

- (a) any amount of tax that has been repaid to the company by the Revenue Commissioners, and
- (b) any amount of tax that would have been repaid to the company in respect of the excess claim but for the offset of that tax against any other liability of the company in accordance with section 960H.

(2) Where, for a specified accounting period, a company has an estimated non-relevant trading loss or an estimated relevant trading loss, as the case may be, the company may, subject to this section, make a claim (referred to in this section as an ‘interim claim’) for such relief as would be available to the company in respect of the preceding accounting period under section 396(2), 396A(3) or 396B, as the case may be, in respect of 50 per cent of the estimated non-relevant trading loss or 50 per cent of the estimated relevant trading loss, as the case may be, and an interim claim made under this subsection shall be treated—

- (a) as if it were a claim under section 396(2), 396A(3) or 396B, as the case may be, and
- (b) as if—
  - (i) in the case of an estimated non-relevant trading loss, the loss is incurred in a trade, and
  - (ii) in the case of an estimated relevant trading loss, it is a relevant trading loss that has been incurred,

and sections 396, 396A and 396B shall apply to an interim claim with any other necessary modifications to give effect to this subsection.

(3) (a) Subject to paragraph (b), an interim claim under this section may be made by a company on or after the commencement of section 11 of the *Financial Provisions (Covid-19) (No. 2) Act 2020*, but—

- (i) not earlier than the end of the period of 4 months from the

- beginning of the specified accounting period, and
- (ii) not later than the end of the period of 5 months from the end of the specified accounting period.
- (b) Where the specified accounting period is less than 4 months, the company may make an interim claim under this section after the end of the specified accounting period but not later than the end of the period of 5 months from the end of the specified accounting period.
- (4) (a) Where, subsequent to making an interim claim under subsection (2), it comes to the company's notice that 50 per cent of the amount of its estimated non-relevant trading loss or 50 per cent of the amount of its estimated relevant trading loss, as the case may be, is greater than the amount in respect of which the interim claim has been made, the company may, subject to this section, increase the amount in respect of which an interim claim is made under subsection (2).
- (b) Where it comes to the company's notice that 50 per cent of the amount of its estimated non-relevant trading loss or 50 per cent of the amount of its estimated relevant trading loss, as the case may be, is less than the amount in respect of which an interim claim has been made under subsection (2)—
- (i) the difference between—
    - (I) the amount in respect of which an interim claim has been made under subsection (2), and
    - (II) 50 per cent of the amount of the estimated non-relevant trading loss or 50 per cent of the amount of the estimated relevant trading loss, as the case may be,is, for the purposes of subparagraph (ii), referred to as the 'excess amount', and
  - (ii) the company shall, without unreasonable delay, amend the amount in respect of which the interim claim has been made under subsection (2) so as to reduce the amount claimed by the excess amount.
- (5) (a) Where a company makes an interim claim under this section in respect of 50 per cent of an estimated non-relevant trading loss or 50 per cent of an estimated relevant trading loss, as the case may be, the company shall—
- (i) maintain and have available such records as may reasonably be required for the purposes of determining whether such losses have been computed in a reasonable manner and to the best of the company's knowledge and belief, and

- (ii) not later than the specified return date for the accounting period in which the estimated non-relevant trading loss or the estimated relevant trading loss, as the case may be, is incurred, make such amendment to the amount of relief claimed by the company as is necessary to ensure that the amount of the claim does not exceed the amount of the non-relevant trading loss or the relevant trading loss, as the case may be, incurred by the company in the specified accounting period which is, under section 396, 396A or 396B, as the case may be, available in respect of the preceding accounting period.
  - (b) The requirement in paragraph (a)(ii) to make an amendment shall apply notwithstanding section 396(9), 396A(5) or 396B(6), as the case may be, but shall not prevent a company from making a notice of amendment under section 959V.
- (6) Subsection (2) shall not apply unless the company which makes an interim claim under this section—
- (a) makes a declaration that the company has incurred or may reasonably expect to incur an estimated non-relevant trading loss or an estimated relevant trading loss, as the case may be, in the specified accounting period, and
  - (b) is a tax compliant company.
- (7) Where a company makes an interim claim under this section which gives rise to an excess claim—
- (a) then, subject to paragraph (b), tax repaid to the company in respect of the excess claim shall carry interest as determined in accordance with section 1080(2)(c) as if a reference to the date when the tax became due and payable were a reference to the date the tax was repaid by the Revenue Commissioners or offset in accordance with section 960H, as the case may be,
  - (b) where the interim claim was made neither deliberately nor carelessly (within the meaning of section 1077E) and the company, without unreasonable delay upon it coming to the company's notice that the claim is overstated, reduces the claim by such amount as is necessary to ensure that it is no longer overstated, tax repaid in respect of the excess claim shall carry interest as determined in accordance with section 1080(2)(c) as if a reference to the date when the tax became due and payable were a reference to the date the claim was reduced.
- (8) A claim under this section shall be made in such form and contain such particulars as the Revenue Commissioners may prescribe.”.

**Amendment of section 46 of Act of 2010**

**12.** Section 46 of the Act of 2010 is amended—

(a) in paragraph (a) of subsection (1), by inserting “subject to subsection (1A),” before “23 per cent”, and

(b) by inserting the following subsection after subsection (1):

“(1A) During the period from 1 September 2020 to 28 February 2021, paragraph (a) of subsection (1) shall have effect as if there were substituted ‘21 per cent’ for ‘23 per cent’.”.

**Short title**

**13.** This Act may be cited as the Financial Provisions (Covid-19) (No. 2) Act 2020.