

COVID-19 - WILL OUR CO-OPERATIVE QUALIFY FOR THE TEMPORARY WAGE SUBSIDY SCHEME

17th April 2020

Dear Member,

The Temporary Wage Subsidy Scheme (the “**Scheme**”) has been a vital support for businesses since its commencement on 26th March. Below are some answers to key questions arising from the application of the Scheme. When considering the Scheme, it is critical that co-operatives note:

- The Scheme and its criteria are evolving, co-operatives should ensure they are fully up to date on any changes to the criteria that are made in the coming weeks. ICOS is closely monitoring how the Scheme develops and will endeavour to keep our affiliates updated.
- This Scheme is claimed via a **self-declaration** basis, therefore, **your co-operative will have to ensure the basis for meeting all criteria of the application is sufficient and backed by a robust audit trail to avoid possible clawback of the subsidy and penalties arising from a subsequent review by Revenue.** Full details on the Scheme are available on the [Revenue website](#).
- Contact Revenue if you are unsure whether your co-operative is eligible for the Scheme.

Question 1 *Can we claim from the Scheme for a division/business unit within our co-operative that is suffering significant disruption as a result of COVID-19 even if the co-operative is only experiencing minor disruption?*

While the answer to this query is not clear, we note the guidance from Revenue does not expressly preclude employers from making an application in this manner. There have been indications from Revenue that they would appraise a claim for a division/business unit on a case by case basis, taking a holistic look at how the co-operative and the relevant division/business unit have been affected by COVID-19 and examining criteria ([among others](#)) such as whether the division/business unit prepares its own management accounts and holds its own employer number.

Question 2: *Can we claim from the Scheme for a subsidiary within our group that is suffering significant disruption as a result of COVID-19 even if the overall group is only experiencing minor disruption?*

The guidance from Revenue does not expressly preclude employers from making an application in this manner and they are taking a holistic, case by case view of how the entire group of entities and the relevant subsidiary have been affected by COVID-19 and whether the subsidiary meets the [Revenue criteria](#).

Question 3 *Can our co-operative apply if we have cash reserves?*

Revenue has advised that an employer with plentiful cash reserves, not required to fund debt, that experiencing significant decline in business may still qualify for the Scheme. However, the employer would be expected to continue to pay a significant portion of the employee's wages.

Question 4 *Will my details be published if I apply?*

Details of successful applicants for the Scheme are published on the Revenue website.