



## COVID RESTRICTIONS SUPPORT SCHEME (CRSS)

### BACKGROUND

The **COVID Restrictions Support Scheme (CRSS)** was introduced to support businesses significantly affected by Government restrictions that have been introduced to combat the COVID-19 pandemic.

It is available to **'eligible'** businesses who carry on a business activity that have been required to prohibit or considerably restrict customers from accessing their business premises e.g. generally this refers to COVID-19 restrictions at Level 3, 4 or 5 (*see **Government's Plan for Living with COVID-19***).

Such affected businesses are then able to make a claim to Revenue for a payment known as an **Advance Credit for Trading Expenses (ACTE)**, payable for each week that a business is affected by the restrictions.

The CRSS scheme originally commenced on 13<sup>th</sup> October 2020 and is expected to continue until **31st March 2021**.

**PLEASE NOTE** - The Minister for Finance, Paschal Donohoe TD, announced in late November 2020 an adjustment to the COVID Restrictions Support Scheme (CRSS), which allows for businesses to claim for an additional **one week** payment to assist them in reopening – **AFTER a period of 3 weeks or more of COVID restrictions**.

It is designed to take account of the fact that businesses may take some time and incur additional cost as they re-open once the restrictions are lifted - and is claimed at the end of the restriction period !

### KEY FEATURES OF THE CRSS SCHEME

1. There need to be Government restrictions in place (in the region that the business is located in) in respect of COVID-19 at the levels that significantly impact business activities
2. The Advance Credit for Trading Expenses (ACTE) payment under the CRSS scheme is equal to 10% of the **average weekly turnover** of the 'eligible' business turnover in 2019 up to €20,000, **PLUS** 5% on turnover over €20,000, up to a maximum weekly payment of €5,000
3. In the case of new businesses, the turnover is based on the **average actual weekly turnover** using 2020 as the reference period.
4. In order to be able to make a claim under the CRSS scheme, an 'eligible' business needs to follow a two-step process, which will include registering for the CRSS via the **Revenue Online Services (ROS)** and then making an online claim for each relevant period.
5. A claim period can be up to a maximum of 3 weeks, with the online CRSS system operational for claims **from 17th November 2020**.
6. Revenue will publish a list of businesses who availed of the CRSS at the end of the scheme.



## BUSINESS ELIGIBILITY

The COVID Restrictions Support Scheme (CRSS) is available to businesses that -

- are limited companies, sole-traders/self-employed and partnerships
- that carry on a trade or trading activities from a business premises (**not including premises such as market stalls or trade fair stalls etc.**), within a geographical region for which COVID-19 restrictions are in operation (within the claim period)
- profits of the business are chargeable to tax under Case I of Schedule D (**not including charities, sports bodies etc.**)
- are required to prohibit or significantly restrict members of the public from the business premises (due to the COVID-19 restrictions)
- business turnover during the period of COVID-19 restrictions (the claim period) will be no more than 25% of the average weekly turnover of the business in 2019 (exclusive of VAT) (average weekly turnover in 2020 for a new business)
- have a valid tax clearance from Revenue and are in compliance with all usual requirements where it is registered for Value Added Tax (VAT)
- the business intends to resume trade after the Government COVID-19 restrictions are lifted

## CLAIMS UNDER THE CRSS SCHEME

A two-step process is necessary to make a claim under COVID Restrictions Support Scheme (CRSS), with 'eligible' businesses required to both:

- register for CRSS via the **Revenue Online Service (ROS)**, and
- complete a claim in respect of a claim period or claim periods

To **register** for CRSS on ROS, the 'eligible' business must:

- make a declaration that it meets the eligibility criteria for the scheme e.g. the eligibility criteria have been read/understood, undertake that the business will abide by the terms and conditions, retain all records relating to the scheme for review by Revenue etc
- as it is a '**self assessed**' scheme, make a declaration that the information provided is correct and complete
- confirm that it has a valid tax clearance in place
- provide certain information in relation to the business activity e.g. location of the business premises, business sector, calculations of **average weekly turnover** for 2019 (or 2020 for a new business) etc .

To **make a claim** for CRSS via the portal on ROS, the 'eligible' business must complete a claim in respect of each claim period or claim periods, which will consist of 4 steps

1. Provide details of the claims
2. Provide the appropriate bank details
3. Provide a summary and declaration (that the claim is correct and complete)
4. Complete by signing and submitting the claim

The business must also, ahead of each new or additional claim under the scheme, ensure that they review the eligibility criteria and meet **ALL** conditions.



## OTHER KEY ISSUES

- A '**claim period**' is a period during which a business is subject to Government restrictions, which mean that the business must prohibit or restrict members of the public from accessing their business premises.
- A '**business premises**' means a building or other similar fixed physical structure from which a business activity is ordinarily carried on.
- A business could have more than one claim period for the duration of the scheme. Different levels of restrictions may apply to different types of businesses across different regions.
- A business can make a claim in advance of the end of a claim period. The claim will be for the number of full weeks that the COVID-19 restrictions are expected to apply to that business premises.
- A business will be expected to re-assess their eligibility before making a claim for a new claim period.
- Eligible businesses must ensure that they are fully registered for the CRSS via ROS to allow them to make a claim. Businesses who have been subject to COVID-19 restrictions since 13<sup>th</sup> October 2020 will be entitled to claim for this period once the online CRSS portal is operational.
- A claim must be made **no later than eight weeks** from the date on which the claim period commences.
- **Please note** - The turnover details provided for registration and/or alongside any claim periods, will be validated against the information already held on Revenue systems (including relevant tax returns)
- An 'eligible' business in receipt of other Government support is not restricted from availing of the CRSS scheme, where they meet the eligibility criteria.
- Any ACTE payments received by an 'eligible' business will be taken into account when calculating the taxable trading profits i.e. it is reduced by the amount of deductible expenditure such as common business fixed costs such as rent, insurance, light, heat and wages.