

At a glance: July Jobs Stimulus 2020

The €7 billion Government expenditure package will be used to fund a wide variety of measures set out in the following summary.

	<u>July Stimulus Package</u>
Employment Wage Support Scheme 	<ul style="list-style-type: none"> • Temporary Wage Subsidy Scheme to be succeeded by Employment Wage Support Scheme. • Employers whose turnover has fallen 30% are eligible. • A flat-rate subsidy of up to €203 per week per employee. • Seasonal staff and new employees will qualify along with new firms operating in impacted sectors. • Estimated cost €1.9 billion.
Tax measures to support individuals 	<ul style="list-style-type: none"> • Stay and Spend Incentive €125 tax credit where taxpayer spends over €625, on accommodation, food and non-alcoholic drinks, between October 2020 and April 2021. • Enhanced support under the Help to Buy scheme until December 2020. • Increased allowable expenditure from €1,000 to €1,500 on “eBikes” and €1,250 for other bicycles under the Cycle to Work scheme.
Tax measures to support businesses 	<ul style="list-style-type: none"> • Early carry-back of company trading losses, leading to an immediate refund of some or all of corporation tax paid. • Income tax relief for self-employed individuals profitable in 2019 but, due to COVID-19 pandemic, incur losses in 2020. • Six-month reduction in the standard rate of VAT from 23% to 21% from September. • Legislation promised for warehousing of PAYE and VAT debts to allow businesses affected by COVID-19 time to repay with no interest or penalties for a set period. • Interest rate cut to 3% on agreed repayments of all tax debt where agreement is by 30 September 2020. • Businesses will be granted a waiver of commercial rates for the six months to end-September 2020, at a total cost of €600 million.

<p style="text-align: center;">Brexit Supports</p> 	<ul style="list-style-type: none"> • €20 million Brexit fund to help SMEs involved in exporting and importing with the UK and further afield to put in place the staff, software and IT systems to be ready for new customs arrangements from 1 January 2021.
<p style="text-align: center;">Business Funding Supports</p> 	<ul style="list-style-type: none"> • Restart Grant for Enterprises extended to a broader base of SMEs and expanded by €300 million. The payment level is increased to €25,000 and further payments may be available to firms which have already received them. • €10 million Restart Fund for Tourism sector, along with a €10 million pilot Performance Support Scheme for the culture sector. • COVID-19 Credit Guarantee Scheme worth €2 billion will provide an 80% guarantee for a wide range of credit products from €10,000 to €1 million up to a maximum term of 6 years. • Package of liquidity and enterprise investment measures worth €55 million to support small and micro companies through additional resources for MicroFinance Ireland and Local Enterprise Offices. • The Future Growth Loan Scheme expanded from €200 million to €500 million with the European Investment Bank Group, so businesses with up to 499 employees can invest for the longer-term at competitive rates. • €25 million investment in the COVID Life Sciences Products Scheme to aid research, development, and production of medicinal products in Ireland used to combat COVID-19. • €10 million to support businesses engaging in green research, development and innovation, capital investment, and capacity building, through the first phase of a new Green Enterprise Fund. • Increase of €10 million in funding for the Seed and Venture Capital sector through Enterprise Ireland as a top-up to existing funds and leveraging a combined additional pool of €55 million. • Online Retail Scheme to receive additional €5.5 million through Enterprise Ireland and an expansion by €20 million of the Online Trading Voucher Scheme from the Local Enterprise Offices. • Enterprise Ireland's Sustaining Enterprise Fund scheme expanded to include direct grant support to viable businesses, in addition to equity and repayable advances.

Accelerate Capital Works

- €75 million for minor works for primary and secondary schools.
- €113 million for active travel, public transport and renewal of transport infrastructure.
- Over €40 million for investments in a range of heritage, arts, tourism and Gaeltacht-related projects.
- €20 million investment in courts, prisons and Garda projects, and €10 million in fishery and on-farm renewable energy investments.
- €15 million in peatlands rehabilitation.
- €100 million investment in the Energy Efficiency National Retrofit Programme.
- €60 million for returning vacant local authority housing to use and investment in water infrastructure.
- €10 million for town and village renewal.
- Support to progress work on the harbour at Clones on the Ulster Canal, and for planning of the Sligo-Enniskillen Greenway.
- Commitment by the Government to increasing capital expenditure in 2021 to €9.1 billion representing an increase of almost €1 billion or 12% on 2020 levels.