

## **COVID-19 State Supports for Self-Employed Solicitors - Situation as at 05 May 2020**

A range of State supports can be accessed by self-employed solicitors subject to eligibility criteria.

### **Restart Grants**

A new initiative announced on 2 May. Micro and small businesses will be provided with a grant to support them restart trading - based on a waiver/rebate of rates that they paid in 2019 – up to a maximum of €10,000. Further details will be published soon.

### **Rates Waiver**

Another new initiative that was announced on 2 May. A three-month waiver of 2020 rates is being provided to businesses that had to close their premises because of COVID-19. Details to follow.

### **Warehousing of Tax Liabilities**

The Office of the Revenue Commissioners is currently following a policy of warehousing trading business tax liabilities. This means that no late payment interest is being applied and no debt enforcement activity is happening. However, businesses should continue to file returns as these are due. On 2 May, the Government announced that warehousing of tax liabilities will continue for 12 months after businesses restart trading. However, new legislation must be passed before these tax deferrals can be progressed. More details (may not be up to date) [here](#).

### **Businesses Loans**

The Credit Guarantee Scheme supports loans from €10,000 up to €1 million for periods of up to seven years. Applications can be made to AIB, BOI and Ulster Bank. Loans are 80% guaranteed by the State and can be used with a wide range of financial products. It is expected that this scheme will be used extensively by small businesses to fund working capital.

On 2 May, the Government announced that another €2 billion is being made available for the Credit Guarantee Scheme. New legislation is required before this additional financing can be made available. Information on the Credit Guarantee scheme is available [here](#). FAQs on the COVID-19 initiative (may not be up to date) [here](#).

Micro-enterprises can access COVID-19 loans of up to €50,000 from MicroFinance Ireland. Terms include a six months interest free and repayment free moratorium. Eligibility criteria apply and detailed information is required in the application process about business viability. FAQs on these loans available [here](#).

Legal firms are likely to find it difficult to access loans under the Working Capital Loan Scheme operated by the Strategic Banking Corporation of Ireland (SBCI). Information on these loans are available [here](#). Likewise, it is likely to be difficult for legal firms to access longer term loans through the Future Growth Loan Scheme - which is also operated through the SBCI. More information on this scheme is available [here](#). The Government is also funding the Pandemic Stabilisation Fund but this initiative is reserved for large businesses (employing over 250 employees).

### **Business Support Grants**

The Business Continuity Voucher initiative is aimed at businesses that employ up to 50 people. The voucher is worth up to €2,500 and covers third party consultancy costs. These vouchers can be used by businesses to pay for professional assistance in developing strategies to respond to the COVID-19 pandemic. Information on this initiative [here](#).

A Trading Online Voucher Scheme is available to support small and microenterprises to develop their online business capability. The voucher is worth up to €2,500. A second voucher of up to €2,500 can be sought once the first has been successfully utilised. Information available [here](#).

### **Temporary Wage Subsidy Scheme**

The Temporary COVID-19 Wage Support Scheme (TWSS) assists qualifying businesses to continue employing staff. No support is provided through TWSS for the business owner or owners themselves – no matter how bad a financial position they are in. Employers must be experiencing significant economic disruption due to COVID-19. They need to be able to demonstrate that turnover, or orders coming in, have reduced by a minimum of 25%. Revenue Details available [here](#). The Law Society also has a TWSS briefing available [here](#).

### **COVID-19 Pandemic Unemployment Payment**

The primary way that self-employed people can access financial support for themselves from the Exchequer is through the COVID-19 Pandemic Unemployment Payment scheme. This support involves a social welfare payment of €350 per week.

Initially, there were conditions attached to this payment that had to be met by self-employed people that would have been difficult for many solicitors to comply with. However, Law Society of Ireland made representations to the Department and we are happy to report that these conditions have been relaxed.

The Department of Employment Matters and Social Protection now advises: 'You may, if your trading income has collapsed to the extent that you are available to take up other full-time employment if it was offered to you, receive a payment of €350 per week for so long as you are available to take up other work.' More information on this support [here](#).

### **Self-Employed Job Seekers Benefit and Job Seekers Allowance**

Jobseeker's Benefit (Self-Employed) is a weekly payment from the Department of Employment Affairs and Social Protection to people who lose their self-employment. If you don't qualify for Jobseeker's Benefit (Self-Employed), you may qualify for Jobseeker's Allowance. However, Jobseeker's Allowance is means tested.

Self-employed people who have a dependant spouse and/or children may be able to access more money on Job Seeker's Benefit than on COVID-19 Pandemic Unemployment Payment. To qualify for Job Seeker's Benefit, you need to have paid the required number of S Class PRSI Contributions. For both supports, you need to be not currently engaged in self-employment. Information on Job Seeker's Benefit is available [here](#).

### **Short Term Work Support**

Self-employed solicitors can qualify for Short Time Work Support if they work three days or less a week. This is a form of Jobseeker's Benefit / Job Seeker's Allowance and is subject to the same qualifying rules as outlined for the schemes above (Class S PRSI contributions for a benefit payment and a means test for the allowance). Information on this support is available [here](#).

This scheme may work for a solicitor who is working, for instance, just one day a week. If judged eligible, the person will qualify for a payment equal to 80% of Job Seeker's Benefit or Allowance.

### **Further Information**

The latest Department of Employment Affairs and Social Protection guideline (may not be right up to date) with information for on COVID-19 work-related financial supports can be accessed [here](#).