

# MEMBER'S NEWSLETTER

MAY 2021



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Dear member,

Our AGM and 2021-2023 National Council Election is almost upon us. You have your ballot paper, make sure to vote, and hopefully some of you have decided to stand yourselves. The sense we are getting from the expressions of interest so far suggest the new National Council will be a very diverse bunch!

The easing of Covid-19 restrictions is most welcome, but we need a clear plan for those areas not fully back to work, and we need state support to roll out antigen testing in the workplace to mitigate risk of further infection surges.

You will see our pre-budget submission this month, as it is crucial to make the views of the business community known before our legislators and civil servants go on holiday. On the basis that the self-employed high-earners pay a USC levy, we've formally added a "solidarity tax" proposal of 3% for PAYE workers earning over €100k. We're getting impatient for property tax reforms, and so will set out a clear roster of actions the Government needs to take, including levying immediate LPT on all houses built post-2013. We will call for the Government to incentivise life-long learning and a "Blue Cert" via the taxation system. And we will ask Government to stop discouraging people from working by studying our Jobs Kill Zone research paper and enacting its four simple actions.

As the economy reopens, and as Government supports taper, this will be the most critical time for tens of thousands of businesses that have been shuttered during the pandemic. The Department of Enterprise has run a Public Consultation on "summary rescue" for small businesses which become insolvent. But we are worried that we will not see this on the statute books in time to save viable businesses which become insolvent this year. We are also very disappointed that our ICTU colleagues in the Company Law Review Group have objected so strongly to the summary rescue proposals. The failure to get this process enacted soon could cost thousands of jobs. Please let your TDs know how important this issue is.

The reopening phase of the economy will likely be the most perilous part for SMEs which have been in lockdown for so long. While it is impossible for us to estimate how many businesses will ultimately be affected, a quarter of smaller firms could fail as the pandemic evolves, according to a Central Bank survey.

We hope it will not come to that, but we will be lobbying hard for the retention of liquidity supports for small business in order to minimize the number of SMEs becoming insolvent.

Please stay in touch and let us know how you are getting on.

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 WELCOME

# ISME NEWS

## ISME launch legal challenge for pension equality

ISME is raising funds for a legal challenge to force the creation of a fair system for private sector pension savers. By way of crowdfunding, ISME intends to raise €500,000, with the support of our Members, so far we have raised over €11,000. Find out more, donate and view our new video appeal [here](#).

## Calling all businesses in the South East

You are invited to join us on the 11th May from 1.00pm - 2.00pm for an ISME regional meeting about business in the South East. The agenda for this meeting will be:

- Update from ISME CEO, Neil McDonnell
- Re-opening Businesses Discussion:
  - IT Focus: David Waldron, Managing Director, Tier3Support
  - HR Focus: John Barry, Managing Director, MSS
- Followed by a Q&A session

This event is open to Members and Non-Members of ISME. We would encourage you to send in your questions/comments when you register which we can include in the Q&A section.

[Register here](#)



## Grow with Google

COVID-19 has had an unprecedented impact on people and businesses everywhere. Together with Google we are working to offer a series of free webinars to help businesses navigate this uncertain time and find future opportunities for growth.

The next two webinars are **Learn the basics of Google Ads**, on Thursday 20th May and on Thursday 3<sup>rd</sup> June there will be a Shop Local focus with **How to safely reach more local shoppers with Pointy from Google and Search**.

These webinars are available to ISME members only. You can register for both [here](#).

# ISME NEWS

## ISME EGM & AGM

On the 25th of May ISME will hold both an EGM and our AGM. The EGM will take place at 11.15am. It is proposed to the membership to amend the ISME Constitution of 1999 (as amended in 2006 and 2021) by amending Paragraph 6.1.6 of Section 6 of the ISME Constitution (which defines the rights and responsibilities of the National Council). Read in full [here](#)

The AGM will take place directly after this at 11.30am on 25th May 2021.

The agenda is as follows:

1. Chair's Report
2. Treasurer's Report (Read by CEO)
3. National Council Election Results
4. Election of Auditors
5. Any Other Business

Both meetings will take place remotely and during the same Zoom meeting. Members must notify their intention to attend by emailing [marketing@isme.ie](mailto:marketing@isme.ie)

## Funding Innovation; Industry Webinar with Shannon ABC

Shannon ABC are hosting an Online Industry Webinar June 9th on Funding Innovation. They will give an overview of Research Funding Mechanisms through some of our client case studies, have a live link to their laboratories and talk about how they can help your company. They are planning to launch a showcase video at the event, and are looking forward to sharing that with the attendees!

### Provisional Agenda:

- Virtual tour of the Shannon ABC Labs
- Introduction/Overview of Shannon ABC
- Overview of Funding Mechanisms
- Industry case study 1 & 2
- Showcase Video clip
- Q&A

For more information, please [click here](#)

## Pitch my Business in back

The next **Pitch my Business** will take place on 9th June at 10.30am. This networking event is free and open to all. Each attendee will have 2 minutes to pitch. You can include a special offer that will appear on screen. You can watch back previous session or register to attend [here](#).

## Prompt Payment Report for Q1

ISME's latest Prompt Payments report finds SME payment delays have improved, but only slightly. The report also found that 53% of businesses are experiencing delays of 2 months or more. Read the report in full [here](#).

# ISME NEWS

## COVID-19 Hub for ISME Members

ISME have developed an online Members only hub with tools and templates to help guide you during this difficult time. Included in the COVID-19 page are explainers and links to all government schemes, HR resources, best practice advice and supports.

Access by logging into the Members Area of the website [here](#)

## Restart Ireland Webinar

Our Restart Ireland webinar is now available to watch back. On the day we were joined by over 200 businesses. Our panel answered questions about the vaccination roll out and reopening the Irish economy. **The panel included:**

- Minister Robert Troy - Minister of State at the Department of Enterprise, Trade and Employment.
- Professor Luke O'Neill, School of Biochemistry and Immunology in Trinity College
- Nuala Mulqueeney, Managing Director of Aillwee Cave and ISME Member.

The webinar can now be watched back [here](#)

## Free Health and Safety E-Learning

The Health and Safety Authority provide a portal for health and safety courses on-line here. The courses are free of charge and accessible 24/7. You can learn new skills and help prevent accidents and injury by taking a short on-line course. It's simple, just register, take the course whenever you wish and then download your certificate of completion when finished.



## Promote your business with ISME

Advertising with ISME is an effective way to reach Owner / Managers of Irish SMEs. Members can advertise in our online publication **The bISME**, the next issue is due out in Spring 2021. You can advertise for free through the [Shop Local](#) and [Back to Business](#) campaigns. If you wish to receive members rates and more details on promotional opportunities please email [Marketing@isme.ie](mailto:Marketing@isme.ie)



# Continue to save money for your business with ADVANTAGE Affinities

ISME have added three new partners to the current [ADVANTAGE Affinity programme](#) providing ISME members with the opportunity to reduce costs and add value to their business. They include:

## Merchant Services from PaymentPlus

Available from 5<sup>th</sup> May, ISME Members will get:

- Launch offer – no terminal fee for 6 months available from 5th May 2021
- Merchant services on a no contract basis
- No termination fees
- Price Promise - if PaymentPlus can't show any savings, they will offer them a €50 Me2You gift voucher
- Next day fund settlement



Find out more [here](#)

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## Broadband from Vodafone

ISME Members get:

- 10% discount on Vodafone Simply Broadband
- 15% discount on Vodafone Mobile Broadband - Simply Broadband 4G
- Discounts all run for the duration of the contract



Find out more on [here.](#)

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## Environmental Certification & Support from EcoMerit

ISME Members get:

- 10% discount on EcoMerit certification



EcoMerit Environmental Certification which helps you improve your environmental performance, reduce costs, manage risk and enhance your marketing and brand appeal.

Find out more on [here.](#)

# ISME **WELLNESS** PROGRAMME

EMPLOYEE ASSISTANCE PROGRAMME

UNLIMITED ACCESS FOR AN EMPLOYEE  
AND THEIR FAMILY TO:

- 24/7 Freephone Mental wellbeing support
- Up to 6 Sessions of face to face Counselling
- Video/telephone counselling option
- Support across finance, legal, mediation, parenting coaching, life coaching and more

€500 p.a. for up to 30 employees, for each subsequent employee €9 per employee p.a.

[LEARN MORE >](#)

# ISME MEMBERS ON REOPENING



Trade Shows have been at a standstill in Ireland since March 2020. This has been devastating for up to 15,000 SMES in Ireland who rely on trade shows to sell their products.

These are not mass events or large attendance entertainment gatherings. The brushstrokes currently being applied by Government to events, are currently too broad.

It is vital that trade shows can resume this autumn, and they should be aligned with the country's retail re-opening.

There is little difference between a person visiting a large department store to buy something and a retail buyer attending a large exhibition hall like the RDS to buy something at a trade fair.

With the vaccine roll out now gathering some momentum, I am hopeful that we can re-tart our business this autumn and assist thousands of SMEs to get back to work in the process.

John Hick, CEO, EventPro



Ireland may be years behind the likes of Sweden and China in a push for a cashless economy, but we still have to embrace the global shift towards doing business online.

The pandemic has accelerated the rise of eCommerce, so small businesses can only survive through digital innovation, from click & collect to investing in a new website or social media.

The Government's Online Retail Scheme has been a lifeline, but it should be a springboard to a national level-up rather than a temporary emergency measure. From independent businesses to State agencies, we have to be ready for a digital future.

Jimmy Walsh, Client Services Manager,  
Matrix Internet

# LEARNING & DEVELOPMENT



BOOK ONTO  
A COURSE  
THIS APRIL  
AND BRING  
A COLLEAGUE  
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**This April when you book a course you can bring a colleague for free!**

How to avail of this offer:

- #1 Simply book and pay for the course
- #2 email [skillnet@isme.ie](mailto:skillnet@isme.ie) with the name of your colleague for their free pass

Below you will find a selection of our upcoming courses that this offer applies to.

**ISME Bitesize HR Series | 11th, 12th, 14th May**

[More info here](#)

**Master Your Pitch- 3-Part Mini Series |  
25th, 26th and 28th May**

[More info here](#)

**Unlock the Potential of Microsoft Teams Free | Webinar  
May 13th**

[More info here](#)

**Your Excel Journey: 4-Part Mini-Series- 30th June and 2nd  
July**

[More info here](#)



# LEARNING & DEVELOPMENT

## Introductory Certificate in Bookkeeping using Big Red Cloud

ISME Skillnet are delighted to be prompting this practical, certified course gives you a strong foundation in Bookkeeping Principles. The course uses practical worked examples and real-to-life case studies. You will also be introduced to VAT and RCT as well the key skill of Cash Budgeting. Ensuring that your business is as economical as possible we look at deductible expenses, including capital allowances, and payments that can be used to make employee payments most tax efficient. This course does not assume any previous bookkeeping knowledge. Basic maths and business English will enhance your journey through the course.

The full cost of this programme through the Bookkeeping Academy of Ireland is €349, but we are subsidizing this by 40% for ISME Members and 30% for Non-Members. That brings the cost to €210 for ISME members, €245 non-members.

We suggest that you approach the course over 6 to 8 weeks. However, you may progress through the course at your own speed. We would suggest between 20 and 30 hours over the course of the 6 to 8 weeks, although this will vary from one individual to the next.

There are **12 hours of tutor to camera recordings** based specifically on the course material as well as links to other recordings which may be of interest to you but are not a core part of the course..

### What will you learn about?

1. Basic Principles of Bookkeeping
2. Dealing with VAT
3. Business Documentation and Dealing with Discount
4. Relevant Contracts Tax
5. Cash Budgeting
6. Deductible Expenses and Tax-Free Payments to Employees
7. Depreciation and Capital Allowances
8. Misc tax and business topics and queries from participants.

### You will be provided with the following resources:

1. Guide to Effective Online Learning
2. Bookkeeping Workbook with up to date legislation, VAT and worked examples.
3. Tutor to camera recorded examples of computerised accounts.
4. Case studies using true to life scenarios for participants to practice.
5. Business resource section including business guides and useful information
6. Forum with replies and solutions to frequently asked questions.

Book you place today: [here](#)







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ISME Skillnet is co-funded by Skillnet Ireland and network companies. Skillnet Ireland is funded from the National Training Fund through the Department of Further and Higher Education, Research, Innovation and Science.



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Taighde, Nuálaíochta agus Eolaíochta  
Department of Further and Higher Education,  
Research, Innovation and Science

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IRELAND

**May****Dividend Withholding Tax**

14th Due date for payment and filing of returns of withholding tax on dividends paid by companies in April 2021.

**PAYE/PRSI/USC/LPT**

23rd Payment of PAYE/PRSI/USC/LPT deductions for April 2021 (ROS filers).

**VAT**

23rd Payment of March/April 2021 VAT liability and filing of related VAT return.

**Corporation Tax**

23rd Company year end 30th June 2021: Preliminary tax due, minimum 90% of total liability for the year. Small companies can pay 100% of previous year's liability.

23rd Company year end 31st August 2020: Payment of balance of corporation tax and filing of corporation tax return.

31st Company year end 30th November 2019: Close companies with undistributed profits may have to make a distribution by this date to avoid surcharge.

31st Company year end 31st August 2020: Filing of 'Return of third party information' (Form 46G).

**Company Secretarial**

31st Company year end 31st August 2020: Final date for holding Annual General Meeting.

Ireland's R&D tax credit system is a major benefit to both multinational companies and SMEs operating in Ireland. The R&D tax credit was first introduced in the Finance Act 2004 and offers a company undertaking R&D in Ireland a significant tax break, representing a potential 25% refund of costs incurred.

In essence, it means companies incurring qualifying R&D spend can potentially claim a refund of €25 for every €100 of expenditure on R&D. Profit making companies will see a direct reduction in their tax liability, while loss making companies can claim the credit in three instalments. Either way, it brings a cash benefit.

### The best way to demonstrate this is through the following case:

R & D Limited incurs €4 million of eligible R&D expenditure in the year ended 31<sup>st</sup> December 2020. This will result in an R&D tax credit of (€4 million x 25%) €1 million.

The R&D tax credit can be claimed in addition to the 12.5% corporation tax deduction for any qualifying expenditure. Therefore, the total tax benefit is 37.5% i.e. 12.5% standard corporation tax rate plus 25% R&D Tax credit.

### **How can the R&D credit be used?**

Firstly, it can be used to offset the company's current year corporation tax liability. Where the credit exceeds the corporation tax liability for the year, the excess can be carried forward indefinitely to offset against future corporation tax liabilities.

Alternatively, the company can make a claim for the excess to be carried back for offset against the preceding period's corporation tax liability. Broadly, the only restriction in obtaining a cash refund is that the R&D credit refund cannot exceed the PAYE/PRSI remitted by the company to Revenue in the last two years or the corporation tax liability for the prior ten years if higher.

It can alternatively be used as a key employee reward mechanism to remunerate R&D staff effectively tax free subject to certain conditions. The effective income tax rate for such key employees may be reduced to a minimum of 23%, provided certain conditions are met by the company and the individual.

These employees have to perform 50% of their activities on specific R&D. They cannot be directors of the company nor have a material interest (being 5%) in the company. All R&D tax credit claims must be submitted no later than 12 months after the end of the accounting period in which the expenditure was incurred.

### **What is qualifying R&D activity?**

In order to qualify for the R&D tax credit the activities undertaken by the company must meet the criteria set out under Irish tax legislation.

The R&D activity must be:

- Systematic, investigative or experimental activity.
- In a field of science or technology.
- Either basic research, applied research or experimental development.
- Involving the resolution of a scientific or technological uncertainty and seek to achieve a scientific or technological advancement.

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