

Financial Guideline 2018/2019 - 22

Voluntary Secondary Schools and Community & Comprehensive Schools

VAT Compensation Scheme – Update January 2019

To reduce the VAT burden on charities and to partially compensate for VAT paid in the day to day running a charity, a VAT Compensation Scheme for charities has been introduced.

The scheme applies to VAT paid on expenditure on or after 1 January 2018 and will be paid one year in arrears. In 2019, therefore, charities may be able to reclaim some element of the VAT paid in 2018. VAT paid in or prior to 2017 cannot be claimed.

Qualification Criteria

To qualify for this scheme, a school must at the date of claim and at the time that the qualifying expenditure was incurred:

- be registered with Revenue and hold a charitable tax exemption (CHY) number
- be registered with the Charities Regulatory Authority (CRA).

The following **may be** requested to support a claim and so should be available at Revenue's request:

- supporting documentation detailing VAT incurred and paid e.g. invoices, receipts etc.
- documentary evidence, or otherwise to establish to the satisfaction of Revenue that the goods and services in respect of which the qualifying expenditure was paid, were applied by the school only to its charitable purpose
- letter from CRA confirming registration (RCN)
- the most recent set of audited accounts. These accounts must be for the financial year of the school and the year end of the financial year must be the year to which the claim relates or the year in which the claim is being made
- records that form the basis for the claim must be retained by the claimant for 6 years.

Further information is included in Appendix A. Claims may relate to one calendar year only and can be submitted up to **30th June** of the year following the calendar year to which the claim relates.

Income and expenditure

It is important to note that any reference to income received or expenditure paid is to actual monies received and paid out in the calendar year to which the claim relates. The scheme operates on a **cash basis**.

The amount must be calculated subject to the expenditure being "qualifying expenditure" and based on the proportion of privately funded income to publicly funded income, which is known as "qualifying income".

Qualifying income

The proportion of a school's income that is privately funded is known as "qualifying income". This excludes publicly funded income.

To calculate qualifying income, a school should deduct from its total income for the year to which the claim relates, all or any of the following, if applicable:

- **educational fees received** by a school,
- income from shops, restaurants and retail outlets,
- refunds or reliefs received under any other scheme or legislation administered by the Revenue Commissioners, (e.g. Tax refunds received from the Charitable Donations Scheme)
- funding, refunds, and reliefs received directly or indirectly from:
 - ❖ the State, a public body, State bodies, bodies established by statute or bodies which received that funding directly or indirectly from the State, (e.g. School Meals Programme)
 - ❖ the European Union or European Union bodies or from bodies which received that funding directly or indirectly from the European Union, (e.g. Foreign Language Teacher grant)
 - ❖ the public funding of any Member State of the European Union, or from a body which received that funding directly or indirectly from the public funding of a Member State of the European Union, or
 - ❖ another qualifying charity (e.g. Trustees, Patrons, Diocese)

Qualifying expenditure

Expenditure in respect of which a VAT refund may be sought under this scheme is described as "qualifying expenditure". This expenditure must have been for goods or services which were used by the school only for its charitable purpose.

Eligible Tax

The claim amount is referred to as "eligible tax" in the legislation and is the amount which a school may claim under the scheme i.e. the amount which is eligible to be claimed based on the level of non-public funding received. It is determined by a formula set out in legislation as follows:

$$\text{"qualifying tax"} \times (\text{"qualifying income"} / \text{"total income"})$$

It is important to note that the minimum claim which may be submitted is €500, so claims less than this will not be accepted. The total annual amount available to be paid out under the scheme is capped at €5 million, so the amount which may be paid to a school depends on the total value of claims from all eligible applicants. Consequently, Revenue may pay individual charities less than the amount that they claimed.

How to submit a claim

The following **will be** required to submit a claim:

- tax registration number granted by Revenue
- written declaration from Principal of the school as to the validity of a claim. This should be completed on the school's headed paper.
- bank details.

It should be noted that a school must hold a current Tax Clearance Certificate when making a claim and at the time of payment of an approved claim.

Claims for VAT compensation must be submitted through Revenue's Online System (ROS) with

repayments being made through Revenue's e-Repayments system.

A detailed guide on submitting a claim on ROS is included in Appendix B.

The following apply:

- claims and any supporting documentation must be submitted in the format required, and in accordance with the deadlines specified by Revenue
- claims can be submitted between January 1st and June 30th in the year following the year to which the claim relates
- claims can be submitted annually for one calendar year only and should relate to VAT paid in the previous year only
- claims may be amended up to 30th June of the year of claim submission but not afterwards
- the minimum amount that can be claimed is €500 and the minimum repayment, in line with existing VAT legislation, is €5
- claimants must declare and certify that all information they provide for the purposes of the claim is correct.

Payment

The pay-out calculation will take place just once annually and due to various factors involved in the repayment process, it will not be possible to recalculate the payments or accept late applications.

- where the total amount of claims in each year exceeds the capped amount, any refunds due will be paid to charities on a pro rata basis
- Revenue is not obliged to refund the full amount, or any amount claimed
- any refunds due to charities will be paid through Revenue's e-Repayments system
- it is expected that payment will be made no later than November of the year of submission of the claim
- claimants will receive a message in their ROS Inbox providing details of any payment due
- payments will be made by Electronic Fund Transfer unless an error in the bank details provided causes the payment to reject. In this case a cheque will issue.

It should be noted that where a school submits a claim under the scheme, the Principal who makes the claim on behalf of the school is responsible, along with the school, for complying with the conditions of the scheme.

Revenue may seek a refund of an amount paid over or can deduct it from any future payments due to the school from Revenue if it finds that:

- the school failed to comply with the conditions of the scheme or
- was not entitled to all or any part of the refund.

Information on the [Charities VAT Compensation Scheme](#) is available on the Revenue Commissioners' website.

Further information or clarification on any of the issues raised in this Guideline can be obtained from the FSSU.

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15th January 2019

Appendix A

Charities wishing to submit a claim must meet the criteria already described above and meet the additional conditions below. They must:

- hold a current Tax Clearance Certificate
- retain VAT records that form the basis for the claim e.g. invoices, receipts etc. for 6 years and may be sought by Revenue at any time
- have evidence that the goods and services on which they are claiming VAT were applied to their charitable purpose
- satisfy Revenue that the VAT for which they are seeking a refund was paid in the year to which the claim relates
- have evidence that the income on which their calculation is based was received by the school in the year to which the claim relates
- have complied with all the obligations of the VAT Consolidation Act 2010, the Taxes Consolidation Act 1997, the Stamp Duties Consolidation Act 1999 and secondary legislation made under these Acts
- provide, if requested by Revenue to do so, their most recent set of audited accounts. These accounts must be for the school's financial year and the year end of the financial year must be the year to which the claim relates or the year in which the claim is being made
- show, if requested by Revenue to do so, that they were not entitled to a deduction or refund of the tax being claimed under any legislation administered by Revenue.

Appendix B

Guide to submitting a claim on ROS:

- log into ROS at www.ros.ie
- input password and Login
- on My Services Tab Scroll to bottom of page
- select Under Other Services / eRepayment claims
- to file a new claim select Make a claim
- to amending an existing claim select manage a claim
- select VAT-Value Added Tax and Continue
- select a claim type; Charities VAT Compensation Scheme and Continue
- review details in Overview to ensure all information is to hand to proceed with claim and Continue
- select Claim details, complete all fields and Continue
- attach required supporting documentation and Continue
- select Bank Details, Input bank details for refund and Continue
- select Summary and Review details. There is an option to edit or attach here if necessary
- select the declaration and Submit
- enter password and select Sign and Submit a notice number will issue if file uploaded successfully.

Treoirlíne Airgeadais 2018/2019 - 22

Meánscoileanna Deonacha agus Pobalscoileanna agus Scoileanna Cuimsitheacha

Scéim Cúitimh um CBL

Chun an t-ualach CBL ar charthanais a laghdú agus chun cúiteamh i bpáirt a thabhairt i leith CBL a íoctar i reáchtáil laethúil carthanais, tugadh isteach Scéim Cúitimh um CBL do charthanais.

Tá feidhm ag an scéim i leith CBL a íoctar ar chaiteachas ar 1 Eanáir 2018 nó dá éis agus íocfar aisti bliain amháin i riaráiste. In 2019, mar sin, beidh carthanais in ann cuid áirithe den CBL a íocadh in 2018 a aiséileamh. Ní fhéadtar aiséileamh a dhéanamh i leith CBL a íocadh in 2017 nó roimhe sin.

Critéir Cháilitheachta

Chun cáiliú don scéim seo, ní mór do scoil, ar dháta an éilimh agus ag an am a tabhaíodh an caiteachas cáilitheach, an méid seo a leanas a chomhlíonadh:

- a bheith cláraithe leis na Coimisinéirí Ioncaim agus uimhir díolúine cánach do charthanais (CHY) a bheith aici
- a bheith cláraithe leis an Údarás Rialála Carthanais (ÚRC).

Féadfaidh sé go n-iarrfar an méid seo a leanas chun bheith mar thacaíocht d'éileamh, agus mar sin ba chóir é a bheith ar fáil ar iarratas ó na Coimisinéirí Ioncaim:

- doiciméid tacaíochta ina sonraítear an CBL a tabhaíodh agus a íocadh, mar shampla sonraisc, admhálacha srl.
- fianaise dhoiciméadach nó eile le deimhniú chun sástacht na gCoimisinéirí Ioncaim gur fheidhmigh an scoil na hearraí agus seirbhísí ar íocadh an caiteachas cáilitheach ina leith go díreach chun críche carthanúla na scoile
- litir ón ÚRC ina ndeimhnítear clárúchán (RCN)
- an tsraith is déanaí cuntas iniúchta. Ní mór gur le haghaidh bhliain airgeadais na scoile iad na cuntais seo agus ní mór gurb é deireadh bliana na bliana airgeadais an bhliain lena mbaineann an t-éileamh nó an bhliain ina ndearnadh an t-éileamh
- ní mór don éilitheoir na taifid atá mar bhonn don éileamh a choinneáil ar feadh 6 bliana.

Tá tuilleadh eolais in Aguisín A

Féadann baint a bheith ag éilimh le bliain féilire amháin agus féadtar iad a thíolacadh suas le **30 Meitheamh** na bliana tar éis na bliana féilire lena mbaineann an t-éileamh.

Ioncam agus caiteachas

Tá sé tábhachtach a thabhairt do d'aire, i ndáil le haon tagairt d'ioncam a fuarthas nó do

chaiteachas a íocadh, gur tagairtí d'airgead iarbhír a fuarthas agus a íocadh atá iontu sa bhliain féilire lena mbaineann an t-éileamh. Feidhmíonn an scéim ar **bhonn airgid thirim**.

Ní mór an tsuim a ríomh faoi réir an caiteachas a bheith ina “chaiteachas cáilitheach” agus a bheith bunaithe ar sciar an ioncaim a cistíodh go príobháideach i gcomparáid le hioncam a cistíodh go poiblí, rud ar a dtugtar “ioncam cáilitheach”.

Ioncam cáilitheach

Tugtar “ioncam cáilitheach” ar an sciar sin d'ioncam scoile a mhaoinítear ó fhoinsí príobháideacha. Cuireann sé seo ioncam a mhaoinítear go poiblí as an áireamh.

Chun ioncam cáilitheach a ríomh, ba chóir do scoileanna an méid seo a leanas, nó cuid de, más cuí, a bhaint óna n-ioncam iomlán don bhliain lena mbaineann an t-éileamh:

- **táillí oideachais a fhaigheann** scoileanna,
- ioncam ó shiopaí, bialanna agus ionaid miondíola,
- aisíocaíochtaí nó faoisimh a fhaightear faoin aon scéim eile nó reachtaíocht arna riar ag na Coimisinéirí Ioncaim, (mar shampla aisíocaíochtaí cánach a fhaightear ón Scéim Tabhartas Carthanúil)
- maoiniú, aisíocaíochtaí, agus faoisimh a fhaightear go díreach nó go hindíreach ón méid seo:
 - ❖ an Stát, comhlacht poiblí, comhlachtaí Stáit, comhlachtaí arna mbunú ag reacht nó comhlachtaí a fuair an maoiniú sin go díreach nó go hindíreach ón Stát, (mar shampla Clár na mBéilí Scoile)
 - ❖ an tAontas Eorpach nó comhlachtaí de chuid an Aontais Eorpaigh nó ó chomhlachtaí a fhaigheann maoiniú go díreach nó go hindíreach ón Aontas Eorpach, (mar shampla an deontas do Mhúinteoirí Teangacha lasachta)
 - ❖ an maoiniú poiblí ó aon Bhallstát de chuid an Aontais Eorpaigh, nó ó chomhlacht a fuair an maoiniú sin go díreach nó go hindíreach ón maoiniú poiblí de Bhallstát den Aontas Eorpach, nó
 - ❖ carthanas cáilitheach eile (mar shampla Iontaobhais, Pátrúin, Deoise)

Caiteachas cáilitheach

Is mar “chaiteachas cáilitheach” a dhéantar cur síos ar chaiteachas a bhféadtar aisíocaíocht CBL a iarraidh ina leith faoin scéim seo. Ní mór an caiteachas seo a bheith déanta le haghaidh earraí nó seirbhísí a d'úsáid an scoil chun a críche carthanúla amháin.

Cáin Incháilithe

Is mar “cháin incháilithe” a thagraítear do shuim an éilimh sa reachtaíocht, is éard atá ann ná an tsuim a fhéadann scoil a éileamh faoin scéim, is é sin an tsuim atá incháilithe le héileamh, bunaithe ar leibhéal an mhaoinithe neamhphoiblí a fhaightear. Socraítear é de bhun foirmle a leagtar amach sa reachtaíocht mar seo a leanas:

“cáin incháilithe” X (“ioncam cáilitheach”/“ioncam iomlán”)

Tá sé tábhachtach a thabhairt do d'aire gurb é €500 an t-éileamh íosta a fhéadtar a thíolacadh, mar sin ní ghlacfar le héilimh níos lú ná seo. Tá uasteorainn €5 milliún ar an tsuim iomlán bhliantúil atá ar fáil le híoc amach faoin scéim, mar sin is ar luach iomlán na n-éileamh ó na rannpháirtithe uile a bhraitheann an tsuim a fhéadtar a íoc le scoil. Dá thoradh sin, féadfaidh sé go n-íocfaidh na Coimisinéirí Ioncaim suim a íoc le charthanas aonair atá níos lú ná an tsuim a thíolaic siad.

Cén chaoi le héileamh a thíolacadh

Teastóidh an méid seo a leanas chun éileamh a thíolacadh:

- uimhir cláraithe cánach tugtha ag na Coimisinéirí loncaim
- dearbhú i scríbhinn ó Phríomhoide na scoile maidir le bailíocht éilimh. Ba chóir é seo a chomhlánú ar pháipéar ceanteidil na scoile.
- sonraí bainc.

Ba chóir a thabhairt do d'aire nach mó do scoil Deimhniú Imréitigh Cánach reatha a bheith aici nuair atá éileamh á dhéanamh ag an tráth a íoctar éileamh ceadaithe.

Ní mór éilimh ar chúiteamh CBL a thíolacadh trí Sheirbhís ar Líne na gCoimisinéirí loncaim (ROS) agus déantar aisíocaíochtaí tríd an gcóras ríomh-Aisíocaíochtaí de chuid na gCoimisinéirí loncaim.

Tá treoir mhionsonraithe ar éileamh a thíolacadh ar ROS ar fáil in Aguisín B

Tá feidhm ag an méid seo a leanas:

- ní mór éilimh agus gach doiciméad tacaíochta a thíolacadh san fhormaid a iarrtar, agus de réir na spriocdhátaí a shonraíonn na Coimisinéirí loncaim
- féadtar éilimh a thíolacadh idir 1 Eanáir agus 30 Meitheamh sa bhliain tar éis na bliana lena mbaineann an t-éileamh
- ní fhéadtar éilimh a thíolacadh go bliantúil ach amháin le haghaidh bliain féilire amháin, agus ba chóir go mbainfeadh sé le CBL a íocadh sa bhliain roimhe amháin
- féadtar éilimh a leasú suas le 30 Meitheamh de bhliain an tíolactha éilimh, ach ní fhéadtar iad a leasú ina dhiaidh sin
- an tsuim íosta a fhéadtar a éileamh ná €500 agus an aisíocaíocht íosta de réir na reachtaíochta reatha CBL ná €5
- ní mór d'éilitheoirí dearbhú agus deimhniú a thabhairt go bhfuil an fhaisnéis uile a chuireann siad ar fáil chun críocha an éilimh seo cruinn.

Íocaíocht

Déanfar ríomh na híocaíochta uair sa bhliain amháin, agus mar gheall ar thosca éagsúla sa phróiseas aisíocaíochta, ní bheidh sé indéanta na híocaíochtaí a athríomh ná glacadh le hiarratais dhéanacha.

- sa chás go sáraíonn suim iomlán na n-éileamh i ngach bliain an tsuim uasta, is ar bhonn rata a dhéanfar gach aisíocaíocht dlhite a íoc le carthanais
- Níl dualgas ar na Coimisinéirí loncaim an tsuim iomlán a aisíoc, ná aon suim a éilítear
- is trí chóras ríomh-Aisíocaíochtaí na gCoimisinéirí loncaim a íocfar gach aisíocaíocht dlhite le carthanais
- táthar ag súil go ndéanfar an íocaíocht tráth nach déanaí ná Samhain na bliana a dhéantar an t-éileamh a thíolacadh
- gheobhaidh éilitheoirí teachtaireacht ina mBosca Isteach ROS ina dtugtar sonraí faoin gach íocaíocht atá dlite
- is trí Ríomhaistriú Airgid a dhéanfar íocaíochtaí, ach amháin má dhiúltaítear an íocaíocht mar gheall ar earráid sna sonraí bainc a chuirtear ar fáil. Sa chás seo, eiseofar seic.

Ba chóir a thabhairt do d'aire sa chás go dtíolacann scoil éileamh faoin scéim, is é an Príomhoide a dhéanann an t-éileamh thar ceann na scoile atá freagrach, in éineacht leis an scoil, as cloí le coinníollacha na scéime.

Féadann na Coimisinéirí loncaim aisíocaíocht suime a íoctar a lorg, nó féadann siad í a asbhaint ó aon íocaíochtaí dlhite don scoil amach anseo ó na Coimisinéirí loncaim má chinneann sé an méid seo:

- gur loic an scoil cloí le coinníollacha na scéime nó
- nach raibh an scoil i dteideal an aisíocaíocht uile a fháil, nó cuid di.

Tá eolas ar an [Scéim Cúitimh CBL do Charthanais](#) ar fáil ar suíomh idirlín na gCoimisinéirí loncaim.

Féadtar tuilleadh eolais nó soiléiriú a fháil ar aon cheann de na saincheisteanna sa Treoir seo ach dul i dteagmháil leis an FSSU.

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An 15 Eanáir 2019

Aguisín A

Ní mór do charthanais ar mian leo éileamh a thíolacadh na critéir a bhfuil cur síos orthu thuas a chomhlíonadh agus na coinníollacha breise thíos a chomhlíonadh. Ní mór dóibh an méid seo a leanas a chomhlíonadh:

- Deimhniú Imréitigh Cánach reatha a bheith acu
- taifid CBL a choinneáil atá mar bhonn don éileamh, mar shampla sonraisc, admhálacha srl, ar feadh 6 bliana agus féadann na Coimisinéirí loncaim iad a iarraidh ag am ar bith
- fianaise a bheith acu gur feidhmíodh chun críche carthanúla na scoile na hearraí agus na seirbhísí a bhfuil siad ag éileamh CBL ina leith
- na Coimisinéirí loncaim a shásamh gur sa bhliain lena mbaineann an t-éileamh a íocadh an CBL a bhfuil siad ag éileamh aisíocaíocht ina leith
- fianaise a bheith acu gur sa bhliain lena mbaineann an t-éileamh a fuair an scoil an t-ioncam ar a bhfuil a ríomh bunaithe
- gur chomhlíon siad na dualgais uile faoin Acht Comhdhlúite CBL, 2010 agus faoin Acht Comhdhlúite Cánacha, 1997, faoin Acht Comhdhlúite Dleachtanna Stampála, 1999 agus faoin reachtaíocht thánaisteach a dhéantar faoi na hAchtanna seo
- an tsraith is déanaí cuntas iniúchta dá gcuid a chur ar fáil má iarrann na Coimisinéirí loncaim an méid sin. Ní mór gur le haghaidh bhliain airgeadais na scoile iad na cuntais seo agus ní mór gurb é deireadh bliana na bliana airgeadais an bhliain lena mbaineann an t-éileamh nó an bhliain ina ndearnadh an t-éileamh
- léiriú, má iarrann na Coimisinéirí loncaim an méid sin, nach raibh siad i dteideal asbhaint nó aisíocaíocht den cháin a bhfuiltear ag éileamh faoi aon reachtaíocht arna riar ag na Coimisinéirí loncaim.

Aguisín B

Treoir maidir le héileamh a thíolacadh ar ROSlogáil isteach ar ROS ar www.ros.ie

- cuir isteach an pasfhocal agus logáil isteach
- ar an gcluaisín Mo Sheirbhísí, scrolláil go bun an leathanaigh
- roghnaigh Seirbhísí Eile / Éilimh ríomh-Aisíocaíochta
- chun éileamh nua a thíolacadh, roghnaigh Éiligh
- chun éileamh reatha a leasú, roghnaigh Bainistigh éileamh
- roghnaigh CBL-Cáin Bhreisluacha agus Lean ar aghaidh
- roghnaigh cineál an éilimh; Scéim Cúitimh um CBL agus Lean ar aghaidh
- athbhreithnigh na sonraí in Léargas ginearálta le cinntiú go bhfuil an t-eolas uile faoi réir chun leanúint ar aghaidh leis an éileamh agus Lean ar aghaidh
- roghnaigh Sonraí an éilimh, comhlánaigh na réimsí uile agus Lean ar aghaidh
- ceangail na doiciméid tacaíochta iarrtha agus Lean ar aghaidh

- roghnaigh Sonraí Baint, cuir isteach na sonraí baint agus Lean ar aghaidh
- roghnaigh Achoimre agus déan athbhreithniú ar na sonraí. Tá rogha ar fáil anseo chun é a chur in eagar nó ceangaltán a chur leis más gá
- roghnaigh an dearbhú agus brúigh Tíolaic
- cuir isteach pasfhocal agus roghnaigh Síniú agus Tíolaic. Eiseofar uimhir fógra má uaslódáladh an comhad gan deacrachtaí.