

Financial Guideline 2021/2022 - 24

Community & Comprehensive and Voluntary Secondary Schools

VAT Compensation Scheme for Charities

This guideline supersedes guideline 21-2020/2021-VAT Compensation Scheme for Charities.

The Government Budget 2018 introduced the Charities VAT Compensation Scheme. Under the scheme, schools as charities may be able to reclaim some element of their VAT costs arising in 2021 **based on the level of non-public funding they receive**. Schools must exclude income and expenditure from canteens and tuck shops.

The scheme operates on a cash basis. This is where,

- Income received means actual monies received in the calendar year to which the claim relates.
- Expenditure paid means actual monies paid out in the calendar year to which the claim relates.

COVID

For the purposes of the Charities VAT Compensation Scheme payments received under TWSS and EWSS are not treated as income. These payments should be excluded from VAT Compensation Scheme calculations in respect of both total income and qualifying income amounts.

Claim Criteria

Claims under the scheme for the year commencing 1st January 2021 will be made in 2022 and will be paid one year in arrears.

For example, where a school's total income for 2021 comprises 70% funding from the State and 30% is privately sourced income including fundraising, voluntary subscriptions and donations, the school may claim 30% of the VAT they have been charged for the year. The VAT claimed must be on expenditure that is for the benefit of the school directly. The claim must be submitted before the **30th June 2022**.

A capped fund of €5 million will be available for the entire scheme in 2022. The government announced in October 2021 (Budget 2022) that the scheme, including the amount provided in the fund, will be continued.

Where the total amount of claims in a given year exceeds the €5 million capped amount, charities will be paid on a pro rata basis, e.g. where the total value of claims by all charities in 2021 amounts to €10 million, each charity will receive 50% of their claim.

Qualifying schools must be:

- 1. registered with the Charities Regulator Authority (CRA) and**
- 2. be registered with Revenue and hold a charitable tax exemption (CHY) and**
- 3. have tax clearance status and**
- 4. able to provide a set of audited accounts for the year in which the claim is being submitted**
- 5. You must retain all books, records and documents relevant to your claim for a period of six years.**

For administrative purposes, claims valued below **€500** will not qualify.

Details on how to submit a claim to Revenue is available on the link below:

<https://www.revenue.ie/en/companies-and-charities/charities-and-sports-bodies/vat-compensation-scheme/vat-compensation-scheme-for-charities/index.aspx>

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

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14th February 2022

Treoirlíne Airgeadais 2021/2022 - 24

Pobalscoileanna, Scoileanna Cuimsitheacha agus Meánscoileanna Deonacha

An Scéim um Chúiteamh CBL le haghaidh Carthanas

Tá an treoirlíne seo ag teacht in ionad threoirlíne 21-2020/2021 – An Scéim um Chúiteamh CBL le haghaidh Carthanas.

Tugadh an Scéim um Chúiteamh CBL le haghaidh Carthanas isteach i gCáinainéis 2018. Faoin scéim sin, d'fhéadfadh sé go mbeadh scoileanna in ann, mar charthanais, cuid dá gcostais CBL in 2021 a éileamh ar ais **bunaithe ar leibhéal an mhaoinithe neamhphoiblí a fuair siad**. Ní mór do scoileanna ioncam agus caiteachas ó cheaintíní agus ó shiopaí sólaistí a chur as an áireamh.

Is ar bhonn airgead tirim a fheidhmíonn an scéim. Is é sin le rá,

- Is éard is brí le hioncam a fuarthas ná airgead iarbhír a fuarthas sa bhliain féilire a mbaineann an t-éileamh léi.
- Is éard is brí le caiteachas a íocadh ná airgead iarbhír a íocadh amach sa bhliain féilire a mbaineann an t-éileamh léi.

COVID

Chun críocha na Scéime um Chúiteamh CBL le haghaidh Carthanas, ní chaitear le híocaíochtaí a fhaightear faoi TWSS ná faoi EWSS mar ioncam. Ba cheart na híocaíochtaí seo a eisiamh ó ríomh an ioncaim iomláin agus na méideanna incháilithe ioncaim le haghaidh na Scéime.

Critéir Éilimh

Aon éilimh faoin scéim don bhliain dar tús an 1 Eanáir 2021, déanfar iad in 2022 agus íocfar iad i riaráiste aon bhliana amháin.

Mar shampla, i gcás gur tháinig 70% d'ioncam iomlán scoile don bhliain 2021 ó mhaoiniú ón Stát agus go raibh 30% de ina ioncam arna fháil go príobháideach, lena n-áirítear tiomsú airgid, tabhartais agus síntiúis dheonacha, d'fhéadfadh an scoil 30% den CBL a gearradh orthu sa bhliain a éileamh ar ais. Ní ceadmhach an CBL a éileamh ach amháin ar chaiteachas a bhí chun tairbhe na scoile go díreach. Is gá don éileamh a bheith curtha isteach tráth nach déanaí ná **an 30 Meitheamh 2022**.

Beidh ciste nach mó ná €5 milliún ar fáil le haghaidh na scéime ina hiomláine in 2022. D'fhógair an rialtas i mí Dheireadh Fómhair 2021 (Cáinainéis 2022) go leanfaí leis an scéim, lena n-áirítear an méid a chuirfí ar fáil sa chiste.

I gcás go bhfuil méid iomlán na n-éileamh i mbliain ar leith níos mó ná an uasteorainn €5 mhilliún, íocfar na carthanais ar bhonn pro rata. Is é sin le rá, i gcás gurbh é €10 milliún méid iomlán na n-éileamh ó na carthanais uile in 2021, go bhfaigheadh gach carthanas 50% dá éileamh.

Ní mór do scoileanna incháilithe:

- 1. a bheith cláraithe leis an Údarás Rialála Carthanais**
- 2. a bheith cláraithe leis na Coimisinéirí Ioncaim agus díolúine chánach do charthanais (CHY) a bheith acu**
- 3. imréiteach cánach a bheith acu, agus**
- 4. a bheith in ann cuntais iniúchta a sholáthar i leith na bliana a bhfuil an t-éileamh á chur isteach ina leith.**
- 5. Ní mór duit gach leabhar, taifead agus doiciméad a bhaineann le d'éileamh a choinneáil go ceann tréimhse sé bliana.**

Chun críocha riaracháin, diúltófar d'éilimh a bhfuil luach níos lú ná **€500** i gceist leo.

Tá sonraí le fáil ag an nasc thíos faoi cén chaoi éileamh a chur isteach chuig na Coimisinéirí Ioncaim:

<https://www.revenue.ie/ga/companies-and-charities/charities-and-sports-bodies/vat-compensation-scheme/vat-compensation-scheme-for-charities/index.aspx>

Is féidir tuilleadh eolais nó soiléiriú a fháil ar aon cheann de na saincheisteanna sa treoirlíne seo ach dul i dteagmháil le FSSU.

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An 14 Feabhra 2022