

Ministers Donohoe & Martin mark commencement of Stay and Spend Scheme

From [Department of Finance](#); [Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media](#)

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- Scheme comes into effect today, 1st October
- Accommodation and food business can continue to register with the Revenue Commissioners to participate
- €125 in income tax credits available to tax-payers who spend up to €625 in the hospitality sector from 1st October to 30 April 2021
- Citizens encouraged to avail of the scheme to support the hospitality sector in parts of the country at lower levels of the Government's plan for living with COVID-19
- Government will monitor the scheme and examine how it can be altered if needed

The Minister for Finance, Paschal Donohoe TD; and Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, Catherine Martin TD, have today (Thursday) welcomed the commencement of the Stay and Spend Scheme which is aimed at consumers to help drive sales in the hospitality sector which has been negatively impacted as a result of COVID19.

Tax-payers can, from today, upload their receipts for qualifying expenditure to the Revenue Receipts Tracker mobile app, to avail of the tax relief. The scheme will provide a maximum of €125 in income tax credits to tax-payers who spend up to €625 in restaurants, pubs, hotels, B&Bs and other qualifying businesses, from Autumn 2020 through to Spring 2021, including over the Christmas period.

Minister Donohoe said:

‘The hospitality sector has been badly hit as a result of the necessary public health restrictions put in place to suppress the spread of COVID19 in Ireland. The sector is vital to our economy and the Stay and Spend scheme will help support it in these difficult times’.

“When this scheme was designed it was our anticipation then, that our economy would be on the way to full reopening, and there would be full mobility across the country. We know now that's not the case with some parts of our country in Level 3 of the Government's plan for living with COVID-19 - Resilience and Recovery 2020-2021.”

This plan has been developed to allow us to live alongside COVID19 over the medium term. The higher levels of the framework are being used to deal with higher incidences of the disease and those regions and counties face more stringent restrictions in many parts of our society, including in the hospitality sector, to limit the spread of the disease. In parts of the country which are placed at lower levels of the framework, where there is low incidence of

the disease, with isolated outbreaks and low community transmission, the Stay & Spend scheme will help to encourage people to spend in the hospitality sector.

Minister Donohoe continued:

‘I will be monitoring the Scheme, to see how it’s working and if any changes need to be made. We need to keep policies that are working, and change ones that might not be working as planned, but at all times, ensuring they are affordable’.

“However, this scheme will run for a long period and I would also like say to Restaurants, hotels, pubs, B&Bs and other qualifying businesses that have not yet done so, that now is a good time to register to ensure that they are in a position to benefit from the scheme as circumstances allow. Registration is quick and simple through Revenue’s Online Service. Fáite Ireland is supporting participating businesses and will provide a starter kit and digital toolkit to help promote the scheme to their consumers.”

Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media Catherine Martin TD said:

“It is unfortunate that currently our tourism industry in Dublin and Donegal is hugely restricted, and businesses throughout the country are impacted by the restrictions on movement to and from Dublin. However if anything it reinforces the need to provide what supports we can to tourism businesses. In this context, the Stay and Spend initiative will assist businesses throughout what will be a challenging winter season. While people may be restricted in their ability to move around the country, the initiative can of course be used for expenditure locally in cafes and restaurants, and I would encourage people to avail of the scheme to support our tourism and hospitality sector.”

Ends

Note to editors:

Summary of Stay and Spend Scheme

At the level of individual taxpayer:

- relief on accommodation and food, including soft drinks, but not including alcohol
- in the case of food, consumption on the premises is required
- a minimum spend of €25 per person per time/ Maximum spend limit of €625 (VAT inclusive) over life of scheme
- refund of 20% of the vouched cost through income tax i.e. maximum tax credit of €125 per person. (For married couples who are jointly assessed, the maximum spend over the life of the scheme will €1,250)
- where an individual or jointly assessed tax-payer has insufficient income tax liability to fully benefit from the measure, they may still avail of the relief against their USC contributions

- operated through downloadable easy-to-use Revenue mobile phone app

At the level of the business:

- VAT registered provider with current tax clearance

Duration

- scheme will run from 1 October 2020 – 30 April 2021, including over the Christmas period. The expiry date may be altered by order made by the Minister for Finance

Purpose of the scheme

- The purpose of the scheme is to incentivise taxpayers to support registered/accredited providers of accommodation and/or food during the off-season, thus providing support to a particularly vulnerable sector.

Qualification criteria

Businesses: In order to qualify for participation in the scheme, businesses will need to:

- be registered for VAT
- have a current tax clearance certificate
- be accredited/registered with relevant official bodies as appropriate (Fáilte Ireland and the HSE Environmental Health Service)
- register with Revenue to participate
- display appropriate signage indicating participation in the scheme

Individual taxpayers: To benefit from the scheme, an individual will need to:

- register for the scheme by downloading the app and provide his/her name and PPS Number in the course of using the app
- have an income tax or USC liability against which the tax credit can be set

Operation of the scheme

An individual taxpayer must spend a minimum of €25 each time on qualifying expenditure (accommodation, food and non-alcoholic drinks) as verified by a receipt from the relevant establishment. The taxpayer will submit the receipt by taking a photograph of same using a mobile phone and submitting same to Revenue using the mobile app. The taxpayer may continue to submit receipts until the cap on expenditure of €625 is reached. Revenue will provide an income tax credit of up to €125 (€625 @20%) per taxpayer (up to €250 in the case of a married couple, jointly assessed) in end of year balancing statement. The taxpayer will get the benefit of the credit in the year after the expenditure is incurred.

