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30 March 2022

Mr. Paschal Donohoe, T.D.,
Minister for Finance,
Department of Finance,
Merrion Street,
Dublin 2.
Alex.Costello@finance.gov.ie

Dear Minister,

You introduced the Debt Warehousing Scheme in the Financial Provisions (Covid-19) (No 2) Act 2020 to provide a vital liquidity support to businesses suffering a downturn due to the Covid-19 pandemic. Businesses can temporarily 'park' certain tax debts on an interest free basis until the end of this year (or until 30 April 2023 for businesses impacted by the public health restrictions introduced in December 2021). At the end of February 2022, almost 100,000 businesses were availing of the scheme in respect of just over €3 billion in tax debts.

Revenue has completed a detailed analysis of the Debt Warehousing Scheme and I enclose a copy of the report for your information.

Our analysis shows that a total of 250,000 businesses were eligible to avail of the Debt Warehousing Scheme covering €30.9 billion of debt. Interestingly, of these:

- 59% paid all their taxes in the month it was due or, having initially availed of the Debt Warehousing Scheme, have since paid their tax debts in full
- 36% have part paid their warehoused debt and are continuing to avail of the scheme for the remainder of their debt of about €2.7 billion
- 5%, equating to less than 12,000 businesses, continue to avail of the scheme in respect of all their Covid-19 related tax debts of about €300 million.

The analysis shows that 90% of the total debt eligible to be warehoused has been paid. The report shows that €23.1 billion was paid in the month it was due, a further €4.9 billion was paid after the due month while the remaining €3 billion (10%) is currently warehoused. The report gives interesting sectoral and geographic analysis.

Finally, Revenue is in the process of contacting all businesses currently availing of the Scheme to confirm the amount of debt warehoused where all returns have been filed or to encourage the filing of any outstanding returns so that the debt can be quantified. The 21,000 businesses (mainly in the hospitality and indoor entertainment sectors) who were impacted by the public health restrictions introduced in December 2021 will also receive letters confirming their eligibility for the extension of the scheme until the end of April and explaining its implications.

I have sent a copy of the letters to your officials for information.

Yours sincerely,



Niall Cody,
Chairman.