

Government cash for startups through SURE tax refund – Minister Bruton, Minister Noonan

‘StartUp Refunds for Entrepreneurs’ allows entrepreneurs claim back from Government up to 41% of their investment in a new startup

SURE aimed at encouraging more people to start their own businesses and ultimately create jobs

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The Minister for Jobs, Enterprise and Innovation, Richard Bruton TD, and the Minister for Finance, Michael Noonan TD, today (Thursday) unveiled SURE – a generous tax refund aimed at encouraging more people to start up businesses.

The ‘StartUp Refunds for Entrepreneurs’ allows entrepreneurs obtain a refund from the Government of up to 41% of the capital they invest in starting up a business.

Ministers Bruton and Noonan also today unveiled a comprehensive marketing campaign aimed at increasing awareness of SURE among people considering starting their own businesses, as part of an overall drive aimed at supporting more startups and ultimately more job-creation. This campaign includes:

- A new website – sure.gov.ie
- An online calculator, aimed at making it easy for people considering starting their own businesses to calculate how much they can receive under the scheme. This calculator will be made available on a range of Govt and business-related websites, and will also have a “printout” function, allowing entrepreneurs to show it to banks and other potential investors
- An advertisement campaign using in particular local radio
- A simple, user-friendly one-page leaflet summarising the scheme, which will be made available in hundreds of locations around the country where entrepreneurs will be able to find it
- A new Revenue guide which explains the details of the scheme in a user friendly way

The SURE scheme operates as a refund of income tax paid by the person starting the business in the six years prior to the business being started. All income tax paid in those six years can be claimed as a refund under the scheme, subject to an overall limit of 41% of the total investment in the business.

SURE will be targeted particularly at encouraging people in PAYE employment, unemployed people and retired people to start their own business.

Launching the scheme today, Minister Bruton said:

“Two thirds of all new jobs across the economy are created by start-ups in their first five years of existence, and that is why we are putting in place a range of new measures specifically aimed at encouraging more people to start their own businesses. In Ireland we have great start-ups, we just don’t have enough of them. Through SURE, the Government is directly offering cash to people who are considering starting their own business, up to a value of 41% of their total investment. We are determined to ensure that as many people as possible are aware of this generous scheme so that more people start businesses and help create the jobs we need”.

Also launching the scheme today, Minister Noonan said:

“SURE is an excellent example of a Government initiative to provide a source of much needed funds to new businesses who often find it difficult to source seed capital. Officials have been working closely to simplify the scheme in order to make it easier to understand and communicate to interested entrepreneurs. Entrepreneurs who start their own business could receive a refund of tax previously paid of up to 41% of the capital invested in their new company. The scheme will also be marketed by the Local Enterprise Offices, who will be only too happy to assist any entrepreneurs with any queries they may have”.

For further information:

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NOTES FOR EDITORS

www.sure.gov.ie

1. Background

The SURE scheme is aimed at encouraging those who previously were in PAYE employment to start their own business. In simple terms, it provides a refund of previous income tax paid for entrepreneurs who invest in a new company.

The relaunched SURE scheme has the potential to become a more important source of finance for new businesses who often find it difficult to source seed capital.

A one page leaflet has been developed which briefly outlines the scheme and provides examples of the potential benefits. It also sets out the key terms and conditions and where potential entrepreneurs can go for additional information. The leaflet will be available in LEO offices, Revenue Commissioner offices and other locations where citizens/ potential entrepreneurs interact with the State (e.g. DSP offices, Citizen Information Offices, Employment Services Offices, Education and Training Boards, Community Enterprise Offices, etc.) It is also being circulated to industry grouping nationally (IBEC, chamber of commerce offices around the country, SFA, ISME, accountancy bodies)

A refund calculator has been developed which can be found at www.sure.gov.ie. Given the nature of the scheme, it can be challenging for a would-be entrepreneur to estimate the potential value of this relief to them. A simple online calculator will allow anyone, with the input of minimal data (mostly available on their P60 form), to estimate what refund they might receive should they meet the terms and conditions of the scheme. It will allow the potential entrepreneurs to create a printout outlining their potential refund, amount investment and other tax details and an overview of the calculations made. We will be encouraging other organisations (e.g. Enterprise Ireland, LEOs, Revenue Commissioners, relevant Government department websites, IBEC, ISME, Chambers Ireland, etc.) to place links to the calculator on their sites. The online calculator is also linked to the ‘Supporting SMEs Online Tool’.

A radio advertisement has been produced which will support awareness of SURE.