

GROWTH SHARES

A company may operate a growth share scheme to incentivise their employees and managers. Growth shares are a special class of ordinary shares that generally have a low or nil value until a certain target is reached by the business.

Conditions are specified by the employer when the shares are issued and may refer to:

- Company performance
- Individual performance
- Leaver provisions

An award of growth shares can be beneficial for:

- Employers as they can reward participants by providing for a hope equity for short to medium growth without diluting current equity.
- Employees as they own shares in the company and can participate in the company's growth.

From 2020 employers must report details of shares awarded on the Employers Share Awards return (Form ESA) for any year growth shares are awarded.

Details of growth shares forfeited must be reported under the relevant columns of the Forfeitable Shares section of the Form ESA in the return year when they are forfeited.

Form ESA 2020 was due to be filed by 31 August 2021. For subsequent years the reporting date of 31 March following the relevant tax year will apply. The return must be completed offline and then uploaded to Revenue Online Service (ROS).

TOP TIP

An individual may receive a gift up to the value of €3,000 from any person in a calendar year without having to pay Capital Acquisitions Tax (CAT). This means that an individual can gift €3,000 to another person in a calendar year without CAT implications. This can be an effective way of transferring wealth when executed correctly.

PAY AND FILE SUMMARY

The following is a summary of upcoming pay and file dates:

INCOME TAX

Filing date of 2021 return of income (self-assessed individuals)	31 October 2022
Pay preliminary income tax for 2021 (self-assessed individuals)	31 October 2021
On-Line pay and file date for 2021 return of income	TBC

CAPITAL GAINS TAX

Payment of Capital Gains Tax for the disposal of assets made from 01 January 2021 to 30 November 2021	15 December 2021
Payment of Capital Gains Tax for the disposal of assets Made from 01 December 2021 to 31 December 2021	31 January 2022

CORPORATION TAX

Filing date for Corporation Tax returns for accounting periods ending in March 2021	21 December 2021
Balancing payment of Corporation Tax for accounting periods ending in March 2021	21 December 2021

CENTRAL REGISTER OF BENEFICIAL OWNERSHIP OF TRUSTS (CRBOT)

The deadline for trustees to file beneficial ownership information on the Central Register of Beneficial Ownership of Trusts (CRBOT) for relevant trusts that were established on or before 23 April 2021 was 23 October 2021. Revenue recently confirmed that relevant trusts can continue to be registered after the deadline has passed. Revenue also confirmed that in some cases it can take up to two working days between the time a trust is registered and when the trust is listed on the Trust Register Functions page.

If you have a trust in place or you act as a trustee you should contact us today to discuss your compliance obligations.

