

27th March 2020



Practical advice update 27th March 2020

This is a quick summary of what has already been put in place by the Government to help business. Please get in touch with us if you need any further assistance.

Self Employed

- The Chancellor has finally announced details of the help for the self-employed. They will be paid up to £2,500. The grant will be paid in a single lump sum. It will not begin to arrive until the start of June at the earliest.
- To qualify, at least half of an individual's income need to have come from self-employment as registered on their 2018-19 tax return. Anyone who missed the filing deadline of 31st January 2020 will have four weeks from now to qualify.
- The scheme is open to those who earn under £50,000 per annum.
- Unlike the employee scheme, the self-employed can continue to work as they receive support.

We will provide further information as it become available.

Employers

- **Coronavirus Job Retention Scheme**

This is available to all UK employers with a PAYE scheme. It is only for those employees who otherwise would have been laid off due to Coronavirus. For those paid via the retention scheme they must not undertake any work. The Government will pay a grant (not a loan) to cover 80% of the employee's salary up to a cap of £2,500 per month.

The employees would be paid in the normal way and be subject to deductions of tax and national insurance. This information is reported in the normal way to HMRC by the RTI submissions.

The HMRC portal where the claim is made is not yet operational. We will provide further information when details have been released.

All Businesses

- **VAT deferral**

All UK businesses are eligible to defer their VAT payments. The deferral will apply from 20 March 2020 until 30 June 2020.

This is an automatic offer and no application is required.

If you pay by direct debit you should cancel it in sufficient time.

- **Time to pay**

All businesses and self-employed people in financial distress, and with outstanding tax liabilities may be eligible to receive support through HMRC's Time to Pay Service.

Small Business

- Grant funding will be available for small business and those who pay little or no business rates. Additional support will be available to those in the retail, hospitality, leisure sectors.

These grants will be administered by your local authority who will write to you in due course.

Coronavirus Business Interruption Loan Scheme

- Banks are beginning to accept online applications for interruption loans.

It is likely that the banks will need recent accounts and may need management accounts or projections. Please contact us if you need any assistance in preparing information to support any applications.

Statutory Sick Pay Rebate

- If you have had to pay sick pay to an employee who has been off work because of coronavirus, any business with less than 250 employees will be able to reclaim Statutory Sick Pay (SSP). Details on how this will operate has not yet been released. We will inform you when HMRC publish their guidance.