

## Claim a grant through the COVID-19 Self-employment Income Support Scheme

- ✓ Use this scheme if you're self-employed or a member of a partnership and have lost income due to coronavirus.
- ✓ This scheme will allow you to claim a taxable grant worth 80% of your trading profits
- ✓ up to a maximum of £2,500 per month for the next 3 months. This may be extended if needed.

### Who can apply

- You can apply if you're a self-employed individual or a member of a partnership
- Have submitted your Income Tax Self Assessment tax return for the tax year 2018-19
- Traded in the tax year 2019-20
- Are trading when you apply, or would be except for COVID-19
- Intend to continue to trade in the tax year 2020-21
- Have lost trading/partnership trading profits due to COVID-19

### Limits Applicable

- Your self-employed trading profits must also be less than £50,000
- More than half of your income must come from self-employment. This is determined by at least one of the following conditions being true:
  - Having trading profits/partnership trading profits in 2018-19 of less than £50,000 and these profits constitute more than half of your total taxable income
  - Having average trading profits in 2016-17, 2017-18, and 2018-19 of less than £50,000 and these profits constitute more than half of your average taxable income in the same period
  - If you started trading between 2016-19, HMRC will only use those years for which you filed a self-assessment tax return.

**\*\*\* If you have not submitted your Income Tax Self-Assessment tax return for the tax year 2018-19, you must do this by 23 April 2020 \*\*\***

### How much you'll get

You'll get a taxable grant which will be 80% of the average profits from the tax years, 2016 to 2017, 2017 to 2018 and 2018 to 2019

- To work out the average HMRC will add together the total **trading profit** for the 3 tax years then divide by 3, and use this to calculate a monthly amount.
- If you have traded for less than three years as self employed then HMRC will calculate this on the data they have available.
- It will be up to a maximum of £2,500 per month, for 3 months – although depending upon the lockdown this may be extended
- HMRC will pay the grant directly into your bank account, in one instalment.

## How to apply

- You cannot apply for this scheme yet.
- **HMRC will contact you** if you are eligible for the scheme and **invite you to apply online**.
- Individuals **do not need to contact HMRC now** and doing so will only delay work being undertaken to introduce the scheme.

### \*\*\* Important \*\*\*

**You will access this scheme only through [GOV.UK](https://www.gov.uk).**

**If someone texts, calls or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link or to give information such as your name, credit card or bank details, it is a scam.**

## After you've applied

- Once HMRC has received your claim and you are eligible for the grant, we will contact you to tell you how much you will get and the payment details.
- If you claim tax credits you'll need to include the grant in your claim as income.

## Other help available

As we have noted previously The government is also providing the following additional help for businesses and the self-employed. I have noted below direct links to government information

- ✓ [deferral of Self Assessment income tax payments due in July 2020 and VAT payments due from 20 March 2020 until 30 June 2020](#)
  - ✓ [grants for businesses that pay little or no business rates](#)
  - ✓ increased amounts of [Universal Credit](#)
  - ✓ [Business Interruption Loan Scheme](#)
- Each local authority also has a "hardship fund" set up in the interim period, which allows people to claim an emergency grant/loan from the council until this system is set up.
  - Half a billion £pounds has been provided to local authorities in Scotland and the UK to support people
  - Please search hardship fund on your local authority website

## Directors

- If you're a director of your own company and paid through PAYE you may be able to get support [using the Job Retention Scheme](#).
- This has changed since yesterday, prior to this Directors of businesses on PAYE couldn't use this due to not being able to Furlough
- However the government has introduced this change with immediate effect, but we are awaiting information about the portal for reclaiming – very much the same as PAYE & Furloughing system with employees.