

## Self-Employed Income Support Scheme

The scheme will benefit 95% of the people whose main source of income is from self-employment.

### What is being offered?

- A taxable payment from the government of 80% of average monthly trading profits for the self employed
- Capped at £2,500 per month
- Initially it will be paid for the 3 months starting 1 March 2020

### Who is eligible?

- Self employed trader or in a trading partnership
- Must have < £50k profits on average over the last 3 years (note : this is based on profits after expenses, not the gross income)
- Majority of taxable income must be from the trade
- Have lost trading profits due to COVID-19,
- Have filed a tax return for 2018-19.
- Late filers will have until a new 23 April 2020 deadline to bring their returns up to date and these late returns will be “risk assessed” by HMRC, no doubt to check for excessive income
- The claim is entirely based on the tax returns as filed
- Must have traded in 2019-20; be currently trading at the point of application (or would be except for COVID-19) and intend to continue to trade in the tax year 2020-21,

### How to claim?

- HMRC will work who how is eligible from their records and contact people
- This will be at least 4 weeks away as they need to design the systems
- The initial three-month grant will be paid directly to a nominated bank account in a single lump sum.
- There will be a form to complete
- Please be careful to check that any communication from HMRC is really from them and is not a scam
- The grants are expected to be paid out at the beginning of June.

### What other support is available?

- Universal Credits through the welfare system
- Business Continuity Loans
- The second tax payment on account for self-assessment, due on 31 July 2020, for 2019-20, is being deferred for all taxpayers, not just the self employed
- Deferral of VAT payments due between 20 March 2020 and 30 June 2020 until 31 March 2021. This effectively means an interest free loan from HMRC for one quarter’s VAT.

## How can we help?

- If you do not want to wait for HMRC to contact you with their calculations in a few weeks time, we can review your position now and let you know how much you could claim
- If you know someone who has late tax returns to file up to 5 April 2019, we will try to help in the four weeks available to bring their tax affairs up to date.