

Guidance is changing regularly. The latest version of this document can be found at thenumberninja.co.uk/covid-19

Government guidance relating to businesses, as well as more generally in terms of social distancing, etc. can be found at Coronavirus (COVID-19): UK government response - GOV.UK (<https://www.gov.uk/government/topical-events/coronavirus-covid-19-uk-government-response>).

Details on how some of these measures will be implemented are not yet available, with further guidance expected in the coming weeks and months.

NEW: Self Employed Income Scheme

- A new taxable grant of 80% of average monthly earnings (up to £2,500 per month) for 3 months.
- Based on the average of the last 3 years' self assessment returns (or up to 3, if 3 is not available).
- Only applies to those who have submitted a self assessment for the 2018/19 tax return. Late filers have a further 4 weeks in which to submit.
- Those who became self employed during 2019/20 are not eligible.
- HMRC will proactively contact those who are eligible and invite them to apply, and will start doing so after the 4 weeks grace period for late filers is over.
- Payments will be made no later than the beginning of June, and will be a lump sum cover the 3 months.
- Majority of your income must have come from self employment in order to qualify.
- Not yet clear whether this includes sole directors of limited companies.

Statutory Sick Pay (SSP)

Directors, or those with employees

- For sickness absence due to COVID-19 SSP will be payable from day 1, rather than day 4.
- The first 2 weeks of SSP will be refunded to employer's by the Government. The exact mechanism for this has not yet been announced, but is expected to follow in the coming months.
- This applies to directors, as well as any employees you have. So if you become ill as a result of COVID-19, or are unable to work because you are required to self-isolate, the company can pay you 2 weeks of SSP and reclaim this from the Government. Keep records of any absences.
- SSP is currently £94.25 per week.
- Isolation notes are now available from NHS 111 Online (<https://111.nhs.uk/covid-19>).

Sole traders

- You are unfortunately unable to receive SSP. You are, however, able to make a claim for Universal Credit or Employment and Support Allowance (ESA):
 - Universal Credit: should have the ability to access advance payments without needing to attend a job centre. Further information can be found at <https://www.gov.uk/universal-credit>
 - Minimum income floor has been suspended.
 - Now able to access Universal Credit at a rate equivalent to SSP for employees (£94.25 per week).
 - Standard allowance to rise over next 12 months by £1,000.
 - ESA: can now be claimed from day 1 rather than day 8. Further information can be found at <https://www.gov.uk/employment-support-allowance>

Coronavirus Job Retention Scheme

- Will cover up to 80% of wage costs (up to £2,500 per employee) for a period of 3 months or longer, if needed, for small businesses, charities, and non-profits. This will be in the form a grant and these are due to be available within weeks and can be backdated to 1st March. This is to be used as an alternative to laying off staff, with employees being retained and instead given a leave of absence.
- No requirement for employers to fund the remaining 20%.
- **COMMENT:** Not yet clear whether this can be used by directors. Furloughed staff are unable to carry out any work for the company, so further clarification is needed on how whether this is an option open to director-only businesses.
- **COMMENT:** Not yet clear how the wage costs will be calculated.

Coronavirus Business Interruption Loan Scheme

- Due to launch week commencing 23rd March.
- Intended to help small and medium businesses to access bank lending and overdrafts.
- Government will provide lenders with a guarantee of 80% on each loan.
- Loans will be interest free for the first 12 months (increased from the 6 months announced previously).
- The scheme is being operated by accredited financial providers, not the British Business Bank. List of providers can be found at <https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/accredited-lenders/>

Business Rates

- There will be a rates holiday for retail, hospitality and leisure businesses for the 2020/21 tax year.
- £25,000 grant available to retail, hospitality and leisure businesses who operate from small premises (rateable value between £15k-£50k).
- Those in receipt of small business rate relief or rural rate relief are eligible for a one-off grant of £10,000. Those eligible will be contacted by the relevant local authority.

HMRC's Time to Pay Helpline

- If you will have difficulty in paying any tax liabilities that you have, HMRC have launched a new helpline to talk you through your options, including creating payment plans where necessary.
- Call 0880 0159 559. Call volumes are high, but please do persevere.

Income Tax

- Payments on account for the tax year 2020/21, due 31st July 2020, can be deferred to January 2021.
- **CLARIFICATION:** You do not need to apply to defer payment.
- **CLARIFICATION:** No penalties or interest for late payment will be charged.

VAT

- VAT due between 20th March and 30th June can be deferred to the end of the financial year.
- **CLARIFICATION:** You do not need to apply to defer payment.
- **CLARIFICATION:** If you wish to defer your payment you should cancel your direct debit in plenty of time so that payment is not attempted.
- **CLARIFICATION:** VAT returns should be submitted as normal.