

Business Information Update

from Russells Accountants

Information For Self-Employed People Adversely Affected By COVID-19

The Chancellor, last night, announced a new Self-employment Income Support Scheme to support self-employed people who have been adversely affected by COVID-19.

Whilst this was a welcome addition to the packages already announced it is somewhat limited due to the complexity of the self-assessment system and the envisaged time-frame will be of little help to many traders.

Broadly the scheme criteria is as follows, but it should be noted these may change or be clarified in the coming days:

- Be self-employed or a member of partnership.
- Have lost trading/partnership trading profits due to COVID-19
- File a tax return for 2018-19 as self-employed or a member of a trading partnership. Those who have not yet filed for 2018-19 will have an additional 4 weeks from this announcement to do so.
- grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000.
- Have trading profits of less than £50,000 and more than half of your total income come from self-employment. This can be with reference to at least one of the following conditions:

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HMRC will use existing information to check potential eligibility and invite applications once the scheme is operational.

Those who pay themselves a salary and dividends through their own company are not covered by the scheme but will be covered for their salary by the Coronavirus Job Retention Scheme if they are operating PAYE schemes. Unfortunately there is no help beyond this for directors.

It is understood that further details will be announced by HMRC in due course.

All existing measures applicable to self-employed/partnerships, such as SBBR grants, business loans packages and universal credit claims will still be available.

More details can be found at: <https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

Other news

Scams

Unfortunately, we are aware of an increase in scam emails, calls and texts. If someone gets in touch claiming to be from HMRC, saying that financial help can be claimed or that a tax refund is owed, and asks you to click on a link or to give information such as your name, credit card or bank details, please do not respond.

SBBR Grant

If you are registered for business rates, but have exemption via small business rates relief there is a grant available of £10,000 as detailed in earlier emails.

Whilst this was to be non-application and local authorities were going to contact relevant businesses I have become aware there is an application process in place for Bedford Borough council (and perhaps other local authorities).

For Bedford this can be found at:

<https://www.bedford.gov.uk/social-care-health-and-community/public-health/coronavirus/coronavirus-business-advice/>