

NEW GOVERNMENT INCOME SUPPORT SCHEME FOR SELF-EMPLOYED WORKERS

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If you are self-employed, you may benefit from the announcement on the 26th March 2020, where the Chancellor Rishi Sunak, launched the latest relief measures in respect of those who are self-employed, or who earn the majority of their income through self-employment. The newly introduced self-employed income support scheme consists of the following measures:

- The Government will provide self-employed people who have been adversely affected by the coronavirus with a taxable cash grant worth 80% of their average monthly profits over the last three years, up to £2500 per month (providing parity with furloughed employees under the Coronavirus Job Retention Scheme).
- In the Q&A, the Chancellor advised that for those with less than three years accounts, the government will base the payment on the accounts that have been filed.
- The new self-employment scheme will apply to those who are already in self-employment and have a tax return for 2019.
- The scheme is open to anyone with trading profits of up to £50,000 per annum
- Self-employed people who are eligible can apply directly to HMRC for the grant, using a simple online form; HMRC will then pay the grant (one lump sum) straight into their bank account.

- The scheme will be open for at least three months and can be extended if necessary.
- It is available to those who make the majority of their income through self-employment
- HMRC are working on this urgently and access to the scheme will be no later than beginning of June. If someone is eligible, HMRC will contact them directly, all they have to do is fill out a simple online form then HMRC will pay the grant straight into their bank account.
- HMRC will allow anyone who missed the filing deadline for their tax returns in January, an extended deadline to submit their tax return four weeks from 26 March 2020.

The Government has made sure support is available now, so that self-employed people can access business interruption loans, in addition to self-assessment income tax payments, which are currently due in July, to be deferred for payment, if required, until the end of Jan 2021. They've also changed the welfare system so that self-employed people can access the universal credit scheme in full, and those who are self-employed with a non-working partner, and two children, living in the social rented sector, can receive welfare support of up to £1800 per month.

The chancellor has stated that the scheme will provide for 95% of the people who receive the majority of their income from self-employment, and that "the self-employed have not been forgotten"

For more information, please visit <https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>