

Support for the self-employed

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 and you:

- 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

Your self-employed trading profits must also be less than £50,000 and more than half of your income 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.

HMRC will use data on 2018-19 returns already submitted to identify those eligible and will risk assess any late returns filed before the 23 April 2020 deadline in the usual way.

How much you'll get

You'll get a taxable grant which will be 80% of the average profits from the tax years (where applicable):

- 2016 to 2017
- 2017 to 2018
- 2018 to 2019

To work out the average HMRC will add together the total trading profit for the 3 tax years (where applicable) then divide by 3 (where applicable), and use this to calculate a monthly amount.

It will be up to a maximum of £2,500 per month for 3 months. HMRC will pay the grant directly into your bank account, in one instalment.

How to apply

You cannot apply for this scheme yet. The Scheme will be up and running by 1st June at the latest.

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 the urgent work being undertaken to introduce the scheme.

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.

We will of course help you apply for this grant.

Other help you can get

The government is also providing the following additional help for the self-employed:

- deferral of Self Assessment income tax payments due in July 2020 until January 2021 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

What you can do now

1. Apply for universal credit through the job centre, today
2. Apply for SSP through the job centre, today.
3. Apply for a government backed loan for your business, so this should not be an issue if you have credit difficulties as you can see from our bulletins the government or guaranteeing the loan. Contact your bank about this today
4. Cancel any direct debits set up for HMRC E VAT through your bank.
5. Contact your landlord to see if rent due on your premises can be deferred for the time being.
6. Contact gas, electricity suppliers to see if you can postpone any immediate payments.

7. You still need to pay your employees and we will claim back the 80% under the job retention scheme.
8. If the employees are sick and have not been paid enough you only need to pay them SSP.
9. If you have a business premises with a rateable value you will receive a grant from your local authority which we understand will be coming out to you in early April.
10. If you have a home mortgage you can contact your mortgage company and arrange a 3 month payment holiday.
11. Cancel all non-essential personal direct debits eg sky sports etc.