

## **Claim a Grant through the Coronavirus Self Employment Income Support Scheme**

**Updated 14th April 2020**

This scheme can be used if you are self-employed or a member of a partnership in the UK and have lost income due to the coronavirus.

HMRC's online service to claim the grant is not yet available. HMRC will aim to contact eligible taxpayers by mid May 2020, and will make payments by early June 2020.

This scheme will allow you to claim a taxable grant worth 80% of your trading profits up to a maximum of £2,500 a month. It will be available for 3 months, but may be extended.

The grant will be subject to income tax and national insurance contributions, but does not need to be repaid.

You can make a claim for Universal Credit while you wait for the grant, but any grant received will be treated as part of your self-employment income and may affect the amount of Universal Credit you get. Any Universal Credit claims for earlier periods will not be affected.

If you receive the grant you can continue to work or take on other employment including voluntary work.

If you have other employment as a director or employee which is paid through PAYE your employer may be able to get support using the Job Retention Scheme.

## Who can claim

You can claim if you are a self-employed individual or a member of a partnership and you:

- have submitted your 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 coronavirus
- intend to continue to trade in the tax year 2020/21
- have lost trading profits due to coronavirus

You will need to confirm to HMRC that your business has been adversely affected by coronavirus. HMRC will as usual use a risk based approach to compliance.

Your trading profits must also be no more than £50,000 and more than half of your total income for either:

- the tax year 2018/19
- the average of the tax years 2016/17, 2017/18, and 2018/19



**If you have not submitted your Self Assessment tax return for the tax year 2018/19, you must do this by 23 April 2020 latest or you will not be able to claim.**

HMRC will use data on the 2018/19 tax returns to identify those eligible.

If you amend a submitted return after 26 March 2020 any changes will not be taken into account when working out your eligibility or amount of the grant.

## **How much you will get**

You will get a taxable grant based on your average trading profit over the 3 tax years:

- 2016/17
- 2017/18
- 2018/19

To work out the average trading profit HMRC will add together your total trading profits or losses for the 3 tax years then divide by 3.



## **If you have not submitted Self Assessment tax returns for all 3 years.**

HMRC will work out your average trading profit based on continuous periods of self-employment, which will be either:

- the tax years 2017/18 and 2018/19
- the tax year 2018/19 only, even if you were self-employed in the tax year 2016/17

The grant will be 80% of your average trading profit, divided by 12 which will give a monthly amount. We will pay this or up to a maximum of £2,500 a month, whichever is lower.

HMRC will pay the grant directly into your bank account, in one instalment.

## **How to claim**

You cannot make a claim yet.

HMRC will aim to contact you by mid May 2020 if you are eligible for the scheme and invite you to claim using the GOV.UK online service. If you are unable to claim online an alternative way to claim will be made available (details to be announced).

You do not need to contact HMRC, as this will only delay the urgent work being undertaken to introduce the scheme.

You will only be able to claim using the GOV.UK online service. If you receive texts, calls or emails claiming to be from HMRC, offering financial help or a tax refund and asking you to click on a link or to give personal information, it is a scam.

## After you have claimed

Once HMRC has received your claim and your grant is approved, HMRC will contact you to tell you how much you will get and the payment details.

## Other help you can get

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

- deferral of Self Assessment Income Tax and VAT payments
- grants for businesses that pay little or no business rates
- Business Interruption Loan Scheme

