

Coronavirus

Notes on measures announced on 20 March 2020 and 26 March 2020 through to 21 May 2020 based on available information taken from HMRC website, Institute of Taxation website, House of Commons Library and Government advice

Updated changes from our main document sent out on 2 April 2020 and our update documents sent out on 16 April 2020, 24 April 2020 and 6 May 2020

Coronavirus Job Retention Scheme

General

- 1) On 12 May 2020 the chancellor announced that the Job Retention Scheme will be extended until 31 October 2020. The scheme will remain the same until 31 July 2020. As from 1 August 2020 furloughed employees will be able to come back to work part time and the employer will be required to part fund the government's current contribution of 80% of an employee's "regular wage" up to a maximum of £2,500 per month. No further details of how this will work and the % that the employer will be required pay are available at this time. These details are expected later this month. When further announcements are made we will update you.
- 2) When calculating an employee's "normal wages" only include contractual payments that the employer is legally required to pay and the employee can enforce, these can include variable amounts e.g. commission payments based on sales via an agreed formula, as long as they are contractual.

SSP Rebate Scheme

- 1) The government gateway is to open for claims in relation to the above scheme on 26 May 2020.
- 2) Agents can make these claims on the tax payer's behalf.
- 3) The employer can use the scheme if:-
 - a) If they are claiming for an employee who's eligible for sick pay due to corona virus.
 - b) The payroll was created and started on or before the 28 February 2020.
 - c) They had fewer than 250 employees on 28 February 2020.
 - d) They are not claiming for the same period under the job retention scheme.
 - e) The employer is not over the state aid limits, taking into account the scheme payment.
- 4) The repayment will cover up to two weeks sickness from the first day of sickness.
- 5) The scheme does not as yet have an end date.
- 6) Connected companies and Charities can use the scheme if their total combined number of PAYE employees was fewer than 250 on the 28 February 2020.

- 7) The employer can claim for periods of sickness starting from 13 March 2020 (if they had Corona Virus, symptoms or were self-isolating because someone they live with had symptoms) or 16 April 2020 if the employee was shielding because of corona virus.
- 8) The weekly rate is £94.25 before 6/4/2020 and £95.85 after 6/4/2020.
- 9) The employee does not have to give you a doctors fit note for you to make the claim but you can ask them for either: -
 - a) An isolation note from NHS 111, if the employee is self-isolating and cannot work because of Corona Virus.
 - b) NHS or GP letter telling the employee to stay at home for at least 12 weeks because they are at high risk of severe illness for Corona Virus.

More information can be found using the following link:-

<https://www.gov.uk/guidance/claim-back-statutory-sick-pay-paid-to-employees-due-to-coronavirus-covid-19>

Self Employed Income Support Scheme

- 1) The records pertaining to this claim need to be kept for 5 years and ten months from the end of the tax year that the claim is made (i.e. for the taxpayers accounting period that falls into 2020/2021). The records to be kept include the following: -
 - a) The amount claimed.
 - b) Evidence to show that their business has been adversely affected by coronavirus for example business accounts showing a reduction in turnover, confirmation of any corona virus related loans they have received, dates their business had to close due to lock down, dates that their staff was unable to work due to corona virus etc.
- 2) If you think that the grant has been calculated incorrectly you can ask HMRC to check this. The taxpayer will need to log into their personal account to do this and will require the following information: -
 - a) The grant claim reference number (given to the taxpayer when they made their claim).
 - b) Their National Insurance Number.
 - c) Their Unique Tax Reference Number.
 - d) The Government Gateway user ID that they used to make the claim.
 - e) Details about why they think the grant amount is wrong.
- 3) NHS Dentists can claim under the scheme if they have none NHS income as well as NHS income, if they meet the eligibility criteria. Broadly if their total profits from all income from self employment including NHS work are under £50,000, then they can potentially make a claim. They may also be able to claim through the Job Retention Scheme (above) if they operate via limited company. If a claim is to be made the taxpayer should contact our office for further advice before proceeding.

The online link to check whether you are eligible to claim is: -

www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference

Taxpayer claiming the grant must ensure that they are below the state aid limits.

The receipt of the grant should be reported **immediately** to the appropriate government department if claiming Universal Credits and/or Tax Credits, as it may affect the taxpayers claim.

Please be aware of scammers during this time.