



Self Employed Income Support

Responding to COVID-19

Self Employed Income Support

Self Employed Income Support:

1. **Self Employed Income Support:** a taxable grant of up to 80% of the average monthly trading profits (up to £2,500 per month) for the last 3 years. The grant will be in one lump sum equivalent to 3 months support.
 - a. **Eligibility:** self employed individuals with annual trading profits of no more than £50,000 for the last three tax years and only those who submitted a tax return for the tax year 2018-2019. More than half of their income in these periods must come from self-employment.
 - b. **How to access:** HMRC are working as quickly as possible to set up the scheme, at present this cannot be accessed. HMRC will contact you if you are eligible. It is expected that the system will be set up and the lump sum will be paid at the beginning of June.

HMRC have also extended the filing deadline for submitting self-assessment income tax returns for the tax year 2018 to 2019 to 23 April 2020.

Useful Links

[UK Government Website - COVID-19: Support for businesses](#)

[Self-employed Income Support Scheme - announcement](#)

[COVID-19 Universal Credit](#)

[Self-employed Income Support Scheme](#)

More information

1. Self Employed Income Support

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.

Before grant payments are made, the self-employed will still be able to access other available Government support for those affected by coronavirus including more generous universal credit and business continuity loans where they have a business bank account.

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. The grant will be paid directly into your bank account, in one instalment.

a. Eligibility

You can apply if you're a self-employed individual or a member of a partnership and you:

- i. have submitted your Income Tax Self-Assessment tax return for the tax year 2018-19
- ii. traded in the tax year 2019-20
- iii. are trading when you apply, or would be except for COVID-19
- iv. intend to continue to trade in the tax year 2020-21
- v. have lost trading/partnership trading profits due to COVID-19

If you have not submitted your Income Tax Self-Assessment tax return for the tax year 2018-19, you must do this by 23 April 2020

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:

- i. 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
- ii. 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.

b. How to access

You cannot apply for this scheme yet. 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. 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.

Once HMRC has received your claim and you are eligible for the grant, HMRC 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.

For more information visit [Self-employed Income Support Scheme](#).

Note: We are closely monitoring the Government announcements and publication of information, we will update you with further information as soon as possible upon this being made available.

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