

Guidance for Self Employed affected by loss of business due to Coronavirus

Yesterday evening, the Chancellor unveiled details of the help that will be made available to self-employed individuals. Some of the key points are set out below:

- The income support scheme will pay self-employed people a taxable grant worth 80% of average monthly income, capped at £2,500
- Average monthly income will be calculated taking the average income over the last 3 years
- The scheme is only open to:
 - o anyone with trading profits up to £50k. Self-employed people who earn more than this will not qualify;
 - o those who make the majority of their income from self-employment, so if someone is employed but has a 2nd self-employed job, they will not be eligible;
 - o those who have submitted a tax return for 2019. If you did not submit your tax return by 31st January 2020, you can still submit it within the next 3 weeks.
- You can continue to work and claim the grant (in contrast to employees who have to stay at home)
- HMRC will contact those eligible directly using existing information, paying the grant into their bank account after they have completed an online form.
- The scheme will be open to people in the UK for at least 3 months, but is unlikely to be up and running until the end of June.
- There are interim options for those individuals who will face no income between now and June by way of the benefits system until the funds can be accessed.

More detail is expected over the coming days and weeks, but this will be welcome news to those self-employed individuals in the current situation.