

Written 12 June 2020

HOW DIFFERENT CIRCUMSTANCES AFFECT THE SELF-EMPLOYMENT INCOME SUPPORT SCHEME

The Self-Employment Income Support Scheme currently allows you to claim a taxable grant worth 80% of your average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 in total.

If you are self-employed or member of a partnership find out how your circumstances can affect your eligibility for the scheme.

If you are eligible you must make your claim for the first grant on or before 13 July 2020. This scheme is being extended.

Different circumstances may affect your eligibility.

How the grant works

If you receive the grant you can continue to work, start a new trade or take on other employment including voluntary work, or duties as an armed forces reservist.

The grant does not need to be repaid but will be subject to Income Tax and self-employed National Insurance.

HMRC will work out if you are eligible and how much grant you may get. But you can follow these steps to help you understand how we will do this and what you can do now.

Who can claim

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

- you traded in the tax year 2018 to 2019 and submitted your Self-Assessment tax return on or before 23 April 2020 for that year
- you traded in the tax year 2019 to 2020
- you intend to continue to trade in the tax year 2020 to 2021
- you carry on a trade which has been adversely affected by coronavirus

Your business could be adversely affected by coronavirus if, for example:

you are unable to work because you:

- are shielding
- are self-isolating
- are on sick leave because of coronavirus
- have caring responsibilities because of coronavirus

- you have had to scale down or temporarily stop trading because:
- your supply chain has been interrupted
- you have fewer or no customers or clients
- your staff are unable to come in to work

Find examples of when the 'adversely affected' criteria will be met here:

<https://www.gov.uk/guidance/how-different-circumstances-affect-the-self-employment-income-support-scheme#adversely-affected-examples>

You should not claim the grant if you are a limited company or operating a trade through a trust.

To work out your eligibility HMRC will first look at your 2018 to 2019 Self-Assessment tax return. Your trading profits must be no more than £50,000 and at least equal to your non-trading income.

If you are not eligible based on the 2018 to 2019 Self-Assessment tax return, they will then look at the tax years 2016 to 2017, 2017 to 2018, and 2018 to 2019.

Find out how HMRC will work out your eligibility including if they have to use other years here: <https://www.gov.uk/guidance/how-hmrc-works-out-total-income-and-trading-profits-for-the-self-employment-income-support-scheme>

Grants under the Self-Employment Income Support Scheme are not counted as 'access to public funds', and you can claim the grant on all categories of work visa.



You must make the claim yourself. Your tax agent or adviser must not claim on your behalf as this will trigger a fraud alert, and you will have to contact HMRC. This will cause a significant delay to you receiving your payment.

How different circumstances affect the scheme:

Check if your circumstances affect your eligibility for the following situations:

- if your return is late, amended or under enquiry
- if you are a member of a partnership
- if you are on or took parental leave
- if you have loans covered by the loan charge
- if you claim averaging relief
- if you are non-resident or chose the remittance basis
- state aid
- adversely affected examples

See: <https://www.gov.uk/guidance/how-different-circumstances-affect-the-self-employment-income-support-scheme>

Check if you are eligible to claim

You can check online to find out if you are eligible to make a claim for the first grant. Your tax agent or adviser can also check your eligibility on your behalf.

You will need your:

- Self-Assessment Unique Taxpayer Reference (UTR) number - if you do not have this find out how to get your lost UTR number
- National Insurance number - if you do not have this find out how to get your lost National Insurance number

Online services may be slow during busy times. Find out if there are any problems with this service.

See: <https://www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference>

If you are eligible

If you want to claim the first grant you must make your claim on or before 13 July 2020.

To claim you will need your:

- Government Gateway user ID and password - if you do not have a user ID, you can create one when you check your eligibility or make your claim
- UK bank details (only provide bank account details where a Bacs payment can be accepted) including:
 - bank account number
 - sort code
 - name on the account
 - your address linked to your bank account

You will have to confirm to HMRC that your business has been adversely affected by coronavirus.

If you are not eligible

HMRC have used the information you or your tax agent or adviser sent them on your Self-Assessment tax returns to work out your eligibility.

If you submitted your returns between 26 March 2020 and 23 April 2020 check your eligibility again as the online service has been updated.

If you think you are eligible, you should first check who can claim or contact your tax agent or adviser for help.

If you still think you should be able to claim you can ask HMRC to review your eligibility here: <https://www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference>

How much you will get

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

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

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

The first grant will be worth 80% of your average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 in total. The online service will tell you how they have worked your grant out.

The grant amount HMRC work out for you will be paid directly into your bank account, in one instalment.

Find out how HMRC will work out your average trading profits including if you have not traded for all 3 years here: <https://www.gov.uk/guidance/how-hmrc-works-out-total-income-and-trading-profits-for-the-self-employment-income-support-scheme#threeyears>

How to claim

Make your claim as the online service for the first grant is now available. If you are eligible and want to claim the first grant you must make your claim on or before 13 July 2020 see: <https://www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme>

If you are unable to claim online you should contact HMRC for help: 0800 024 1222

Find out about the extension to the scheme

This scheme is being extended, and you will be able to claim a second and final grant in August 2020.

HMRC will work out your eligibility the same way as the first grant. If you make a claim for the second grant you will have to confirm your business has been adversely affected on or after 14 July 2020.

This grant will be a taxable grant worth 70% of your average monthly trading profits, paid out in a single instalment covering a further 3 months' worth of profits, and capped at £6,570 in total. You can claim for the second and final grant even if you did not make a claim for the first grant. The online service for the second and final grant is not available yet. HMRC will update their webpage when available.

Please [contact us](#) if you need help. [Visit our support centre](#)