



The government has announced various support for businesses. This is based on the information announced at the above date and will be updated as more details are announced.

### Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme is a temporary scheme open to all UK employers for at least three months starting from 1 March 2020. It is designed to support employers whose operations have been severely affected by coronavirus (COVID-19).

Employers can use a portal to claim for 80% of furloughed employees' (employees on a leave of absence) usual monthly wage costs, up to £2,500 a month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. Employers can use this scheme anytime during this period.

The scheme is open to all UK employers that had created and started a PAYE payroll scheme on or before 19 March 2020.

Any UK organisation with employees can apply, including:

- businesses
- charities
- recruitment agencies (agency workers paid through PAYE)
- public authorities

### Employees you can claim for

Furloughed employees must have been on your PAYE payroll on 19 March 2020, and can be on any type of contract, including:

- full-time employees
- part-time employees
- employees on agency contracts
- employees on flexible or zero-hour contracts

An employee must be furloughed for a minimum of 3 weeks.

To be eligible for the subsidy, when on furlough, an employee can not undertake work for or on behalf of the organisation. This includes providing services or generating revenue. While on furlough, the employee's wage will be subject to usual income tax and other deductions. This scheme is only for employees on agency contracts who are not working.

If an employee is working, but on reduced hours, or for reduced pay, they will not be eligible for this scheme and you will have to continue paying the employee through your payroll and pay their salary subject to the terms of the employment contract you agreed.

### What can be claimed

Employers need to make a claim for wage costs through this scheme.

You will receive a grant from HMRC to cover the lower of 80% of an employee's regular wage or £2,500 per month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that subsidised wage. Fees, commission and bonuses should not be included.

At a minimum, employers must pay their employee the lower of 80% of their regular wage or £2,500 per month. An employer can also choose to top up an employee's salary beyond this but is not obliged to under this scheme.

HMRC's online service for this will open on 20 April 2020.

### Non Domestic Property Grants

Retail, hospitality and leisure businesses with a rateable value between £18,000 and up to and including £51,000 will be able to apply for a one-off grant of £25,000. The Scottish Government have prepared a non-exhaustive list of qualifying retail, hospitality and leisure businesses

A one-off grant of £10,000 will also be available to small businesses who get:

- Small Business Bonus Scheme relief
- Rural Relief

You can also get this grant if you applied for Nursery Relief or Disabled Relief but are eligible for the Small Business Bonus Scheme.

If you own multiple properties you can only apply for one grant. It is not clear if you own multiple properties are that individually valued at less than £18,000 but in total valued between £18,000 and £51,000 if you'd be entitled to the greater £25,000 grant.

You can now apply for these grants. You need to apply to the relevant local council. Links to local council application processes can be found here: <https://findbusinesssupport.gov.scot/coronavirus-advice/sources-of-funding>

### Self-employment Income Support Scheme Grant

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 3 months. The Government may extend this if needed.

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

- have submitted your Income Tax 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 COVID-19
- intend to continue to trade in the tax year 2020-21
- have lost trading/partnership trading profits due to COVID-19

It would appear this scheme is not available to the self-employed that operate via a limited company structure.

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:

- 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
- 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

You'll get a taxable grant which will be 80% of the average profits from the tax years 2016/17, 2017/18 and 2018/19. This will be paid into your bank in one instalment.

You cannot apply for this scheme yet. HMRC is assessing eligible individuals and will contact those eligible from May 2020 inviting them to apply online.

The scheme has been extended to include earnings from furnished holidays lets if certain criteria are met.

### Rates Relief

All non-domestic properties in Scotland will get a 1.6% rates relief. You do not need to apply for this relief and it will be applied to your bill by your local council.

Retail, hospitality and leisure businesses will get 100% rates relief. To get this relief, a property has to be occupied. The Scottish Government is working with all local councils to set up this relief.

### Coronavirus Business Interruption Loan Scheme (CBILS)

This scheme provide facilities of up to £5m for smaller businesses across the UK who are experiencing lost or deferred revenues, leading to disruptions to their cashflow.

Business eligible for this scheme must:

- Be UK-based in its business activity, with annual turnover of no more than £45m
- Have a borrowing proposal which, were it not for the current pandemic, would be considered viable by the lender, and for which the lender believes the provision of finance will enable the business to trade out of any short-to-medium term difficulty.

The first 12 months of interest payments and any lender-levied fees will be covered by the government. You always remain 100% liable for the debt.

### VAT Deferral Scheme

The VAT deferral Scheme will apply from 20 March 2020 until 30 June 2020. No applications are required, it will be granted automatically. You will not need to make a VAT payment during this period. It appears that this will be available to all VAT registered entities.

You will be given until 31 March 2021 to pay any liabilities that have accumulated during the deferral period.

You'll need to cancel any direct debit set up for VAT liability payments in advance of the date HMRC request payment.

VAT refunds and reclaims will be paid by the government as normal.

### Income Tax Deferral Scheme

Income tax payments due on 31 July 2020 will be deferred until 31 January 2021.

This applies to all self employed people and is an automatic offer with no applications necessary.

No penalties or interest for late payment will be charged in the deferral period.

### HMRC Time to Pay Scheme

If you cannot pay because of Coronavirus you can call the HMRC Coronavirus helpline on 0800 015 9559 to discuss your options.