

## **Extension to the Self Employment Income Support Scheme**

**Updated 29th May 2020**

If you are self-employed or a member of a partnership and have been adversely affected by coronavirus, find out if you can use this scheme to claim a grant.

The scheme currently allows you to claim a taxable grant of 80% of your average monthly trading profits, paid out in a single instalment covering 3 months, capped at £7,500 in total.

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

This scheme is now being extended. You will be able to make a claim for a second and final grant in August 2020 (see below 'Extension to the scheme').

### **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.

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 for the scheme and how much grant you may get. You can follow these steps to help you understand how HMRC 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 2018/19 tax year and submitted your Self Assessment tax return on or before 23 April 2020 for that year
- you traded in the 2019/20 tax year
- you intend to continue to trade in the 2020/21 tax year
- 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 as 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 cease trading as:

- your supply chain has been interrupted
- you have fewer or no customers or clients
- your staff are unable to come in to work

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

To work out your eligibility HMRC will initially look at your 2018/19 Self Assessment tax return. Your trading profits must be no more than £50,000 and at least equal to your non-trading income (pensions, rental income etc.).

If you are not eligible based on your 2018/19 Self Assessment tax return, HMRC will then look at the tax years 2016/17, 2017/18 and 2018/19

Find out [how HMRC will work out your eligibility.](#)

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. If you use an agent you should contact them if you need any help or support.**

## **How different circumstances affect the scheme**

Check if your circumstances affect your eligibility for the following:

- 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



## Check if you are eligible to claim

You can use HMRC's [online tool](#) to find out if you are eligible to make a claim. Your tax agent or adviser can also check your eligibility on your behalf.

You'll need your:

- Self Assessment Unique Taxpayer Reference (UTR) number
- National Insurance number

## 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 reported on your Self Assessment tax returns to work out your eligibility.

If you submitted your tax 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 for help.

If you still think you should be able to claim you can [ask HMRC to review](#) your eligibility.

## How much you'll get

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

- 2016/17
- 2017/18
- 2018/19

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

The first grant will amount to 80% of your average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, capped at £7,500 in total. The online service will tell you how HMRC calculated the grant.

The grant amount will be paid directly into your nominated 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.

## How to claim

The online service for the first grant is now available (make your claim). If you are eligible and want to claim the first grant you must make your claim on or before 13 July 2020.

If you're unable to claim online you should contact HMRC for help.

If you receive texts, calls or emails claiming to be from HMRC, offering financial help or a tax refund and asking you to click on a link or to give personal information, it is a scam. You should email it to phishing@hmrc.gov.uk and then delete it.

## Extension to the scheme

This scheme is being extended. You will be able to make a claim for a second and final grant in August 2020.

The online service for the second and final grant is not available yet. HMRC will update this guidance to let you know when you can make your claim.

If you are eligible, the second and final 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, capped at £6,570 in total.

## Other help you can get

### Get other financial support

You can make a claim for Universal Credit while you wait for the grant. The grant may affect the amount of Universal Credit you get, but will not affect claims for earlier periods.

The Government is also providing the following help for the self-employed:

- deferral of Self Assessment Income Tax and VAT payments
- grants for businesses that pay little or no business rates
- Business Interruption Loan Scheme
- Bounce Back Loan

