

Updated 26/03/2020

# Support for the Self-Employed

Self-employed workers can apply for a grant worth 80% of their average monthly profits to help cope with the impact of Coronavirus.

The money, worth up to a maximum of £2,500 a month, will be paid in a single lump sum. However, it will not begin to arrive until the start of June.

HMRC will use the average profits from tax returns in 2016-17, 2017-18 and 2018-19 to calculate the size of the grant. The scheme will be open for an initial three months with people able to make their first claim by the beginning of June.

## Am I eligible?

- To qualify at least half of your income must come from self-employment registered in the 18-19 tax return filed in January 2020.
- If you missed the deadline, you now have four weeks from the 26th March to submit in order to qualify
- The scheme is open to those who earn under £50,000 a year, around 3.8m of the 5m self-employed
- Unlike the employee scheme, the self-employed can continue to work while receiving the support
- The money received will be backdated to March, and arrive directly in bank accounts - but not until June
- Grants will be taxable, and must be declared on tax returns by January 2022
- You must also have traded in the 2019-20 tax year, and trading when you apply, or otherwise would be except for COVID-19, and intend to trade in the 20-21 tax year

## How do I receive the grant?

Do not contact HMRC now. The revenue will use existing information to check eligibility, and invite applications once the scheme is operational.

Additional guidance is available at:

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

Those who qualify will be contacted by HMRC, and the money will be paid directly into their bank accounts.

The Chancellor also said that self-employed people can now access welfare payments, through the Universal Credit system, in full.

## How can Aspen Waite help?

If you haven't filed your tax return for the 18-19 year, speak to one of our team who will be happy to support you with this. We will continue to keep you updated with information as things develop.

