

## SUPPORT FOR THE SELF-EMPLOYED (INCLUDING PARTNERSHIPS)

On 26 March 2020, the government published an outline of the support that it proposes to provide those who are self-employed individuals or a member of a partnership.

This new arrangement is called the Self-employment Income Support Scheme.

The outline of the scheme is set out [here](#)

## WHAT DOES THE SELF-EMPLOYMENT INCOME SUPPORT SCHEME (SISS) AIM TO DO?

It enables those who qualify to claim a grant of up to 80% of your trading profits up to £2,500 per month for the next 3 months and possibly longer.

## DO I QUALIFY?

### STEP 1 – TRADING REQUIREMENT

- Have you submitted your 2019 tax year or will do by 23 April 2020; and
- Have you traded in the current tax year 2019/20; and
- Are trading when you apply or would be were it not for COVID 19; and
- Do you intend to continue to trade next tax year ending 5 April 2021; and
- Have you lost trading/partnership profits due to COVID-19?

If the answer is yes to all the above then you meet this requirement you then need to see if you meet the income requirement.

### STEP 2 – INCOME REQUIREMENT

You can see if your meet the income requirement by applying method 1 or 2. If you meet the requirement under either option then you qualify.

#### METHOD 1 – 5 APRIL 2019

- Your trading profits or share of partnership profits were below £50,000 in 2018/19; and
- These profits constitute more than half of your total taxable income for the year ended 5 April 2019

i.e if your trading profits are £25,000 then your other income (e.g. bank interest, rental income profits and dividends) must be no more than £24,999.

#### METHOD 2 – AVERAGE OF 5 APRIL 2017, 2018 AND 2019 PROFITS

- Your average trading profits or share of partnership profits for the years 2016/17, 2017/18 and 2018/19 below £50,000 in 2019; and
- These average profits constitute more than half of your average total taxable income for the same period.

i.e if your average trading profits for these 3 years are £25,000 then your average other income for these 3 years x(e.g. bank interest, rental income profits, employment income and dividends) must be no more than £24,999.

*Please note, this document is intended as a general overview. It is important that professional advice is sought on specific issues relevant to your circumstances and the legislation in force before any action is taken.*

## WHAT DO I GET IF I QUALIFY?

You will get a **TAXABLE** grant of 80% of your average profits for the years ended 5 April 2017, 2018 and 2019.

## HOW DO THEY CALCULATE IT?

- HMRC will add together the trading profits for the years ended 5 April 2017, 2018 and 2019 and divide them by 3 and then by 12 to calculate the monthly grant..
- If you only traded during the years ended 5 April 2018 and 2019 they will add the trading profits for these 2 years then divide by 2 and then by 12.

## WHAT IS THE MAXIMUM PAYMENT?

You will get up to £2,500 per month for 3 months.

## WHEN WILL IT BE PAID?

This will be paid into your bank account in one lump sum, probably in mid-June 2020.

## WHAT DO I NEED TO DO?

There are no specific steps to take.

Those who qualify will be contacted to apply online for the scheme.

HMRC have asked that you do not contact them about this scheme as they are focusing on implementing the scheme.

If you want to see if you may qualify please get in touch with your usual Sopher + Co contact.

PLEASE BEWARE OF SCAMS – THE SCHEME IS ONLY AVAILABLE THROUGH THE GOV.UK SITE

## WHAT ELSE SHOULD I BE CONSIDERING FOR MY BUSINESS?

Our FAQ for business affected by COVID-19 can be found [here](#). It sets out a number of other options including but not limited to:

- Deferring VAT that comes due in the next 3 months
- Deferring your 31 July 2020 payment on account to 31 January 2021
- Coronavirus Job Retention Scheme for employees
- Coronavirus Business Interruption Loan Scheme

## WHAT OPTIONS ARE AVAILABLE TO ME PERSONALLY?

### MORTGAGE HOLIDAYS

Mortgage lenders are offering an initial 3 month payment holiday for those in financial need. This is also available to Buy-to-let landlords

### STATUTORY SICK PAY (SSP)

Whilst this sum (£94.25 per week) is nominal, this payment is now available to the self-employed.

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