COVID-19: Self-Employment Income Support Scheme

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The ATT and CIOT continue to work with HMRC to answer questions and update their online information on the Self-Employment Income Support Scheme.

The Self-Employment Income Support Scheme (SEISS) provides financial support in the form of a cash grant to self-employed workers affected by the COVID-19 outbreak.

The first payments were made in May 2020 and were worth 80% of average trading profits, paid in a single instalment up to a maximum of £7,500 in total, to cover three months' worth of profits. The claim period for the first three months will close on 13 July 2020.

The scheme was extended at the end of May with those eligible able to claim a second and final grant in August. The second grant is worth 70% of average monthly trading profits, paid out in a single instalment covering a further three months' worth of profits, and capped at £6,570 in total. Applications for the second grant will open in August.

The eligibility criteria are the same for both grants. A person does not need to have claimed the first grant in order to be eligible for the second grant.

The scheme has proved highly successful, with over 2.5 million claims having been made at the time of writing, worth a total of £7.2 billion.

Legislation to introduce rules on how grants received under the SEISS are to be taxed was published in draft for a short technical consultation during the first half of June (see Draft legislation: Taxation of coronavirus (COVID-19) support payments) and will be included in Finance Act 2020. The legislation also gives HMRC powers to

recover payments to which recipients were not entitled, and to charge a penalty in cases of deliberate non-compliance.

Since the SEISS was first announced on 26 March 2020, the ATT and CIOT have worked with both members and HMRC to address queries on the scheme and provide support.

All the latest information can be found on the ATT and CIOT websites. The CIOT page covering the scheme is frequently updated as we receive more information, as is the ATT's detailed guidance note and accompanying FAQs.

These pages cover issues including eligibility for the scheme, calculation of the grant, the application process, the role of agents, asking HMRC for a review and how to report the grant on your self-assessment return.

The ATT and CIOT also held an extremely popular webinar on the SEISS on 7 May. Over 600 people joined us on the day, with more than 1,700 people viewing the recording since. The recording and webinar slides can be found on the ATT website at www.att.org.uk/SEISSwebinar and the CIOT website at www.tax.org.uk/SEISSwebinar.

If you have any queries or feedback on the scheme please send these to technical@ciot.org.uk or atttechncial@att.org.uk, and do keep an eye on our websites for all the latest information.

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