End of HMRC COVID support schemes

General Features

30 September 2021

Whilst the claims window for key COVID support grants close, our engagement with HMRC and HM Treasury continues.

Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme (CJRS) ended on 30 September 2021. Claims for September must be submitted by 14 October 2021, and any amendments must be made by 28 October 2021. HMRC has limited discretion to accept late claims, and this is set out on GOV.UK (tinyurl.com/55ejkzpc).

As you would imagine, CIOT, ATT and LITRG have sought to work closely with HMRC and HMT in relation to the scheme. You do not need us to tell you that the scheme itself, and the supporting guidance, has changed many times over the last 18 months, and it has often been difficult to keep pace.

To focus engagement on CJRS in one place, HMRC recently established the CJRS External Stakeholder Forum, on which CIOT, ATT and LITRG are represented (along with other professional and representative bodies and professional firms). As the scheme is closing, we are currently concentrating our efforts on compliance aspects.

Recently, we have been debating the definition of a ‘claim’ for the purposes of the CJRS, which has implications for correcting errors seeing as there is a short deadline in which to correct under-claims, but a much later deadline to correct over-claims. We have also been discussing HMRC’s compliance approach, welcoming the assurances that they will not be actively looking for innocent errors, but seeking clarity over what is considered an error, and how to correct it. We, along with other professional bodies, have written to HMRC and HMT setting out our views on these areas, and we look forward to further discussing this with them. We have also reviewed the CT600 guidance in relation to the COVID support boxes and how this could be made clearer.

Self-Employment Income Support Scheme

The deadline for claims for the fifth Self-Employment Income Support Scheme (SEISS) grant was 30 September 2021. That was a ‘hard’ deadline, and HMRC do not have any discretion to accept late claims, or amendments to existing claims.

Over the last 18 months CIOT, ATT and LITRG have worked closely with HMRC (and, to a lesser extent, HMT) regarding the scheme. While this has not always led to the outcomes we desired, it really demonstrated the benefits that this sort of engagement can bring. We will be winding down our engagement with the SEISS team, but monitoring the subsequent compliance activity HMRC undertakes in relation to these claims.

Other aspects

We continue to encourage HMRC to broaden their guidance around the COVID grants. For example, we have received queries regarding the tax treatment of some grants received from abroad, such as the US ‘stimulus’ payments and the Northern Ireland Newly Self Employed schemes. While there is a GOV.UK page providing some guidance around the tax treatment of COVID grants (see tinyurl.com/yv7v7tdh), it doesn’t include some of the devolved/less mainstream grants. Keep an eye on the COVID pages of the CIOT, ATT and LITRG websites which seek to cover some of these aspects.