



## COVID-19 Income Protection For The Self-Employed

As expected, the Chancellor of the Exchequer has today unveiled a support package for self-employed workers who have been impacted by the Coronavirus pandemic.

As many readers will be aware, the design of this package has not been as straightforward as the Coronavirus Job Retention Scheme for employees, due to the fact that self-employment remuneration is recorded on an annual tax return, rather than the real-time reporting PAYE basis. The Chancellor was quick to reassure, in his speech, that the self-employed “have not been forgotten”.

In summary, the measures announced are as follows:

- a grant of up to £2,500 per month per self-employed person (expected to cover those who were trading as self-employed in the last financial year, continuing to be self-employed now and planning to continue to be self-employed);
- the grant value will be up to 80% of the self-employed person’s average profits for up to the last three years (where multiple years of accounts are available);
- the grants will be in place for three months and potentially extended if required;
- the grants will only be available to the self-employed with trading profits of up to £50,000 per year;
- the grant will only be available to those who receive the majority of their income through self-employment; and
- first payments under the grant are expected to be made in June 2020 and HMRC will directly contact those who are eligible.

The Chancellor also noted that self-employed people with outstanding tax returns for the year ended 5 April 2019 would still be eligible for the above grant, provided returns are filed in the next 4 weeks (these were originally due to be filed by 31 January 2020). In addition to the above, the self-employed may also be able to avail themselves of the other, previously announced, measures:

- universal credit;
- deferral of the income tax self-assessment payment on account due on 31 July 2020 to 31 January 2021;
- business interruption loans; and
- deferral of next quarterly VAT payment due until the end of the financial year.

26 March 2020

Eighth Floor  
6 New Street Square  
New Fetter Lane  
London EC4A 3AQ

And at

Q3, The Square  
Randalls Way  
Leatherhead  
Surrey KT22 7TW

T +44 (0)20 7842 2000  
F +44 (0)20 7842 2080

[hello@rawlinson-hunter.com](mailto:hello@rawlinson-hunter.com)  
[www.rawlinson-hunter.com](http://www.rawlinson-hunter.com)

Partners  
Chris Bliss FCA  
Mark Harris FCA  
David Barker CTA  
Kulwam Nagra FCA  
Paul Baker ACA  
Andrew Shilling FCA  
Craig Davies FCA  
Graeme Privett CTA  
Chris Hawley ACA  
Phil Collington CTA  
Toby Crooks ACA  
Michael Foster CTA  
Paul Huggins ACA  
Trevor Warmington CTA  
James Randall FCA  
Kristina Volodeva CTA

Directors  
Lynette Bober FCA  
Karen Doe  
Lynne Hunt FCA  
Gillian Lawrence CTA  
Nigel Medhurst AIT  
Al Nawrocki CTA  
Mark Shaw  
Catherine Thompson FCA  
Tracy Underwood CTA  
Alan Ive CTA  
Yueling Wei FCCA  
Sarah Fernando CTA

Consultant  
Philip Prettjohn FCA

Senior Adviser  
David Kilshaw

As with the other relief packages that have been recently announced, further detail will follow later. However, the above should give peace of mind to many off-payroll workers for now in this latest release of “unprecedented” measures.

Today, we also heard the first suggestion as to how The Chancellor plans to fund the Coronavirus reliefs, with an indication that National Insurance Contributions for the self-employed could be increased to match those taxed under PAYE in the future.

With regards to the wider relief measures announced by the government, readers should already have received our alert dated 23 March 2020 “COVID-19 Business Support Guide”, this alert is also available at [www.rawlinson-hunter.com](http://www.rawlinson-hunter.com) and will be updated and circulated weekly as new measures are announced and eligibility for relief is clarified.

Please contact your usual Rawlinson & Hunter adviser should you require further information or any assistance with the above, or any of those listed below.

**Craig Davies, Partner**

*Email: [craig.davies@rawlinson-hunter.com](mailto:craig.davies@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2136*

**Kulwarn Nagra, Partner**

*Email: [kulwarn.nagra@rawlinson-hunter.com](mailto:kulwarn.nagra@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2130*

**Andrew Shilling, Partner**

*Email: [andrew.shilling@rawlinson-hunter.com](mailto:andrew.shilling@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2135*

**James Randall, Partner**

*Email: [james.randall@rawlinson-hunter.com](mailto:james.randall@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2131*

**Kristina Volodeva, Partner**

*Email: [kristina.volodeva@rawlinson-hunter.com](mailto:kristina.volodeva@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2126*

**Catherine Thompson, Director**

*Email: [catherine.thompson@rawlinson-hunter.com](mailto:catherine.thompson@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2028*

**Hiral Kanzaria, Senior Manager**

*Email: [hiral.kanzaria@rawlinson-hunter.com](mailto:hiral.kanzaria@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2102*

**Lynne Hunt, Director**

*Email: [lynne.hunt@rawlinson-hunter.com](mailto:lynne.hunt@rawlinson-hunter.com)*

*Direct Dial: +44 (0) 20 7842 2025*