



### COVID-19

This guidance includes further details on the Government's Self-Employment Income Support Scheme.

## 1. SEISS

The coronavirus (COVID-19) Self-employment Income Support Scheme can be used if you're self-employed or a member of a partnership and have lost income due to coronavirus.

Those who are eligible will be able to claim a taxable grant worth 80% of their average trading profits up to a maximum of £7,500 (equivalent to three months' profits), paid in a single instalment.

You can apply if you're a self-employed individual or a member of a partnership and you:

- Have submitted your Income Tax Self Assessment tax return for the tax year 2018-19
- Traded in the tax year 2019-2020
- Are trading when you apply – or would be, except for COVID19
- Intend to continue to trade in the tax year 2020-2021
- have lost trading/partnership trading profits due to COVID-19

Your self-employed trading profits must also be **less than £50,000 and more than half of your income come from self-employment**. This is determined by at least one of the following conditions being true:

- having trading profits/partnership trading profits in 2018-19 of less than £50,000 and these profits constitute more than half of your total taxable income
- having average trading profits in 2016-17, 2017-18, and 2018-19 of less than £50,000 and these profits constitute more than half of your average taxable income in the same period

If you started trading between 2016-19, HMRC will only use those years for which you filed a Self-Assessment tax return.

**If you have not submitted your Income Tax Self-Assessment tax return for the tax year 2018-19, you must do this by 23 April 2020.**

HMRC will use data on 2018-19 returns already submitted to identify those eligible and will risk assess any late returns filed before the 23 April 2020 deadline in the usual way.

## 2. What will you get?

You'll get a taxable grant which will be 80% of the average profits from the tax years (where applicable):

- 2016 to 2017
- 2017 to 2018
- 2018 to 2019

To work out the average, HMRC will add together the total trading profit for the 3 tax years (where applicable) then divide by 3 (where applicable) and use this to calculate a monthly amount.

It will be up to a **maximum of £2,500 per month for 3 months**.

The grant will be paid directly into your bank account, in one instalment.

### 3. How will you know to apply?

HMRC will contact you if you are eligible for the scheme and invite you to apply online. Individuals do not need to contact HMRC now and doing so will only delay the urgent work being undertaken to introduce the scheme.

You will access this scheme only through GOV.UK. If someone texts, calls or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link or to give information such as your name, credit card or bank details, it is a scam.

Once HMRC has received your claim and you are eligible for the grant, they will contact you to tell you how much you will get and the payment details.

If you claim tax credits, you'll need to include the grant in your claim as income.

### 4. When will the support begin?

The claims service will open on 13 May and is being delivered ahead of the original timetable. The claims process will be very simple, and those eligible will have the money paid into their bank account by 25 May, or within six working days of completing a claim.

HMRC will begin contacting eligible self-employed individuals this week by email, text and letter to inform them that they are eligible and explain what they need to do to apply. Applications will open in tranches using the Unique Tax Reference (UTR) number given to all self-employed taxpayers.

### 5. Guidance

To provide further support to the claims process, HMT have launched an online eligibility checker tool available [here](#)

HM Treasury have also updated their guidance, which can be found at the links below:

There are now 3 gov.uk pages covering

- information relating to [eligibility in general](#);
- information relating to eligibility for those in [specific circumstances](#); and
- [detailed information](#) on how HMRC will calculate eligibility and the value of the grant, including worked examples.

The updated guidance provides clarifications on some of the queries that HMT have received:

- It provides detail on how individuals or their business can be “adversely affected” by COVID-19, in order to claim the grant.
- It clarifies that if individuals have taken parental leave at any point between the end of 2018-19 and now, they can still claim the SEISS, as parental leave is not considered a break in trading.
- It states that the grant provides three months’ worth of support, but it is not tied to a specific time period, and confirms that the grant is capped at £7,500.
- It explains how the eligibility criteria applies the 50% rule. The guidance now compares your trading profits to your non-trading income.
- It clarifies that, for the purposes of calculating non-trading income, the only social security benefits used are the *taxable* benefits
- It sets out the position on late tax returns, tax returns under enquiry, and amended tax returns.
- It sets out the information that individuals will need to provide when they make their claim.

- It sets out the records that individuals will need to maintain after claiming the grant.
- It provides details of how to contact HMRC in case of any queries.

There is also further guidance available on

[‘How HMRC works out trading profits and non-trading income for the Self-Employment Income Support Scheme’](#) and [‘How different circumstances affect the Self-Employment Income Support Scheme’](#).



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