



Coronavirus - Business Support Update

Clearly there has been a lot of changes to how businesses are working since the announcements on Monday.

Just to let you know that our office has been working remotely since last week and the cloud the technology that we use has enabled this to happen seamlessly and we'll continue to be able to support you with our normal service, staffing levels and response times.

Our focus this week is primarily aimed at supporting businesses with their payroll and staffing needs. If you are impacted by the Furloughing regulations then you will have been contacted by us to discuss your options. If you still have any queries then please let us know.

We have spoken to as many clients as possible regarding the other business support packages. This is ongoing and therefore if you have not spoken to us and have any questions then please contact us and we will arrange a time to call and run through the grants and support available to you.

Further details on support for self employed businesses is expected in the next few days, as soon as this is confirmed we will provide more details.

Here is a link to the most recent announcements by HMRC

[HMRC Support for Business - COVID 19](#)

In the meantime here is a recap of the announcements so far:

Coronavirus Job Retention Scheme

HMRC will reimburse 80% of furloughed (basically another word for redundant) workers wage costs, up to a cap of £2,500 per person per month.

Employers will designate affected employees as 'furloughed workers' and notify them of this change.

HMRC will give the employer a grant to reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. There is no obligation on the employer to make up the remaining 20% wages.

HMRC are working urgently to set up an online portal for reimbursement as currently their systems are not able to facilitate payments to employers.

This is expected to be made available in April with grants being paid at the end of next month.

Claiming the Job Retention Grant will be incorporated into the payroll process and once more details are available we will notify our payroll clients.

VAT and Income Tax Deferral

You will not have to pay any VAT until at least 30 June 2020 and then any unpaid VAT must be paid by 5 April 2021.

The self-assessment tax payment you should be making on 31 July 2020 has been deferred until 31 January 2021.

To reiterate these are deferrals not write offs, so both the tax and the VAT will still be

payable.

The Time to Pay helpline has fallen over a number of times this week and has been unable to cope, so this relief is something that was already happening in practice anyway.

Support for businesses through the Coronavirus Business Interruption Loan Scheme

The interest free period on loans under this scheme was extended from 6 to 12 months.

Self Employed

The self employed will now be able to access universal credit, in effect, providing access to statutory sick pay (SSP)

Further announcements are expected regarding this so please look out for our next newsletter.

Business Rates Relief and Cash Grants

The government are to provide support for local authorities to award grants to small businesses in the leisure, tourism and hospitality sectors.

This will provide a one-off grant of £25,000 to businesses in those sectors with rateable values between £15,000 and £51,000, to help meet their ongoing business costs.

There will also be a business rates holiday for the 2020/21 for businesses in these sectors.

The government are also providing funding for local authorities to support small businesses that currently pay little or no Business Rates because of Small Business Rate Relief (SBRR). This will provide a one-off grant of £10,000 to businesses currently eligible for SBRR or Rural Rate Relief, to help meet their ongoing business costs.

All businesses that qualify for SBRR will be contacted by the Local Authority so there is no action to take to access the business rates holiday and grants.

Sick Pay

The government will cover up to 2 weeks SSP per employee who has been off work due to COVID-19

Coronavirus Business Interruption Loan Scheme

A new temporary Coronavirus Business Interruption Loan Scheme, delivered by the British Business Bank.

This has been launched on 23 March to support primarily small and medium-sized businesses to access bank lending and overdrafts.

The government will provide lenders with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs. The government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £5 million in value.

Businesses can access the first 12 months of that finance interest free, as government will cover the first 12 months of interest payments.

We are working with a number of providers to fully understand the application process and the position regarding loan security.

Time to Pay Service

The government has set up a special COVID-19 Time to Pay helpline. This can be used to negotiate time to pay arrangements for outstanding tax payments such as Corporation Tax and PAYE.

We have successfully negotiated very favourable payment plans with a number of clients this week so please contact us if you would like us to do this for you.

Here is a link to the most recent announcements by HMRC

[HMRC Support for Business](#)

We will continue to give you the latest information from the Government and provide you with further support during this challenging time.

Please do not hesitate to get in touch if you have any questions regarding the support being provided by the Government.