



As ever, from the team at Butler & Co, we hope everyone is keeping well

COVID-19 BUSINESS SUPPORT: LATEST UPDATE

There is one main update this week, as well as two points of further information that may be applicable to certain businesses at the current time. These are:

- 1. SELF-EMPLOYED INCOME SUPPORT SCHEME: SECOND ROUND – OPENS MONDAY 17 AUGUST 2020**
- 2. LOCAL AUTHORITY DISCRETIONARY GRANTS – SECOND ROUND**
- 3. VAT PAYMENTS DEFERRED – FEBRUARY / MARCH / APRIL 2020**

1. Self-Employed Income Support Scheme [SEISS]: Second Round

The SEISS second round opens for application from 9am on **Monday 17 August 2020**. There is no staggered application process this time, so all who are eligible to claim can do so from this date.

Who is eligible: The eligibility criteria has not changed, so if you were eligible for the first grant – regardless of whether you claimed that or not – you will be eligible for the second one. To check whether you are eligible, please use the following link: <https://www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference> and have your Unique Taxpayer Reference (UTR) and National Insurance (NI) number to hand.

How to make a claim: The application procedure is exactly the same as during the first round and is not automatic; if you do not apply you will not receive any further funds. As a reminder, to apply, you will either need to login to your personal tax account on the HMRC website via Government Gateway <https://www.gov.uk/guidance/claim-a-grant-through-the-self-employment-income-support-scheme> and follow the onscreen application process; or telephone 0800 024 1222 with your UTR and NI number to hand. Unfortunately, as before, we cannot make the application on your behalf; but we can help you with the application process as necessary. **N.B.** It should be emphasised that the telephone option is only available to those who experienced issues with the Government Gateway system last time, if you were able to apply online for the first round, you will be expected to apply that way for the second round.

How much you'll get: In line with the phased reduction of the Job Retention Scheme for furloughed workers, the SEISS has been reduced from 80% to 70% of the average monthly profit over the last three years. This means that the grant will be less this time around – to work out how much you'll get, the simplest way is to divide by 8 the receipt you received from the first grant, and then multiply this answer by 7. For example, if you received £800 from the first grant, you will be entitled to a payment of £700 from the second round ($£800 / 8 = £100$, then multiply by 7 = £700.)

If anyone has any queries or questions, please contact us **immediately** so that we can resolve these prior to next Monday and the scheme opening.

2. Local Authority Discretionary Grants – Second Round

The Local Authority Discretionary Grants – these are grants primarily aimed at businesses with property costs who have missed out on other grant support elsewhere (specifically excluding the Job Retention Scheme) – who have also entered their second round of payments. Grants from this scheme, at the current time, could be up to a £10,000 cap per business.

The eligibility criteria varies from Council to Council – in Hampshire, for example, those covered by Winchester City Council have a set of criteria that appears looser compared to the national average; whereas East Hampshire District Council lists off at least 12 points all of which a business must comply with in order to be eligible.

Our advice is to check with your local council to see what specific terms they are offering. At this stage, those with little or no property overheads should think about applying in areas such as Winchester, as funds are still available and the closing date for applications is on the horizon; whereas similar businesses based in areas like East Hampshire will unfortunately not be eligible.

Please contact us if you would like to discuss making an application if your Council's eligibility criteria is not clear or seems to offer the possibility of a grant option.

3. VAT Payments – Deferred liabilities from February, March and April 2020

We have had some questions and queries related to settling the Deferred Payments of VAT from the quarters ending 29 February [originally due 7 April 2020], 31 March [originally due 7 May 2020] and 30 April [originally due 7 June 2020].

The official guidance from HMRC remains that *“If you chose to defer your VAT payment as a result of coronavirus, you must pay the VAT on or before 31 March 2021.”* You can pay or make payments towards any deferred balance now, or at any time up to 31 March 2021. There is no need to pay the full liability off as one payment, but please ensure you are using the correct references on any BACS transfers or other payments made, to ensure these get allocated against the correct liability.

As far as we are aware, if a business has any periods in which a refund is due but has deferred an outstanding liability, the refund will not be used to reduce or offset any deferred liabilities owed, and will instead be issued straight to the business in the usual way. We are keeping a watching brief on this and will update everyone if this advice or information is clarified or changed by HMRC at any time.

As previously, please do not hesitate to contact us if you have any questions regarding the above or anything further relating to the government's Covid-19 business support initiatives. Your primary contact or our Covid-19 Business Support Co-ordinator, Russell Nash [russell@butler-co.co.uk] remain available across the working week to answer any queries arising.

The office in Alresford has re-opened for essential client meetings, but please be aware that due to updates from the government, masks now need to be worn by all visitors to the site – please check with reception if you have any questions or concerns prior to visiting us at the current time.

Please do contact us as soon as possible should you require any further assistance.

Best regards and Stay Well