



# STERLING PARTNERS

CHARTERED ACCOUNTANTS | CHARTERED TAX ADVISERS

## Relief Available to You and Your Business

The Chancellor has set out a package of temporary, timely and targeted measures to support public services, people and businesses through this period of disruption caused by COVID-19. Here is a brief summary of the 10 main schemes you may be eligible for. If you would like further information, please don't hesitate to contact us.

### 1) Coronavirus **Job Retention** Scheme

- If you decide to furlough any of your employees, HMRC will reimburse you with 80% of each employee's wage up to £2,500 per month. This will be in place for three months from the 1<sup>st</sup> March 2020. The portal will be up and running from the end of April 2020.

### 2) **Payment deferrals** for VAT and Income Tax payments

- Businesses do not need to pay VAT from the 20<sup>th</sup> March 2020 to the 30<sup>th</sup> June 2020. Taxpayers will be given until the end of the 2020-21 tax year to catch up with liabilities which have accrued during the deferral period. Those who are self-employed will be given until the 31<sup>st</sup> January 2021 to pay their second payment on account.

### 3) **Statutory Sick Pay relief** package for SMEs

- Employers will be eligible for a refund of up to two weeks SSP per employee who has been absent due to coronavirus.

### 4) **12-month business rates holiday** for all retail, hospitality, leisure and nursery businesses in England

- Businesses who qualify will be granted a 12-month rate free period from their local council. You will be contacted if you are eligible. If the business premises you occupy has a rateable value of less than £51,000 and you feel you are eligible, yet you haven't heard from the council, we recommend waiting until after the 10/4/20 before you contact them.

### 5) Small business **grant funding of £10,000** for all business in receipt of small business rate relief or rural rate relief

- If your business is currently in receipt of small business rates relief, tapered rates relief or rural rate relief you will be eligible. This is regardless of the sector you operate in. Your local council will contact you to give you your non-refundable grant.



- 6) **Grant funding of £25,000** for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000
  - This scheme is specifically designed to help keep shops, restaurants etc. in business. The grant is available to businesses with rateable values up to £51,000. Your local council will contact you if your business is eligible. Any queries should be directed to them, not HMRC.
  
- 7) Coronavirus **Business Interruption Loan Scheme** offering loans of up to £5 million for SMEs through the British Business Bank
  - We recommend that you get in touch with your bank to see if you are eligible, this can be done online. The government will be backing up to 80% of each loan and there will be no hidden fees or interest for the first 12 months. The scheme is primarily for short term loans however the term can be as long as 6 years. The loans are designed to be accessible by businesses that may have been turned down for finance previously.
  
- 8) **Covid-19 Corporate Financing facility**
  - Available from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans.
  - Designed for large UK companies, the Bank of England will buy short term debt including commercial paper of up to one-year maturity. This will help large businesses finance their working capital. Terms will be comparable to those prevailing before the pandemic.
  
- 9) **HMRC Time To Pay Scheme**
  - Although this isn't a new scheme, HMRC are encouraging individuals and businesses to contact them on their dedicated payment support line: 0800 0159 559. Directors and individuals can set up a tailor-made payment plan for their business if they have missed a tax liability or are about to, due to financial difficulty.
  
- 10) **Self-Employment Income Support Scheme**
  - The government will be supporting the self-employed to the same extent to which it is supporting those in employment, providing you have submitted a self-assessment tax return for the 2018-19 tax year. HMRC are giving taxable grants of up to 80% of your average self-employed profits (so long as they are below £50k per year) over the last three years. The scheme will be up and running in June and is payable in addition to universal credit and the new style job seekers allowance which has been made available to the self-employed.

**If you'd like more information on the above schemes or have any concerns about the effect Covid-19 is having on your business, please don't hesitate to get in touch. We will be more than happy to help.**

*Kindest Regards*  
*Sterling Partners*