

Self-employment Income Support Scheme (SEISS)

The government has introduced the Self-employment Income Support Scheme (SEISS) to support self-employed individuals (including members of partnerships).

This is very welcome news for most of the self-employed but high earners (over £50,000) and the new self-employed (since April 2019) will be left empty handed.

<https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme>

Who can claim?

Anyone with average self-employed income over the past 3 tax years (to 5th April 2019) of less than £50,000. This also needs to be your main income and you must have been self-employed in 2018/19.

How much can be claimed?

You will get a taxable grant which will be 80% of your average taxable profits for the past 3 years, up to a maximum of £2,500 per month for 3 months:

Example

2016/17	£20,000
2017/18	£25,000
2018/19	£30,000

Average £25,000 x 80% = £20,000.

Monthly award: £20,000/12 = £1,667

What is my taxable income for the past 3 years?

Check your Tax Returns for the last three years.

How do I claim?

HMRC have advised that they will contact everyone who is eligible for the scheme and invite them to apply online. We will however advise all clients of the application process as soon as it is published, but no action can be taken yet.

When is it paid?

The grant will be paid as a lump sum, but it is not expected to be paid until June.

What can I do while I am waiting for the payment or if I am not eligible?

You should be able to receive funding through the Coronavirus Business Interruption Loan Scheme. Please speak to your bank and they should be able to arrange an interest-free loan or overdraft to help you through the next few months.

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-business-interruption-loan-scheme>

You may be entitled to Universal Credits:

<https://www.gov.uk/benefits-calculators>

<https://www.gov.uk/how-to-claim-universal-credit>

Or able to claim Employment & Support Allowance:

<https://www.gov.uk/guidance/new-style-employment-and-support-allowance>