



Are you eligible for further self-employed grants?

Due to the second lockdown (ending on 2 December) the Government announced a series of support packages, one of which is a change to the Self Employed Income Support Scheme (SEISS).

Two quarterly grants have been paid to UK self-employed traders that qualify for the Self- Employed Income Support Scheme (SEISS). These covered the periods up to 31 October 2020.

The Chancellor has announced that two further quarterly payments will be made. Traders will still need to qualify for the payments, and in particular:

- Have been previously eligible for the SEISS first and second grant (although they do not have to have claimed the previous grants)
- Declare that they intend to continue to trade and either:
 - o are currently actively trading but are impacted by reduced demand due to coronavirus
 - o were previously trading but are temporarily unable to do so due to coronavirus

You must also:

- intend to continue to trade
- reasonably believe there will be a significant reduction in your trading profits due to reduced demand or your inability to trade

You must also meet all other eligibility criteria to make a claim. For further clarification please visit www.GOV.uk.

If these conditions are confirmed then a claim can be made for the following periods:

Quarter 1 November 2020 to 31 January 2021

The grants will now be calculated on the basis of 80% of the average trading profits for the 3 month period covering November 2020 to January 2021 bringing it broadly in line with the support offered to employees under the extended Job Retention Scheme. The SEISS scheme currently covers up to 40% of average monthly profits up to a maximum of £3,750 for a 3 month period, but this announcement will increase that figure to be capped at £7,500 for the 3 months ending 31 January 2021.

The grants will also be paid faster than planned, with the claims window brought forward from 14 December. The online portal to make a claim will now open on 30 November 2020 and payments should be received before Christmas.

Quarter 1 February 2021 to 30 April 2021

Details of the amount that will be paid for this quarter will be announced January 2021.

Self-employed traders who, for whatever reason, do not qualify for this grant - but are still suffering financial hardship due to COVID disruption - may be able to claim under the Universal Credit.

And don't forget - when you prepare accounts covering any period during which you received an SEISS grant - these will need to be added to your taxable earnings in the relevant tax period.

If you need any help on this topic please seek professional advice from your accountant.

Published in the Wigan Observer – 1st December 2020