



## **We are here to help clients through this period of disruption caused by COVID-19**

Dear all,

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.

This includes a package of measures to support businesses including:

- **Coronavirus Job Retention Scheme**
- **deferring VAT and Income Tax payments**
- **a Statutory Sick Pay relief package for small and medium sized businesses (SMEs)**
- **a 12-month business rates holiday for all retail, hospitality, leisure and nursery businesses in England**
- **small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief**
- **grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000**
- **the Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank**
- **a new lending facility from the Bank of England to help support liquidity among larger firms, helping them bridge coronavirus disruption to their cash flows through loans.**

### **Support for businesses through the Coronavirus Job Retention Scheme**

Under the Coronavirus Job Retention Scheme, all UK employers will be able to access support to continue paying part of their employees' salary for those employees that would otherwise have been laid off during this crisis.

HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers.

If your business needs short term cash flow support, you may be eligible for a [Coronavirus Business Interruption Loan](#).

## Support for businesses through deferring VAT and Income Tax payments

HMRC will support businesses by deferring Valued Added Tax (VAT) payments for 3 months. If you're self-employed, Income Tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021. For VAT, the deferral will apply from 20 March 2020 until 30 June 2020.

### Income Tax

For Income Tax Self-Assessment, payments due on the 31 July 2020 will be deferred until the 31 January 2021.

## Support for businesses who are paying sick pay to employees

HMRC will bring forward legislation to allow small-and medium-sized businesses and employers to reclaim Statutory Sick Pay (SSP) paid for sickness absence due to COVID-19. The eligibility criteria for the scheme will be as follows:

- this refund will cover up to 2 weeks' SSP per eligible employee who has been off work because of COVID-19
- employers with fewer than 250 employees will be eligible - the size of an employer will be determined by the number of people they employed as of 28 February 2020
- employers will be able to reclaim expenditure for any employee who has claimed SSP (according to the new eligibility criteria) as a result of COVID-19
- employers should maintain records of staff absences and payments of SSP, but employees will not need to provide a GP fit note. If evidence is required by an employer, those with symptoms of coronavirus can get an isolation note from [NHS 111 online](#) and those who live with someone that has symptoms can get a note from the [NHS website](#)
- eligible period for the scheme will commence the day after the regulations on the extension of SSP to those staying at home comes into force
- the government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible

## Business rates holiday for retail, hospitality and leisure businesses

HMRC will introduce a business rates holiday for retail, hospitality and leisure businesses in England for the 2020 to 2021 tax year.

Businesses that received the retail discount in the 2019 to 2020 tax year will be rebilled by their local authority as soon as possible.

## Cash grants for retail, hospitality and leisure businesses

The Retail and Hospitality Grant Scheme provides businesses in the retail, hospitality and leisure sectors with a cash grant of up to £25,000 per property.

For businesses in these sectors with a rateable value of under £15,000, they will receive a grant of £10,000.

For businesses in these sectors with a rateable value of between £15,000 and £51,000, they will receive a grant of £25,000.

Thanks for your cooperation.

Please stay with us for further updates.

For more information, please email to [info@kgpaccountants.co.uk](mailto:info@kgpaccountants.co.uk)



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