



CORONAVIRUS COVID 19

INFORMATION ABOUT BUSINESS SUPPORT FROM THE FARMER NETWORK Friday 27th March 2020

This briefing attempts to provide information relevant to farmers in our area including those that run diversified businesses, eg in tourism. See the [Government Support for Businesses Webpage](#) for more details and the following is a summary:

CORONAVIRUS SELF EMPLOYMENT INCOME SUPPORT SCHEME

The Chancellor announced on 26th March that self-employed workers will be able to apply for a grant worth 80% of their average profits (based on the tax years 2016/17 to 2018/19), up to a max of £2,500 a month. It is targeted at those whose trading profits are under £50k and who are registered as self-employed or a member of a partnership. You need to have submitted a Self-Assessment tax return for 2018-19 and other rules apply. Click on [who is eligible for the scheme](#) and how it will work. The grants will be taxable, and will need to be declared on tax returns by January 2022.

The money will be paid by HMRC as a lump sum. The scheme isn't yet open for applications and HMRC will contact eligible customers by the beginning of June inviting them to apply. Be aware that there is an increase in scam emails, calls and texts. HMRC will never contact you to ask you to click on a link or to give information such as your name, credit card or bank details.

If you are self-employed, Income Tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021.

DEFERRAL OF VAT PAYMENTS

If you have a VAT payment due between 20 March 2020 and 30 June 2020, you have the option to:

- defer the payment until a later date
- pay the VAT due as normal

Taxpayers will be given until the end of the 2020/2021 tax year to pay any liabilities that have accumulated during the deferral period. You will still need to submit VAT returns and VAT refunds and reclaims will be paid as normal.

If you're in temporary financial distress because of COVID-19 more help is available from HMRC's [Time to Pay scheme](#).

CORONAVIRUS JOB RETENTION SCHEME

The new Coronavirus Job Retention Scheme will be open to any employer whatever their size. Employers will need to apply to HMRC for a grant to cover 80% of the salary of retained workers who are not working but who are “furloughed” and kept on payroll, rather than being laid off. You would need to designate affected employees as ‘furloughed workers,’ and officially notify your employees of this change in writing.

There will be a cap of £2,500 a month for each worker and employers can top up the salary to 100% of wages. HMRC are working to set up a system for reimbursement and the Government is aiming for the scheme to be up and running before the end of April. It will be in place for at least three months and extended as needed. For more details, please refer to the Government web-link above for more details.

CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME

This scheme helps SME businesses access finance of up to £5 million. You should apply via your lender’s website or through one of the [40 accredited finance](#) providers offering the scheme. Following NFU discussions with the Treasury and financial services sector, agriculture is now eligible but at a reduced rate due to state aid rules.

BUSINESS RATES HOLIDAY FOR RETAIL/HOSPITALITY/ LEISURE BUSINESSES AND GRANTS

Businesses in the retail, hospitality and leisure sectors in England will not have to pay business rates for the 2020-21 tax year. Local authorities will apply the business rates holiday to your bills automatically. Grant funding of £25,000 is also available where these businesses have a rateable value of between £15,000-£51,000.

SMALL BUSINESS GRANT FUNDING

Small business grants of £10,000 are available for businesses in receipt of small business rate relief, rural rate relief or tapered relief. If you are eligible, you will be contacted by your Local Authority.

STATUTORY SICK PAY REBATE FOR SMEs

If you employ staff and they are off sick or have to self-isolate, they will most likely be entitled to Statutory Sick Pay - currently £94.25 per week. The Government will provide a refund to cover up to 2 weeks’ SSP per eligible employee who has been off work because of coronavirus.

We will keep you updated each week via our E News every Friday afternoon. It is very important that you provide us with an e mail address for your business and talk to our office if you are not receiving E News (also check your Junk folder).

**We will also post information and updates on our social media pages –
Facebook “@thecumbriafarmernetwork” and “@theyorkshirefarmernetwork”
Twitter “@farmernetwork1”.**

Go to our Facebook pages to join our new Coronavirus Group