



ACCOUNTANTS



Update 24 Sept 2020

Government announcement - Self Employed

Self-Employment Income Support Scheme (SEISS) Grant Extension Factsheet

The Government has announced that it is [extending the Self Employment Income Support Scheme](#) Grant (SEISS). An initial taxable grant will be provided to those who are currently eligible for SEISS and are continuing to actively trade but face reduced demand due to coronavirus. The initial lump sum will cover three months' worth of profits for the period from November to the end of January next year. This is worth 20% of average monthly profits, up to a total of £1,875.

An additional second grant, which may be adjusted to respond to changing circumstances, will be available for self-employed individuals to cover the period from February 2021 to the end of April - ensuring our support continues right through to next year.

What is the scheme?

The Chancellor recognises the continued impact that COVID-19 has had on the self-employed and has taken action to provide support.

The SEISS Grant Extension provides critical support to the self-employed. The grant will be limited to self-employed individuals who are

currently eligible for the SEISS and are actively continuing to trade but are facing reduced demand due to COVID-19.

Who is eligible?

To be eligible for the scheme, self-employed individuals, including members of partnerships, must meet the following criteria:

- Currently be eligible for the SEISS (although they do not have to have claimed the previous grants)
- Declare that they are currently actively trading and intend to continue to trade
- Declare that they are impacted by reduced demand due to COVID-19 in the qualifying period. The qualifying period for the first grant is between 1 November and the date of claim

What does the grant cover?

The extension will provide two grants and will last for six months, from November 2020 to April 2021. Grants will be paid in two lump sum instalments each covering a three- month period.

The first grant will cover a three-month period from the start of November until the end of January. The Government will provide a taxable grant covering 20 per cent of average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £1,875 in total.

The second grant will cover a three-month period from the start of February until the end of April. The Government will review the level of the second grant and set this in due course.

The grants are subject to Income Tax and National Insurance Contributions.

How can I claim?

HMRC will provide full details about claiming and applications in guidance on gov.uk in due course.