



7<sup>th</sup> April 2020

## **Self-Employment Update and Managing your Outgoings**

### **Self-Employment Income Support Scheme**

There is little to report with the Self-Employed Income Support Scheme. Those eligible will receive a cash grant worth 80% of their average monthly trading income over the last three years. HMRC will identify eligible taxpayers and contact them directly with guidance on how to apply. The grant will be paid in one instalment at the start of June.

### **What to do in the meantime?**

It is a long time until June, living costs must be met. There are other available government support including universal credit and business loans.

If your household has limited income, you should apply for universal credit. You will need to apply on-line for universal credit, you can start the claim on the following link:

<https://www.universal-credit.service.gov.uk/postcode-checker>

For business loans or overdrafts, you should contact your bank directly. The banks are inundated with enquiries and applications are taking longer to process.

### **Reducing your monthly payments**

Banks, Credit Card Companies, Mortgage Companies and other financial institutions are fully aware of the financial difficulties individuals are under as a result of the Coronavirus.

If you believe you are not going to be able to meet these commitments, we urge you contact the lenders to discuss your options before you miss a payment. Most will offer repayment holidays or reduced monthly amounts.

It is uncertain how credit rating agencies will view missed payments on your credit file. It may be better to make token or reduced monthly payments rather than no payment at all.

If you are a tenant, you should contact your landlord to discuss your options.

Shelter Cymru has produced some good guidance on housing during the coronavirus crisis and can be accessed on the following link: <https://sheltercymru.org.uk/get-advice/coronavirus/>

The Government has announced protection for commercial tenants who cannot pay their rent due to coronavirus and will be protected from eviction.

## **Self-Assessment, VAT and PAYE.**

HMRC have agreed to defer self-assessment payments on account (due in July 2020) and VAT payment (due between 20 March and 30 June 2020). HMRC are continuing to offer time to pay agreements for any tax arrears.

