



Self-employment Income Support Scheme

What is it?

The Self-employment Income Support Scheme (SEISS) will support self-employed individuals (including members of partnerships) whose income has been negatively impacted by Covid-19. The scheme will provide a grant to self-employed individuals or partnerships worth 80% of their profits up to a cap of £2,500 per month.

HMRC will use the average profits from tax returns in 2016/17, 2017/18 and 2018/19 to calculate the size of the grant. If an individual has not been self-employed or a member of the partnership for the three years then HMRC will use information which they have to calculate the average monthly profits. The scheme will be open for an initial three months covering the period 1 March 2020 to 31 May 2020.

Who is eligible?

To be eligible for the scheme you must meet the following criteria:

- Be self-employed or a member of a partnership;
- Have lost trading / partnership profits due to Covid-19;
- Have filed a tax return for 2018-19;
 - Those who have not yet filed for 2018/19 have until 23 April 2020 to do so.
- Have traded in 2019/20; be currently trading at the point of application (or would be except for Covid-19) and intend to continue to trade in the tax year 2020/21;
- Have trading profits of less than £50,000 and more than half of your total income from self-employment. The trading profits limit can be calculated using one of the following methods:
 - Trading profits in 2018/19 is less than £50,000
 - Average trading profits across up to 3 years between 2016/17, 2017/18 and 2018/19 is less than £50,000.

HMRC have introduced an eligibility checker tool which can be used to see if you are eligible for the SEISS and if you are eligible it will give you a date from which you can apply. To use the tool you will need your Unique Taxpayer Reference and National Insurance Number. To use the tool [click here](#).

How HMRC works out total income and trading profits?

Trading profits

HMRC will use the figures on your tax returns for your total trading income (turnover) and will then deduct any allowable business expenses and capital expenditure.

Allowable expenses include:

- Office costs
- Travel costs
- Clothing expenses
- Staff costs
- Things you buy to sell on such as stock and raw materials
- Financial costs such as bank charges
- Costs of your business premises, such as heating, lighting and business rates
- Advertising or marketing
- Training courses



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- Any business expenses deducted through the trading allowance
- Capital allowances, used to buy assets used in your business
- Qualifying care relief
- Flat rate expenses

HMRC will not deduct from trading profits:

- Any losses carried forward from previous years
- Your personal allowance

If you have more than one trade in the same tax year the HMRC will add together all profits and losses for these trades to work out your trading profit.

Total income

Your total income is the total of the following:

- Income from earnings
- Trading profits
- Property income
- Dividends
- Savings income
- Pension income
- Miscellaneous income (including social security income)

How do I access it?

Individuals should NOT contact HMRC.

HMRC will use existing information to check potential eligibility and invite applications once the scheme is operational. HMRC will then pay the grant directly to eligible claimants' bank accounts.

The online service will be available from 13 May and those eligible will be informed of the date from which they can make a claim. If the claim is approved it will be paid into the designated bank account within 6 days.

To make a claim you will need your:

- Self-Assessment UTR
- National Insurance number
- Government gateway user ID and password – if you do not have a user ID you can create one when you check your eligibility online
- Bank account number and sort code for the grant to be paid into.

Individuals will need to confirm to HMRC that their business has been adversely affected by coronavirus.

Once you have submitted your claim you will be told straight away if your grant is approved. Copies of all records relating to the claim must be kept in line with normal self-employment record keeping requirements. The grant will be reported on the Self-Assessment tax return.

As further information is published by the government we will update our summaries. Should you have any initial queries either contact your usual CK contact or look at the governments dedicated business support website businesssupport.gov.uk.