

Covid-19: Government Support for Businesses: Latest Updates

23 March 2020

Further important support for UK businesses was announced by the Chancellor on Friday 20 March. We also now have further information on some of the measures previously announced. This bulletin provides an update as at the morning of 23 March 2020.

Our previous bulletin, which provides detail on previously announced measures, can be accessed here:

<http://www.verfides.com/united-kingdom-government-announces-emergency-fiscal-and-other-measures-to-support-businesses-affected-by-coronavirus/>

New Government Website

All latest information on all business support measures is now available on a new Government website which is continuously being updated and is the best source of information on an ongoing basis:

<https://www.businesssupport.gov.uk/coronavirus-business-support/>

Further Information on Business Interruption Loan Scheme

This scheme is live as of today, 23 March 2020. A full factsheet on eligibility and how to apply is available here:

<https://www.british-business-bank.co.uk/wp-content/uploads/2020/03/British-Business-Bank-CBILS-FAQs-for-SMEs-FINAL.pdf>

Coronavirus Job Retention Scheme (new measure)

The Government will cover up to 80% of the cost of staff salaries / wages up to £2,500 per month per employee where staff are no longer required to work / not required in the business due to the virus but are retained on the payroll. This will operate as a refund / partial refund of salaries payrolled by the employer. Full details are available here and will be updated as the scheme rolls out:

<https://www.businesssupport.gov.uk/coronavirus-job-retention-scheme/>

Deferral of VAT Payments (new measure)

Between 20 March 2020 and 30 June 2020, businesses will not be required to make any VAT payments to HMRC which are due on their VAT returns. Businesses will be given until 30 March 2021 to clear any liabilities arising but not paid during this period. Further details here:

<https://www.businesssupport.gov.uk/vat-deferral/>

Deferral of Self-Assessment Tax Payments for Self-Employed (new measure)

Any self-employed individual required to make a payment on account of income tax on 31 July 2020 will have this deferred until 31 January 2021. Further details here:

<https://www.businesssupport.gov.uk/vat-deferral/>

Summary of all Business Support Measures Available

The full package of measures now available is as follows. Please note that additional information has been provided on most measures, including the Business Interruption Loan Scheme as referenced above. Rather than reproduce all detail here, we direct you to the Government website at: <https://www.businesssupport.gov.uk/coronavirus-business-support/> which has the latest available information on each measure.

Summary of measures as at 23 March 2020:

- Business Interruption Loan Scheme
- Business rates holiday for retail, hospitality and leisure
- Cash Grant of £25,000 for retail, hospitality and leisure
- Small business grant of £10,000 for the smallest businesses paying little or no business rates
- Statutory Sick Pay rebate
- Time to Pay scheme for business taxes
- Covid-19 Corporate Financing Facility for larger businesses



- VAT deferral
- Self-Employed income tax deferral
- Coronavirus Job Retention Scheme

Further Developments and Assistance

Clearly this is a fast-moving situation and further announcements may be made at any time. The Chancellor has made it clear that these measures may be supplemented at short notice dependent on developments.

Verfides will endeavour to keep all clients updated as soon as further information becomes available or additional measures are announced. In the meantime, please speak to your usual Verfides contact for further assistance, or email or call the Tax Team: tax_team@verfides.com; call +44 20 7930 7111.

London, 23 March 2020.