

Sunak says self-employed could benefit from help worth up to £2,500 per month

In his eagerly awaited address to the nation, Chancellor Sunak acknowledged the anxiety felt by the self-employed over the fact that they were not covered by the employment support packaged he had previously announced.

To address their concerns, he is now introducing a new short-term self-employed income support scheme.

Up to £2,500 for the self-employed

The government, he announced, will pay self-employed people a **taxable** grant based on previous self-employed earnings taken from a period of up to three tax years, worth up to 80% of earnings, capped at £2,500 a month.

It will run for a minimum of three months. However, due to the complexities of getting the money out to the self-employed, no payments will be made until June.

When made, all three months of grants will be paid in one go.

Sunak assured that what was on offer is equivalent to the support available to the employed.

Average profits up to £50K

He says this will be open to anyone with average trading profits of £50,000 or less.

It will be open to people who make the majority of their income from self-employment.

For those who have been in long term self-employment, the grant will be based on an average of up to the last three tax years where tax returns have been filed and, to avoid fraud, it will only be open to people who are already self-employed and have at least one tax return.

Those who have only recently turned self-employed, and as a result were not required to file a 2019 tax return, will have to turn to the benefits system for funds.

95% covered

Sunak insisted that 95% of the self-employed will be covered.

In what some might consider to be a very generous move, anyone who was self-employed and required to file a 2019 self-assessment tax return and who missed the deadline will get an extra four weeks to file their outstanding return and still qualify for the grant.

How to claim

When HMRC is ready, claimants will need to go online, complete 'a simple form' and wait to receive the funds directly into their bank account.

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