

Self-employed

A few actions self-employed could consider in these challenging times;

Apply for grant under self-employed support scheme	When available a grant of 80% of their profits up to a cap of £2,500 per month. HMRC will use the average profits from tax returns 2016-17, 2017-18 and 2018-19 to calculate the size of the grant. The scheme will be open to those individuals with the majority of their income from self-employment and who have profits of less than £50,000. Further details and how to claim can be found online .
Defer 31st July tax payment	Self-assessment income tax payments due on 31 st July 2020 can be deferred to 31 st January 2021. The deferment is optional, and no applications are necessary. No penalties or interest will be charged if payment is deferred. Cancel DD if paying by direct debit.
Deferring VAT	Temporarily cancel HMRC direct debit until further notice. At the moment the VAT can be deferred to April 2021, but this deadline may change. You will need to cancel the direct debit otherwise HMRC will take the VAT due. VAT Returns still need to be submitted.
De-register for VAT	Extreme care is needed as there are a number of potential problems. It may not be possible to de-register in some cases and overall it may be more beneficial to stay VAT registered. Talk to us first , to fully consider the impact, and assess whether possible. There may be other action that can be taken to help.
Consider changing the business year end.	Where trading has stopped, or profits dropped off a cliff then it may be possible to defer tax or even reclaim tax already paid. Talk to us first , to fully consider the impact, assess whether possible or even worthwhile.
Consider what further claims are possible	There may be other ways to reduce tax bills or identify possible tax payments if a deep dive review is undertaken in specialist areas. We are happy to talk this through and put you in touch with appropriate specialists if required.
Consider seeking finance	If you require help with accounts and financial projections before approaching financial institutions, please do talk to us.
Business Interruption Loan Scheme	Loans up to £5 million are available from accredited lenders providing criteria met . Will need to provide copies of accounts and financial projections. Lenders may also offer commercial loans if appropriate. Talk to us first for help with accounts and financial projections.

Businesses will be contacted by their local authority in relation to the grant schemes relating to the rates in the first instance. Again, if you require any help please just let us know.

We are here to help.

Please contact us if you would like to discuss these or other issues.



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This action summary has been written for general interest and assistance and is based upon the information available as far as possible. Given possible complexities and the ever-changing landscape, professional advice should be sought before taking any action or making any decisions. The contents are correct as at 2 April 2020. No responsibility for loss occasioned to any person acting or refraining from action as a result of the information within this guide is accepted by the authors, ProActivTax, or any associated business.