COVID-19

What funding is available for my business?

The Welsh Government has announced a new fund for the self-employed and small businesses to help deal with the impact of the Coronavirus. FSB has encouraged the Welsh Government to use this money to help those that have not been covered by the recent announcement of the Self-Employment Income Scheme, and for the money to be available before HMRC's June go live date.

VAT Deferral

Payment of VAT deferred for the next quarter.
If you have a VAT payment due between 20 March 2020 and 30 June 2020 you have the option to defer the payment or pay as usual. Taxpayers will be given until the end of the 2020 to 2021 tax year to pay any liabilities that have accumulated during the deferral period. VAT refunds and reclaims will be paid by the government as normal. This is the one tax deferral where you MUST cancel the Direct Debit to avoid the money leaving your account to HMRC.

HMRC Time To Pay

You can contact HMRC Time To Pay on 0800 015 9559. HMRC will be generous with any request to defer due tax payments. It's important you call them to agree this, don't just cancel your Direct Debit.

Job Retention Scheme

The Coronavirus Job Retention Scheme offers a grant for furloughed staff. It covers 80% of salary costs, capped at £2,500 per month. The HMRC portal will go live 20th April 2020. You may also be eligible for the CJRS if you are a limited company director or a salaried member of a limited liability partnership - but only for the part of your income that you pay yourself as a salary via PAYE.

Hardship Loan Scheme

Contact your local authority about a hardships loan scheme, as many are setting them up for local residents, small business owners and the self-employed.

Loan Repayment Holiday

The Development Bank of Wales is currently offering all business customers a 3 month capital loan repayment holiday. More information can be found here: https://developmentbank.wales/coronavirussupport-welsh-businesses.

Mortgage & Rent Breaks

Contact your landlord about rent holidays, or speak to your bank about mortgage holidays. The Treasury announced emergency legislation through the COVID Bill in Parliament to ban evictions for commercial tenants for at least 3 months. This is not a payment holiday, you will still remain liable for your rent and will need to make payments unless your landlord agrees a rent holiday with you. Some landlords such as the Arch Company and Network Rail have done this.

Statutory Sick Pay

The Coronavirus Statutory Sick Pay Rebate Scheme will repay employers the current rate of SSP that you pay to current or former employees for periods of sickness starting on or after 13th March 2020. The repayment will cover up to 2 weeks starting from the first day of sickness due to COVID-19. The scheme can be used if you had a PAYE payroll scheme that was created and started on or before 28th February 2020, and you had fewer than 250 employees on 28th February 2020.

Economic Resilience Fund

A £500 million fund will be available through Development Bank of Wales for companies experiencing cash flow problems as a result of the pandemic, and will provide loans of between £5,000 and £250,000 at favourable interest rates, and £400 million of grants for micro businesses and SMEs.

Wales Business Helpline **0300 060 3000**
Lines open **Mon - Friday 8:30am - 5:30pm**

fsb.org.uk/coronavirus

Information correct as of 21st April 2020.
For further updates, please visit www.fsb.org.uk, GOV.UK or your local authority's website.

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COVID-19

What funding is available for my business?

Business Rates & Grants

Business Grants and Rates Relief are being administered by local authorities, any queries should be addressed to them directly. You can find contact details for your local authority on the GOV.UK website.

Are you eligible for Small Business Rates Relief or Rural Rates Relief?

- **NO** → If your business has a rateable value of £12,000 or less, a £10,000 grant should be available from your local authority.
- **YES** → **Are you a hospitality, retail or leisure business?**
  - **NO** → **Is your business a pub?**
    - **YES** → You should be eligible for a £5,000 business rates discount.
    - **NO** → **Is your business a nursery?**
      - **YES** → You should already be receiving a 100% business rates holiday.
  - **YES** → **Is the rateable value less than £500,000?**
    - **YES** → **Do you have a rateable value of between £12,001 and £51,000?**
      - **NO** → Retail, hospitality and leisure businesses with a rateable value of £500,000 or less will not have to pay any business rates during the 2020-21 financial year.
      - **YES** → Retail, hospitality and leisure businesses with a rateable value of £500,000 or less will not have to pay any business rates during the 2020-21 financial year. You should also be eligible for a £25,000 grant from your local authority.

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COVID-19

What funding is available for my business?

Coronavirus Business Interruption Loan Scheme

Are you a UK based SME with a turnover of more than £45m?

YES

For larger firms, you may be eligible for the COVID-19 Corporate Financing Facility. The Bank of England will buy short term debt from larger companies to support your business if it has been affected. It will also support corporate finance markets overall, and ease the supply of credit to all firms. All UK based businesses are eligible.

NO

Do you need to borrow less than £250,000?

YES

You may be eligible for the Coronavirus Business Interruption Loan Scheme. This gives an 80% government guarantee to lenders and is 12 months interest free and fee free. Loans of less than £250,000 cannot use the personal guarantee. You can apply directly to one of over 40 accredited lenders or you can use the FSB Funding Platform.

NO

Is your business and personal security adequate?

NO

YES

If you have security, you may be eligible for a CBILS loan of over £250,000, which is 12 months interest free and fee free. It covers loans of up to £5m. For loans over £250,000, you will not be able to use your personal primary residence for security. You can apply directly to one of over 40 accredited lenders or you can use the FSB Funding Platform.

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COVID-19

What funding is available for my business?

Coronavirus Bounce Back Loan

Do you meet the following criteria?
- UK based business
- Negatively impacted by coronavirus
- Existed by 1st March 2020
- Not 'undertaking in difficulty' on 31/12/19

YES

Is your business one of the following?
- Insurer or re-insurer (but not insurance broker)
- Bank • Public-sector body
- Grant-funded further education establishment
- State-funded primary and secondary school

YES

You won't be eligible for the Bounce Back Loan; other funding options may be available.

NO

Are you already claiming under the Coronavirus Business Interruption Loan Scheme?

YES

You won't be eligible for the Bounce Back Loan. However, if you've already received a loan of up to £50,000 under CBILS and would like to transfer it to the Bounce Back Loan, you can arrange this with your lender until 4th November 2020.

NO

Do you have a tax return?

YES

NO

If you don't have a tax return, you can use a business tax account to prove your eligibility for the Bounce Back Loan.

You should be eligible for the Bounce Back Loan Scheme, which allows SMEs to borrow between £2,000 and £50,000. Loans are capped at 25% of turnover, but there is no turnover limit. The government will guarantee 100% of the loan, with no fees or interest in the first 12 months. Loan terms will be up to 6 years, and no repayments will be due in the first 12 months. If you do decide to pay back in the first year, there is no penalty.

From 4th May 2020, you'll be able to apply online through all the CBILS providers, but it won't be via the British Business Bank. There is no security or credit assessment required.

fsb.org.uk/coronavirus

Information correct as of 28th April 2020.
For further updates, please visit www.fsb.org.uk, GOV.UK or your local authority's website.

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COVID-19 What funding is available for my business?

I'm self-employed - what's available?

Do you meet the following criteria?

- Submitted your Self Assessment tax return for the tax year 2018-19, or will do so by 23rd April. (If you have returns for 2017-18 and 2016-17 they will also be used to assess your average tradable profits.)
- Traded in the tax year 2019-20.
- Are trading when you apply, or would be except for COVID-19.
- Intend to continue trading in the tax year 2020-21.
- Lost trading profits as a result of coronavirus.

YES

Are your self-employed trading profits less than £50,000?

YES

You may be eligible for the Self Employed Income Support Scheme if you:

- Have average tradable profits over the last three years of below £50,000 or your tradable profits for 2018-19 were below £50,000
- Earn more than 50% of your income from self employment.

You can claim a taxable grant worth 80% of your trading profits up to a maximum of £2,500 per month for the next 3 months. This may be extended if needed. 3.8 million will benefit from this scheme, but some exclusions apply: company director's dividends, those who earn more than £50,000 and those whose other income makes up more than 50% of their earnings.

Universal Credit

Can be accessed in full at a rate equivalent to Statutory Sick Pay, but you must have savings below £16,000.

Tax Return Deferral

June tax return and payment deferred to January 2021.

Proposed changes to IR35 have been postponed to 2021

The government announced on 17th March that the reform to the off-payroll working rules (commonly known as IR35) - that would have applied for people contracting their services to large or medium-sized organisations outside the public sector - will be delayed for one year from 6th April 2020 until 6th April 2021. Businesses and individuals do not need to take any action.

Hardship Loan Scheme

Contact your local authority about a hardships loan scheme, as many are setting them up for local residents, small business owners and the self-employed.

fsb.org.uk/coronavirus

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