

# [Update from HMRC on the Coronavirus Job Retention Scheme](#)

Further to our recent correspondence, I have now received the enclosed update on the Coronavirus Job Retention Scheme:

Dear Sir John,

This afternoon, the Chancellor has announced some important changes to the Coronavirus Job Retention Scheme. Further details on the changes, plus updated guidance on other areas of HMRC support is below. Please do share these messages with your constituents.

## **Additional HMRC support during coronavirus**

### **Furlough Scheme Cut-Off Date Extended to 19 March**

Thousands more employees will be able to receive support through the Coronavirus Job Retention Scheme after the Chancellor extended the eligibility date to 19 March 2020. Individuals originally had to be employed on February 28 2020.

Under the scheme, employers can claim a grant covering 80% of the wages for a furloughed employee, subject to a cap of £2,500 a month.

But following a review of the delivery system and to ensure the scheme helps as many people as possible, new guidance published today has confirmed the eligibility date has been extended to March 19 2020 – the day before the scheme was announced.

Employers can claim for furloughed employees that were employed and on their PAYE payroll on or before 19 March 2020. This means that the employee must have been notified to HMRC through the RTI system on or before 19 March 2020.

The change is expected to benefit over 200,000 people.

HMRC has been working at pace to be ready to deliver the scheme, which is due to be fully operational next week.

Updated guidance for employers is available on [GOV.UK](https://www.gov.uk)

Updated guidance for employees is also available on [GOV.UK](https://www.gov.uk)

## **Self-employment Income Support Scheme**

Thank you for continuing to share the guidance for the Self-employment Income Support Scheme (SEISS):

[How to claim a grant through the coronavirus Self-employment Income Support Scheme](#)

## [How HMRC works out total income and trading profits for the Self-employment Income Support Scheme](#)

We have recently updated the guidance to provide clarifications to some queries we've received, including:

- detail of the treatment of losses, averaging and multiple trades
- clarifications on the calculation of self-employed profits and what is meant by total income
- confirmation that individuals are able to continue working, including taking on employment role
- confirmation that owner-managers of Ltd companies can access the Coronavirus Job Retention Scheme (CJRS) for their salary
- confirmation that individuals can access Universal Credit and the SEISS
- clarification on overlaps between the SEISS and CJRS (for example, you can claim the SEISS and continue working).

We would greatly appreciate your help in sharing this update as widely and as quickly as possible.

### **Benefits and Tax Credits**

Benefits and Tax Credit payment increases came into effect on the 6 April. Individual payment dates will vary. Customers don't have to take any action – they will receive increased payment by 18 May. More information is available on [GOV.UK](#).

This year, HMRC will automatically renew all tax credits claims apart from those identified as high risk. This means that around 3.9 million customers will have their claim auto renewed. These customers will receive an auto renewal pack and they will only need to contact us if their details differ from the pack.

We will need more information from 150,000 customers and they will be sent a 'reply required renewal pack' and will be expected to complete it in the normal way.

If any of your constituents are currently a tax credit claimant, and they claim Universal Credit, their tax credit award will be closed from the day before their Universal Credit claim is made. Once they have made a Universal Credit claim it is not possible for them to go back to tax credits.

More guidance is available on [GOV.UK](#).

### **Coronavirus scammers target taxpayers**

Fraudsters are continuing to take advantage of the package of measures announced by the Government to support people and businesses affected by coronavirus.

HMRC has detected more than 40 coronavirus-related financial scams to date, most by text message.

We have asked Internet Service Providers to take down more than 60 web addresses associated with these scam campaigns.

### **HMRC's advice:**

Stop:

- Take a moment to think before parting with your information or money.
- Genuine organisations like banks and HMRC will never contact you out of the blue to ask for your PIN, password or bank details, or to withdraw money or transfer it to a different account.
- Don't give out private information, reply to text messages, download attachments or click on links in texts or emails you weren't expecting.

Challenge:

- Could it be fake? It's ok to reject, refuse or ignore any requests. Only criminals will try to rush or panic you.
- Check [GOV.UK](https://www.gov.uk) for information on how to [recognise genuine HMRC contact](#) and [how to avoid and report scams](#).
- If you think you have received an HMRC-related phishing/bogus email or text message, you can check it against examples published on [GOV.UK](https://www.gov.uk).

Protect:

- Use the latest software, apps and operating systems on your phone, tablet or laptop. Update these regularly or set your devices to automatically update so you don't have to worry.
- Forward suspicious emails claiming to be from HMRC to [phishing@hmrc.gov.uk](mailto:phishing@hmrc.gov.uk) and texts to 60599.
- Contact your bank immediately if you think you've fallen victim to a scam, and report it to [Action Fraud](#).

### **Business Support Campaign**

Thank you for your support in sharing our business support advice in recent weeks. We have now moved our [Coronavirus Business Support site](#) onto [GOV.UK](https://www.gov.uk) and this content will be used in campaign material from now on.

The original Business Support website will continue to remain available in the short term, but we would be very grateful if you could point your members to our new site to ensure they have the very latest information.

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**HM Revenue & Customs**

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## Thanks to all the volunteers

Let's say a big thank you to all the volunteers. Many are willing to give their time and energy to helping the elderly and vulnerable during this period of lock down. WBC and various charities are directing their efforts.

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## Changing patterns of life

As we all adapt to life at home, so the way we do things changes. Many more people buy items on line and grow use to not visiting shops other than the main supermarkets for food. Many conduct business meetings on line through web based meetings. People turn to on line services. Families learn to talk to each other through video links.

It is boom time for services like Zoom, Webex and the download home entertainment providers. Suppliers of laptops and smart phones I am told have plenty of demand as families extend their range of equipment to conduct life digitally, and as firms provide employees with the kit to work from home. Our domestic broadband capacity is being tested with much more use.

So today I am asking you to write in and tell me how you have changed your lives to live with the stay at home guidance. Which new services or activities have you found most helpful? Have you acquired any new hardware to help? What things are you now doing on line which you used to do by going out to a gym or sporting event or meeting or party?

I would also be interested in how you think people will react when we do start to see the relaxation of the lock down. Will many of you stay with more on line shopping and digital entertainment, or will you be back to shops and the events as soon as they re-open? Will your attitude to public transport be different all the time the virus lurks without cure or vaccine?

How much damage to personal incomes has this all done so far, and what impact will that have on people's capacity to spend again when there are more businesses able to sell us goods and services?

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## New patterns of trade

Once we start the relaxations of the lock down, new patterns of trade and business are likely to emerge.

There will be more suspicion of reliance on imports, given the disruption to international trade and travel we have experienced. More people are likely to want local food and products, and more businesses will take some travel risk out of their supply chains.

There will be more concerns about Chinese technology and our dependence on a lot of Chinese manufactures, given the history of the virus and the rows over Chinese involvement in 5G programmes.

There will also be a governmental wish to promote overseas trade again after the big decline, with a more balanced range of counterparties. People will remember which companies and countries were most helpful during the period of virus need.

It is good to hear that the EU/UK trade talks will resume this week by teleconference. I trust the government will also pick up the pace again with the USA, Australia, New Zealand and Japan. These are all important partners, with an enthusiasm to improve trade terms mutually once we are out of the EU customs union.

With governments wanting to promote more trade and with more customers concerned about overseas sourcing, the stage is set for better deals to act as inducements. The better deals will come from the friendlier countries, which in turn will be the more reliable trade partners.

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## Tackling poverty

The government has long held the view that the best way to combat poverty is to help people into jobs. It is easier to get to a better paid job from a starter job than from no job at all.

The government had been very successful at creating the right conditions for many more jobs to be created. This Parliament was meant to be about securing more and better training for the many, so they can get better paid jobs. Business will work smarter as the workforce becomes better trained, and better supported with technology.

The current surge in unemployment is a most unwelcome interruption in this policy. People who lose their jobs or who are told they can no longer earn from their self employed businesses are suddenly plunged into poverty through no fault of their own. Many did not earn enough to save for a rainy day, and have no other sources of cash or income to fall back on. It is all very well for senior civil servants and Ministers with well paid jobs to tell them they must not work. They can afford to because they will still be paid, and can work from home in many cases.

It is vitally important we end the rise in unemployment as soon as possible.

If we can start the return to work soon we may be able to retrieve the position more quickly. If we stay in Lock Down Britain for too long more of these jobs will be lost for good. The UK needs more productive capacity. We need to make more things for ourselves and grow more of our own food. This needs more all the companies and entrepreneurs we now have and more besides.