

FAQs: First Publication – 29.04.2020

## Questions for Employers

### About applications to the scheme

#### **1) Q. When can I make an application to the scheme?**

Applications can be made during these periods:

- 1 May 2020 until 29 May 2020 (for April payroll)
- 1 June 2020 until 30 June 2020 (for May payroll)
- 1 July 2020 until 31 July 2020 (for June payroll)

#### **2) Q. How do I know which SIC code my business activity falls under?**

You will be able to select the correct SIC code from a drop-down list when you complete the online application form. If the business has various activities, you should pick the one that represents the majority (51% or more) of your normal trade.

If you are a charity registered with the Jersey Charity Commission, you will need to select 'Miscellaneous' and then 'Registered with the Jersey Charity Commission'.

#### **3) Q. If I make my claim on 1 May 2020, when will the payment be made?**

The Government will make payments as quickly as possible. Claims will be processed within 5 working days although some will take longer if more information is required. In the first week of May there are a number of Bank Holidays. Although civil servants will be working over these holidays to process the claims, how long the payment takes to reach you will depend on your bank. The result of this will mean that it may take slightly longer in May for payments to reach your bank account.

#### **4) Q. What information will be published about my business's application?**

The Government of Jersey will periodically publish appropriate information in respect of businesses which have claimed under the scheme. For businesses, this may include the name of the business, number of employees claimed for and the total amount claimed.

### About the eligibility of your business

#### **5) Q. What happens if the circumstances of my business change next month or in the following months. Will the Government expect me to pay back any of the support received through this scheme?**

No, each month of the scheme requires a separate application and will be judged on its own merits in accordance with the Guidance. If your turnover increases in the future in subsequent months, then this will not affect your original claim.

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- 6) Q. The impact of COVID-19 may not affect my business until later in the year because I have existing contracts – but these may not continue or be renewed. Will I still be eligible for Phase 2 support?**

Your business will only be eligible for Phase 2 support if the turnover in the month you are claiming for is affected.

- 7) Q. My business is behind on paying its Social Security contributions, can I still apply for this support?**

Yes, providing you have still submitted the quarter A 2020 Social Security schedule.

### Phase 2 and your Social Security contributions

- 8) Q. Can I still defer my Class 1 Social Security contribution payments if I claim Phase 2 support?**

Yes, you can apply for Phase 2 support and defer your Social Security contributions payments for A and B quarters in 2020 (payments normally due in April and July) by 12 months if your business has less than 80 employees. For businesses with more than 80 employees, you will need to apply to CLS for a deferment. All businesses who can maintain their usual payment schedule or a reduced payment schedule, without putting their business at risk, or laying off staff, are asked to continue making payments. Any business or individual who is entitled to defer payments will retain a full contribution record during this extended payment period.

However, you must continue to deduct primary Class 1 contributions from the salaries of your employees, regardless of whether you are deferring payment to Social Security.

- 9) Q. Does the business still need to submit Social Security returns?**

Yes, it is essential that you continue submitting your Social Security contributions schedule so you can access the Phase 2 support, regardless of whether or not you're deferring contributions payments. For A quarter the deadline was 15 April 2020 and for B quarter it is 15 July 2020. You will only receive a payment if you have submitted your A quarter schedule.

### About your employees

- 10) Q. If an employee was made redundant but the business can now re-employ them, will their costs be supported?**

Yes. If an employee was made redundant because of the disruption caused by Covid-19 a business would be able to claim for these people if you re-employ them. The relevant employee must still be listed on the March Social Security contribution in order to be claimed for.

- 11) Q. Can I agree with my employees that I pay them after I have received the Phase 2 subsidy?**

No. The Phase 2 subsidy is always a refund. Your wages must be paid out before you claim. The Government may contact employees, to check if wages have been paid.

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**12) Q. Can I claim for an employee who has a red Social Security card?**

Yes, if they were on your Social Security contribution schedule in March 2020.

**13) Q. Can I claim for an employee who is over 65?**

Yes, there is no upper age limit for employees.

**14) Q. The Phase 1 maximum earning limit was £10,000 per month. Why has this changed?**

For Phase 2, the maximum earnings limit is £4,554 per month in the relevant month. This is the Standard Earnings Limit (SEL) used for Social Security contributions. Phase 2 also extends support to a much wider range of businesses and provides additional support to the worst affected businesses. Setting the Phase 2 earnings limit helps to ensure that subsidies are available to all those employees who need them the most.

**15) Q: If my business defers the Social Security Class 1 contributions payments would my employees' eligibility to Social Security contributions be affected?**

No, personal Class 1 contribution records will not be affected by deferring payments