

FAQs: Second Publication – 29.04.2020 (Questions are numbered sequentially across all FAQs)

Questions for Self-Employed

About your eligibility

**16. Q. Can I claim if I have a red Social Security card?**

Yes, for Phase 2.

**17. Q. Can I claim if I am over 65?**

Yes, there is no upper age limit for self-employed people

**18. Q. I am behind with payments for my Social Security Contributions from this year, 2019 or earlier. Can I still claim Phase 2 support?**

Yes, you are eligible to apply for phase 2 even if you are behind paying contributions.

**19. Q. Can I get support from Phase 2 if I received Contribution Credits through Home Responsibility Protection (HRP) in March 2020?**

Yes, if you were self-employed and registered as Class 2 in March 2020 you are eligible to apply for Phase 2 even if your contributions were covered by HRP credits.

**20. Q. I have a Small Income Exception in 2020 so I don't have to pay contributions, will I still be eligible?**

If you are registered as Class 2, it doesn't matter whether you have a Small Income Exception for your Contributions. You will still be eligible to apply for Phase 2 support.

**21. Q. I am self-employed with part-time income, but I also have a job and pay my contributions through my employer under Class 1. Can I get support for my self-employed income?**

No, if you are not registered as Class 2, you will not be eligible to claim for yourself as self-employed regardless of what proportion of your income comes from this work. As your contributions are covered by Class 1, your employer may be able to claim for you as an employee.

**22. Q. I am self-employed with part-time income, but I also had a job and was paying my contributions through my employer under Class 1. However, my employer has made me redundant. Can I now get support for my self-employed income?**

No, if you are not registered as Class 2, you will not be eligible to claim for yourself as self-employed regardless of whether your employment continues. The scheme does allow for your employer to re-employ you and claim for Phase 2 support if you were made redundant because of Covid-19 disruption so we recommend speaking to your employer.

**23. Q. I am the director/owner of a limited company and receive my income through the repayment of a director's loan. Am I eligible for Phase 2 support?**

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No. The scheme is designed to support direct payroll cost to employees.

**24. Q. What happens if the circumstances of my self-employment 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.

**25. Q. The impact of COVID-19 may not affect me 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.

### About your application to the scheme

**26. 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)

**27. 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 you have various self-employed activities, you should pick the one that represents the majority (51% of more) of your normal trade.

**28. Q. I work with a partner in the business, can they claim as well?**

Yes, you can claim together or separately on the online application form

**29. 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.

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General questions

**30. Q. My income in 2019 was much higher than £2,000 per month, can I get any more money?**

No, the maximum subsidy available under this scheme is £1,600 per month per worker (80% of £2,000).

**31. Q. Will I have to declare my Phase 2 support as income and pay tax on it?**

Yes, it will be treated as business income for 2020 (Schedule D Income for the purposes of income tax)

**32. Q. Will this subsidy affect my Income Support?**

Yes, if you claim Income Support, this Phase 2 support will affect your Income Support claim. You must let the Income Support team know immediately if you receive a payment for Phase 2 support. The support will be treated as earnings for income support purposes.

**33. Q. Can I still defer my Class 2 Social Security contribution payments if I claim Phase 2 support?**

Yes, you can claim 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 you pay Class 2 contributions. However, anyone who can maintain their usual payment schedule or a reduced payment schedule, is asked to continue making payments if they can.