

The Coronavirus Act 2020 Functions of Her Majesty's Revenue and Customs (Coronavirus Job Retention Scheme) Direction

The Treasury, in exercise of the powers conferred by sections 71 and 76 of the Coronavirus Act 2020, give the following direction:

1. This direction applies to Her Majesty's Revenue and Customs.
2. This direction modifies the effect of the Coronavirus Job Retention Scheme for which Her Majesty's Revenue and Customs is required to be responsible for the payment and management of amounts payable under the scheme set out in the Schedule to the direction made on 15 April 2020 by the Treasury in exercise of the powers conferred by sections 71 and 76 of the Coronavirus Act 2020 as modified by the further directions made in exercise of those powers on 20 May 2020 and 25 June 2020.
3. Those directions continue to have effect but the Coronavirus Job Retention Scheme established by them is modified as set out in the Schedule to this direction.



Signed by the Chancellor of the Exchequer

Her Majesty's Treasury

01/10/20

SCHEDULE

CORONAVIRUS JOB RETENTION SCHEME

Introduction

- 1.1 This Schedule sets out modifications to the scheme known as the Coronavirus Job Retention Scheme (“CJRS”) established by the CJRS directions.
- 1.2 In particular-
 - (a) part 1 of this Schedule makes provision in respect of CJRS as set out in part 2 of the Schedule to the direction made on 25 June 2020 by the Treasury in exercise of the powers conferred by sections 71 and 76 of the Coronavirus Act 2020 (“third CJRS direction”), and
 - (b) part 2 of this Schedule modifies CJRS to establish the Coronavirus Job Retention Scheme (Job Retention) Bonus (“CJRS(JR)B”).
- 1.3 The modifications made by this direction are without prejudice to any matter in connection with the provision made by the CJRS directions.
- 1.4 Except as necessary to give effect to the modifications to CJRS by this direction, the provision made by the CJRS directions is without prejudice to any matter in connection with the provision made by this direction.

Purpose of CJRS and CJRS(JR)B

- 2.1 The purpose of CJRS established by the CJRS directions is to provide for payments to be made to employers on a claim made in respect of them incurring costs of employment in respect of employees who are within the scope of CJRS arising from the health, social and economic emergency in the United Kingdom resulting from coronavirus and coronavirus disease.
- 2.2 Integral to the purpose of CJRS is that the amounts paid to an employer in accordance with the CJRS directions are used by the employer to continue the employment of employees whose employment activities have been adversely affected by the coronavirus and coronavirus disease or the measures taken to prevent or limit its further transmission.
- 2.3 The purpose of CJRS(JR)B is to enhance and consolidate the purpose of CJRS.
- 2.4 No CJRS(JR)B claim may be made in respect of an employee if it is abusive or is otherwise contrary to the exceptional purposes of CJRS or CJRS(JR)B.

PART 1

**PROVISION FOR CJRS CLAIMS UNDER PART 2 OF THE SCHEDULE TO THE THIRD CJRS DIRECTION
(CJRS HAVING EFFECT FOR THE PERIOD BEGINNING ON 1 JULY 2020 AND ENDING ON 31 OCTOBER
2020)**

Time limit for making CJRS claims under part 2 of the Schedule to the third CJRS direction

- 3.1 A CJRS claim in respect of a period occurring within a CJRS calendar month must not be made after 30 November 2020.
- 3.2 Expressions used in this part have the meaning they bear in part 2 of the Schedule to the third CJRS direction.

PART 2

CORONAVIRUS JOB RETENTION SCHEME (JOB RETENTION) BONUS

Entitlement to make a CJRS(JR)B claim

- 4. A CJRS(JR)B claim may be made by an employer in respect of an employee if-
 - (a) the employer is a qualifying employer in relation to the employee at the time when the CJRS(JR)B claim is made by the employer in respect of the employee,
 - (b) the employee is a qualifying employee, and
 - (c) the claim is made in accordance with paragraph 7.1.

Qualifying employers

- 5.1 An employer is a qualifying employer in relation to an employee if the employer at the time of making the CJRS(JR)B claim-
 - (a) has a PAYE scheme registered on HMRC's real time information system for PAYE ("PAYE scheme"),
 - (b) has made a CJRS claim in respect of the employee, and
 - (c) has delivered the required information to HMRC.
- 5.2 The required information mentioned in paragraph 5.1(c) is the information specified in paragraphs 2 to 46 of Schedule A1 to the Income Tax (Pay As You Earn) Regulations 2003 ("PAYE Regulations") that the employer is required to deliver to HMRC pursuant to regulations 67B or 67D of those Regulations in relation to all relevant payments made by the employer in the period-
 - (a) beginning on 6 April 2020, and
 - (b) ending on 5 February 2021.
- 5.3 For the purposes of paragraphs 5.1 and 5.2-
 - (a) "relevant payments" has the meaning given in regulation 4 of the PAYE Regulations;

- (b) HMRC may disregard inaccuracies in the required information delivered or provided even if not corrected in accordance with regulation 67E or otherwise provided the inaccuracy does not render a CJRS(JR)B claim made in respect of an employee abusive or otherwise contrary to the exceptional purposes of CJRS or CJRS(JR)B.

Qualifying employees

- 6.1 An employee is a qualifying employee if-
 - (a) the employee's employer has made a CJRS claim in respect of the employee,
 - (b) paragraph 6.2 applies in relation to the employee, and
 - (c) paragraph 6.5 does not apply in relation to the employee.
- 6.2 This paragraph applies in relation to an employee if the employee's employer making the CJRS claim mentioned in paragraph 6.1(a)-
 - (a) employs the employee (without terminating the employee's employment) for the whole of the period-
 - (i) beginning immediately after the end of period covered by the CJRS claim mentioned in paragraph 6.1(a), and
 - (ii) ending on 31 January 2021,
 - (b) makes at least one payment to the employee in each of the three CJRS(JR)B periods (together referred to as "the relevant 3 month period") that, by virtue of paragraph 22 of Schedule A1 to the PAYE Regulations, must be included in a return that the employer is required to deliver to HMRC pursuant to regulations 67B or 67D of those Regulations, and
 - (c) the total value of the payments mentioned in paragraph 6.2(b) made by the employer to the employee during the relevant 3 month period is at least £1,560.
- 6.3 Where an employee's employment with an employer would fall as having been terminated but for a relevant provision, the employment must be treated as having been terminated for the purposes of paragraph 6.2(a).
- 6.4 The following are relevant provisions for the purposes of paragraph 6.3-
 - (a) regulation 102 of the PAYE Regulations;
 - (b) the Transfer of Undertakings (Protection of Employment) Regulations 2006;
 - (c) section 218 of the Employment Rights Act 1996.
- 6.5 This paragraph applies in relation to an employee if the employee is on notice of termination of the employee's employment with the employee's employer on 31 January 2021.
- 6.6 The CJRS(JR)B periods are-
 - (a) the period-
 - (i) beginning on 6 November 2020, and

- (ii) ending on 5 December 2020;
- (b) the period-
 - (i) beginning on 6 December 2020, and
 - (ii) ending on 5 January 2021;
- (c) the period-
 - (i) beginning on 6 January 2021, and
 - (ii) ending on 5 February 2021.

CJRS(JR)B claims

- 7.1 A CJRS(JR)B claim is made in accordance with this paragraph if the claim in respect of the employee is made during the CJRS(JR)B claim period in such form and manner and contains such information as HMRC may require at any time (whether before or after payment of the claim) to establish entitlement to payment of the CJRS(JR)B claim.
- 7.2 The CJRS(JR)B claim period-
- (a) begins on 15 February 2021, and
 - (b) ends on 31 March 2021.

Amount of CJRS(JR)B claim

8. The amount that may be claimed in respect of an employee pursuant to a CJRS(JR)B claim is £1,000.

Definitions etc.

9. For the purposes of this direction (unless the context otherwise requires)-
- (a) references to “CJRS directions” are references to the direction made on 15 April 2020 by the Treasury in exercise of the powers conferred by sections 71 and 76 of the Coronavirus Act 2020 as modified by the further directions made in exercise of those powers on 20 May 2020 and 25 June 2020;
 - (b) references to “CJRS claim” are references to a CJRS claim made in accordance with the CJRS directions (within the time limit applicable to the claim);
 - (c) references to “CJRS claim in respect of the employee” are references to the CJRS claim made in accordance with the CJRS directions covering the latest of the periods covered by a CJRS claim made in respect of that employee;
 - (d) expressions used in this direction have the meaning they bear in the CJRS directions.

Other directions under section 76 of the Coronavirus Act 2020

- 10.1 HMRC must take account of any amendment made to CJRS or CJRS(JR)B by any other direction under section 76 of the Coronavirus Act 2020.
- 10.2 Entitlement to a payment under CJRS or CJRS(JR)B is without prejudice to any entitlement to a payment under any similar scheme arising from a direction under section 76 of the Coronavirus Act 2020.