

The Coronavirus Act 2020 Functions of Her Majesty's Revenue and Customs (Self-Employment Income Support Scheme Extension) 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 and extends the effect of the Self-Employment Income Support Scheme which confers responsibility on Her Majesty's Revenue and Customs for the payment and management of amounts to be paid under that scheme which is set out in the Schedule to the SEISS direction.
3. The SEISS direction continues to have effect but is modified and extended so that the scheme to which it relates takes effect as modified and extended as set out in the Schedule to this direction.
4. This direction has effect for the duration of the scheme.
5. In this direction, "the SEISS direction" is the direction given on 30 April 2020 in exercise of the powers conferred by sections 71 and 76 of the Coronavirus Act 2020.

Signed by the Chancellor of the Exchequer

A handwritten signature in blue ink, appearing to read 'Rishi Sunak', is positioned below the text 'Signed by the Chancellor of the Exchequer'.

Her Majesty's Treasury

1st July 2020

SCHEDULE

THE SELF-EMPLOYMENT INCOME SUPPORT SCHEME EXTENSION

PART 1

GENERAL

Introduction

1. This Schedule modifies and extends the Self-Employment Income Support Scheme (“SEISS”) and is to be known as the Self-Employment Income Support Scheme Extension (“SEISS Extension”).

Purpose of scheme modification and extension

2. The purpose of the modification and extension to SEISS is to—
 - (a) specify a date by which claims must be made for a payment under SEISS (see Part 2),
 - (b) provide for payments to be made to relevant persons carrying on a trade the business of which has been adversely affected by the health, social and economic emergency in the United Kingdom resulting from coronavirus and coronavirus disease but who would not otherwise qualify for a payment under SEISS (see Part 3), and
 - (c) provide for payments to be made to persons and relevant persons carrying on a trade the business of which is adversely affected by the health, social and economic emergency in the United Kingdom resulting from coronavirus and coronavirus disease on or after 14 July 2020 (see Part 4).

PART 2

SEISS

Application of SEISS

3. SEISS Extension is a modification and extension of SEISS and accordingly all the provisions of SEISS apply to this extension as they apply in relation to SEISS and payments under SEISS except where the context otherwise provides.

Claims

4. Subject to paragraph 6 (claims by relevant persons), a claim for a payment under SEISS must be made on or before 13 July 2020.

PART 3

APPLICATION OF SEISS TO RELEVANT PERSONS

Relevant person

- 5.1 SEISS applies to a relevant person in accordance with this Part.
- 5.2 Subject to paragraph 5.3, a relevant person is a person who but for SEISS Extension would not qualify for a payment under SEISS because of the effect of—
- (a) a specified activity or event on that person's trading profits or total income for the tax year 2018-19, or
 - (b) where the person is a relevant reservist, service pay or a specified reservist activity on that person's trading profits or total income for the tax year 2018-19.
- 5.3 A person is not a relevant person if the person's trading profits of the tax year 2018-19 exceeded £50,000.
- 5.4 In paragraph 5.2(a), a "specified activity or event" is—
- (a) caring for a child within 12 months of—
 - (i) where the person had parental responsibility for the child, the date of birth of the child, or
 - (ii) where the person is an adopter, the date the child was placed for adoption with that person or, in the case of an adoption from overseas, the date on which the child arrives in the United Kingdom, or
 - (b) pregnancy or maternity at any time within the period of 26 weeks from the date of giving birth.
- 5.5 In paragraph 5.2(b)—
- (a) a "relevant reservist" is a person who is or was a member of the reserve forces who carried out one or more specified reservist activities for 90 days or more in the tax year 2018-19 or the basis period for that tax year,
 - (b) a "specified reservist activity" is—
 - (i) undertaking a full-time service commitment under section 24 of RFA 1996,
 - (ii) performing duties under an additional duties commitment under section 25 of RFA 1996, or
 - (iii) in service under a call out order made under section 56 of RFA 1996,
 - (c) "service pay" means any amount payable or benefit received in connection with service as a member of the reserve forces.
- 5.6 For the purposes of paragraph 5.4(b), the date on which a woman gives birth is the date on which—
- (a) she gives birth to a living child, or
 - (b) she gives birth to a dead child (more than 24 weeks of the pregnancy having passed).

5.7 For the purposes of this paragraph—

“adoption from overseas” means the adoption of a child who entered the United Kingdom from outside the United Kingdom in connection with or for the purposes of adoption which does not involve the child being placed for adoption in any part of the United Kingdom;

“adopter” means a person with whom the child was placed for adoption, or in the case of an adoption from overseas, the person by whom the child has been or is to be adopted;

“basis period” has the same meaning as in Chapter 15 of Part 2 of ITTOIA 2005;

“parental responsibility” means—

(a) parental responsibility within the meaning of the Children Act 1989 or the Children (Northern Ireland) Order 1995, or

(b) parental responsibilities within the meaning of the Children (Scotland) Act 1995;

“placed for adoption” means placed for adoption in accordance with—

(a) the Adoption Agencies Regulations 2005 (S.I. 2005/389);

(b) the Adoption Agencies (Wales) Regulations 2005 (S.I. 2005/1313);

(c) the Adoption Agencies (Scotland) Regulations 2009 (S.I. 2009/154); or

(d) the Adoption Agencies Regulations (Northern Ireland) 1989 (NISR 1989/253).

Claims by relevant persons

6. A claim for a payment by a relevant person under SEISS must be made in accordance with paragraph 3 of SEISS on or before 19 October 2020.

The profits condition

7. A relevant person meets the profits condition in paragraph 5 of SEISS if—

(a) the person meets condition D or E in that paragraph, or

(b) where the person is a relevant reservist and did not carry on a trade in the tax year 2017-18, the person meets condition A in that paragraph.

SEISS payment

8. For the purposes of calculating the amount of the payment under paragraph 6 of SEISS in relation to a relevant person, paragraph 6.2 of that paragraph does not apply and TP in paragraph 6.1 of that paragraph is—

(a) if the person carried on a trade for the tax years 2016-17 and 2017-18, the average trading profits of those tax years,

- (b) if the person did not carry on a trade in the tax year 2016-17, the trading profits of the tax year 2017-18, or
- (c) if the person is a relevant reservist and did not carry on a trade in the tax year 2017-18, the trading profits of the tax year 2018-19.

Relevant income for relevant reservists

9. For the purposes of calculating the amount of relevant income for a tax year under paragraph 8 of SEISS in relation to a relevant reservist, in determining the amount of TI in paragraph 8.1 of that paragraph any service pay for that year must be excluded from the amount of total income for that year.

PART 4

SEISS EXTENSION PAYMENTS

Claims

10.1 A claim for a payment under SEISS Extension (a “SEISS Extension payment”) must be made in accordance with paragraph 3 of SEISS on or before 19 October 2020.

10.2 A claim may only be made for a SEISS Extension payment in relation to a trade the business of which has been adversely affected by coronavirus or coronavirus disease on or after 14 July 2020.

10.3 On a claim by a relevant person, paragraphs 7 (profits condition) and 9 (relevant income for relevant reservists) apply in determining whether the person is a qualifying person for the purposes of the claim.

SEISS Extension payment

11.1 The amount of the SEISS Extension payment is the lower of—

- (a) £6,570, and
- (b) $3 \times \left(\frac{TP}{12} \times 70\%\right)$.

11.2 In paragraph 11.1, TP is—

- (a) except where the person is subject to the loan charge or is a relevant person, determined by the first to apply of the following paragraphs—
 - (i) if the person carried on a trade in the tax years 2016-17, 2017-18 and 2018-19, the average trading profits of those tax years,
 - (ii) if the person did not carry on a trade in the tax year 2016-17, the average trading profits of the tax years 2017-18 and 2018-19, and

- (iii) if the person did not carry on a trade in the tax year 2017-18, the trading profits of the tax year 2018-19,
- (b) where the person is subject to the loan charge or is a relevant person—
 - (i) the average trading profits of the tax years 2016-17 and 2017-18, or
 - (ii) if the person did not carry on a trade in the tax year 2016-17, the trading profits of the tax year 2017-18, or
- (c) where the person is a relevant reservist and did not carry on a trade in the tax year 2017-18, the trading profits of the tax year 2018-19.

PART 5

GENERAL

Interpretation

- 12.1 Terms used in this Schedule have the same meaning as in SEISS.
- 12.2 For the purposes of SEISS and SEISS Extension—
 - “member of the reserve forces” has the meaning given by section 127(2) of RFA 1996;
 - “RFA 1996” means the Reserve Forces Act 1996;
 - “relevant person” has the meaning given in paragraph 5;
 - “relevant reservist” has the meaning given in paragraph 5.5(a);
 - “reserve forces” has the meaning given by section 1(2) of RFA 1996;
 - “SEISS” means the Self-Employment Income Support Scheme set out in the Schedule to the direction given by the Treasury to HMRC on 30 April 2020 in exercise of the powers conferred by sections 71 and 76 of the Coronavirus Act 2020;
 - “SEISS Extension payment” has the meaning given in paragraph 10.1;
 - “service pay” has the meaning given in paragraph 5.5(c).