



Support for businesses through the Coronavirus Job Retention Scheme

Dear Client,

Right now, there is lots of information on the business help from Government.

Employer can claim a grant upto 80% of furloughed workers wage costs, up to a cap of £2,500 per month. As an accountant we have contacted HMRC today and confirmed that you can apply for 80% refund even you are the only employee or director of the company.

Under the Coronavirus Job Retention Scheme, all UK employers will be able to access support to continue paying part of their employees' salary for those employees that would otherwise have been laid off during this crisis.

Eligibility:

All UK businesses are eligible. To qualify for this scheme company should not undertake work from the employee while the employee is furloughed. The employee will remain employed while furloughed. Employer could choose to fund the differences between this payment and employee's salary.

If the salary is reduced as a result of these changes, employee may be eligible for support through the welfare system, including universal credit.

How to access the scheme; *You will need to:*

- ***designate affected employees as 'furloughed workers,' and notify your employees of this change - changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation***
- ***submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required).***

HMRC will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers.

HMRC is expecting to open an online portal by end of next week for further details for reimbursement process. As your accountant, MSR Group is always by your side to help in any relevant business matters. Please keep in touch if you need further guidance and we will help you with specialist supports for you.

Best regards and stay safe

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