



## CORONAVIRUS ADVICE FOR SCOTTISH BUSINESSES

Due to the current situation with the Covid-19 virus the government response has stepped up considerably over the last 24 hours.

### Support of £2.2 billion

Economy Secretary Fiona Hyslop has confirmed that Scottish businesses will get [£2.2 billion of support](#). The key points are:

- small firms receiving the small business bonus or rural relief will be eligible for a **£10,000 grant**
- 12 months rates relief for businesses in hospitality, leisure and retail. Grants will also be available for companies in this sector
- a **£25,000 grant** for businesses in those sectors with a rateable value for their premises between £18,000 and £51,000
- 1.6% relief for all properties effectively freezes the poundage rate next year

The £2.2 billion package of support for business supersedes the [£320 million package announced](#) on 14 March and includes an additional £1.9 billion of increased support following the Chancellor's announcement on 17 March.

### Coronavirus Business Interruption Loan Scheme (CBILS)

At Budget 2020 on Wednesday 11 March, the Chancellor announced a 'Coronavirus Business Interruption Loan Scheme', and that it would become available 'over the coming weeks'.

This has been brought forward, and we now expect the new scheme to become available in the week commencing 23 March 2020.

The loan scheme will be provided by the British Business Bank through participating providers with the aim of supporting the continued provision of finance to UK businesses during the Covid-19 outbreak.

#### Business Finance Products Supported:

- Term facilities
- Overdrafts
- Invoice finance facilities
- Asset finance facilities

#### CBILS Eligibility Criteria

- UK based, with turnover of no more than £41 million per annum
- Operate within an eligible industrial sector (a small number of industrial sectors are not eligible for support – [exceptions](#))
- Be able to confirm that they have not received *de minimis* State aid beyond €200,000 equivalent over the current and previous two fiscal years
- Have a sound borrowing proposal, but insufficient security to meet the lender's requirements
- Full eligibility criteria will be published shortly

Finance terms are available from three months to ten years for term loans and asset finance, and up to three years for revolving facilities and invoice finance. No interest will be due for the first six months.

To apply for an CBILS-backed facility, businesses may wish to consider approaching one or more participating lenders to discuss their borrowing needs.

Further information can be found [here](#).

A list of accredited lenders and partners can be seen on page 3.



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### HMRC Bespoke Time to Pay Option

HMRC has set up a dedicated helpline to support businesses and self-employed individuals concerned about not being able to pay their tax due to coronavirus (COVID-19).

Up to 2,000 experienced call handlers are available to support businesses and individuals when needed.

HMRC will discuss your specific circumstances to explore:

- agreeing an [instalment arrangement](#)
- suspending debt collection proceedings
- cancelling penalties and interest where you have administrative difficulties

**If you are concerned about being able to pay your tax due to COVID-19, call HMRC's dedicated helpline on 0800 0159 559.**

### VAT/PAYE Returns

If you are unable to file a VAT or PAYE return by its due date, because of staff shortages, call HMRC as soon as possible, explaining the circumstances in an effort to avoid any charges being applied.

### Support for Employers and Employees

Chancellor Rishi Sunak unveiled several measures, as part of a £30bn fiscal coronavirus stimulus to help employees and small business owners during the ongoing crisis.

### Self Isolation

Under Mr Sunak's new measures, statutory sick pay (SSP) will be extended to all of those who are eligible and asked to self-isolate, even if they are not showing symptoms.

The payment, which works out at £94.25 per week, will be available from day one of quarantine.

### Small Businesses

Under the new measures, the Government will meet the cost for businesses with fewer than 250 employees of providing SSP for 14 days.

### Self Employed

Self-employed people are usually not eligible for SSP, but the Government will now be making it "quicker and easier to access benefits" including those on a zero hours contracts, or those earning less than £118 a week.

For people on lower incomes, Mr Sunak announced he would also be temporarily removing the minimum income floor for Universal Credit.

### How Can Gilliland & Company Help?

Our offices remain open during this difficult period and we are here to help you in any way we can.

If you wish to discuss any of the issues relating to the impact of the Covid-19 outbreak or any business matter, please do not hesitate to get in touch.



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### CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS) - ACCREDITED LENDERS AND PARTNERS



A full list of lenders and partners by region can be found [here](#)