



PENNINGTONS
MANCHES
COOPER

RESOURCES ROADMAP

UK GOVERNMENT SUPPORT TO BUSINESSES



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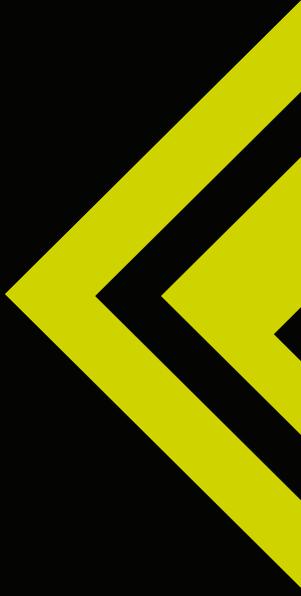
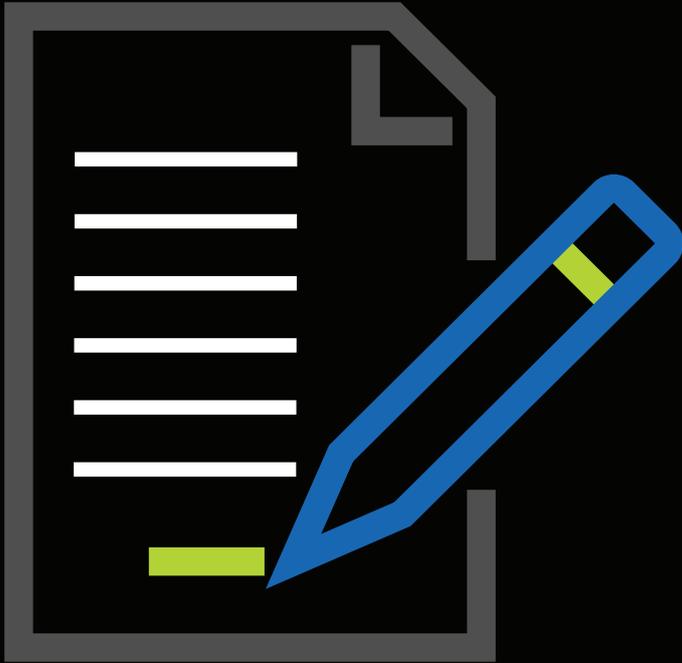
This guide forms part of our [coronavirus resource hub](#) and is current as at 3 March 2021. It is not intended to constitute legal advice.

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SUMMARY OF BUSINESS SUPPORT MEASURES

GOVERNMENT SUPPORT	VALUE OF SUPPORT	WHEN DOES THE SUPPORT START?	WHEN DOES THE SUPPORT END?	ELIGIBILITY: ANNUAL TURNOVER		
				£0 - £45 MILLION	£45 MILLION+	'MATERIAL CONTRIBUTION TO UK ECONOMY'
Coronavirus Large Business Interruption Loan Scheme (CLBILS)	Up to £200 million	Ongoing	31 March 2021		✓	
Coronavirus Business Interruption Loan Scheme (CBILS)	Up to £5 million	Ongoing	31 March 2021	✓	✓	✓
Bounce Back Loan Scheme (BBLS)	£2,000 - £50,000	Ongoing	31 March 2021	✓	✓	✓
Recovery Loan Scheme (RLS)	Up to £10 million per business	6 April 2021	31 December 2021 (subject to review)	✓	✓	✓
Future Fund Breakthrough Scheme	TBC	Early summer 2021	N/A	✓	✓	✓
Local Restrictions Support Grant (LRSG)	Up to £1,500 per 14 day period of closure	Ongoing	Subject to particular scheme	✓	✓	✓
Additional Restrictions Grant (ARG)	Unknown	Ongoing	N/A	✓	✓	✓
Restart Grants	Up to £18,000 per premises	April 2021	N/A	✓	✓	✓
Coronavirus Job Retention Scheme (Furlough)	80% of employees' wages, up to £2,500 *subject to minimum employer contributions	Ongoing	30 September 2021	✓	✓	✓
Coronavirus Statutory Sick Pay Rebate Scheme	Reclaim two weeks of SSP (available to employers with fewer than 250 employees)	Ongoing	Please see below	✓		
Business rates relief for retail, hospitality and leisure businesses	No business rates due for period up to 30 June 2021; 66% relief until 31 March 2022	Ongoing	31 March 2022	✓	✓	✓
Tourism and hospitality sectors	5% rate until 30 September 2021 and 12.5% rate until 31 March 2022	Ongoing	31 March 2022	✓	✓	✓
VAT deferrals	Deferring VAT payments for periods up to 30 June 2020 to 31 March 2022	Ongoing	31 March 2022	✓	✓	✓
SDLT for residential properties	Raised lower band thresholds rates	Ongoing	1 October 2021	✓	✓	✓
Super deduction	Allowances of up to 130% on plant and machinery investments	1 April 2021	31 March 2023	✓	✓	✓
Tax losses	Trading losses carry back up to three years	Ongoing	31 March 2022	✓	✓	✓

**BUSINESS LOAN
FACILITIES**



CORONAVIRUS LARGE BUSINESS INTERRUPTION LOAN SCHEME (CLBILS)

KEY FEATURES

What is available?

- Finance facilities from £50,000 up to £200 million for businesses with a turnover of over £45 million.
- The amount borrowed should **not** be greater than:
 - double the company's annual wage bill for the most recent year available; or
 - 25% of the company's total turnover for the most recent year available.
- Depending on whether the facility exceeds £50 million, some additional eligibility criteria apply.

What types of finance are available?

- Business loans, revolving credit facilities (including overdrafts), up to £200 million.
- Invoice finance and asset finance facilities up to £50 million.

What are the repayment terms?

- Three months to three years.

Security and guarantees

- The CLBILS provides lenders with a government-backed guarantee of 80% against the outstanding balance.
- The borrower remains 100% liable for the debt.
- No personal guarantees are permitted for facilities under £250,000.
- For facilities over £250,000, claims on personal guarantees cannot exceed 20% of the losses after all recoveries have been applied.
- Current guidelines do not prohibit the use of a principal private residence to support a personal guarantee.
- For further information, see [here](#).

ELIGIBILITY REQUIREMENTS

A business must:

- have an annual turnover of more than **£45 million**;
- generate more than 50% of its turnover from trading activity;
- not be an excluded business (see below);
- be UK-based in its business activity;
- self-certify that it has been adversely impacted by Covid-19;
- have a borrowing proposal which the lender would consider viable, were it not for the current pandemic, and for which the lender believes the provision of finance will enable the business to trade out of any short-term to medium-term difficulty; and
- not have received a facility under the Bank of England's Covid Corporate Financing Facility (CCFF), or funding under either the BBLS or CBILS.

For facilities over £50 million, additional requirements apply. Until the loan has been fully repaid, businesses (and companies within their group) must:

- not pay cash bonuses or award pay rises to senior management (unless in specified circumstances);
- not declare, make or pay any dividend, charge, fee or other distribution, pay a management advisory or other fee to a shareholder, or redeem or repurchase any share capital (unless in specified circumstances);
- secure their facility from a lender with additional accreditation which has also notified the British Business Bank in advance of approving the facility.

An excluded business includes:

- banks, building societies, insurers and reinsurers (but not insurance brokers);
- public-sector bodies;
- further-education establishments, if they are grant-funded; and
- state-funded primary and secondary schools.

APPLICATION PROCESS

This scheme is provided by the British Business Bank (BBB). To apply, a business should approach an [accredited lender](#) (preferably through its website) to discuss a facility. Businesses should prepare in advance details of the loan, including the amount, purpose and period of repayment. The lender may require the following types of information:

- management accounts;
- cash flow forecast;
- business plan;
- historic accounts; and
- details of assets.

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CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME (CBILS)

KEY FEATURES

What types of finance are available?

- Finance facilities of up to £5 million, which include business loans, overdrafts, invoice finance and asset finance, are available.

What are the repayment terms?

- The Government will pay interest and fees on the loan for the first 12 months.
- The duration of the loans are:
 - from three months up to ten years for term loans and asset finance facilities; and
 - up to three years for overdrafts and invoice finance facilities.

Security and guarantees

- The CBILS provides lenders with a government-backed guarantee of 80% against the outstanding balance.
- The borrower remains 100% liable for the debt.
- No personal guarantees are permitted for facilities under £250,000.
- For facilities over £250,000, personal guarantees may be required, but:
 - principal private residences cannot be taken as security; and
 - claims on personal guarantees cannot exceed 20% of the losses after the proceeds of business assets have been applied.
- For more information, see [here](#).

ELIGIBILITY REQUIREMENTS

A business must:

- be UK based, with turnover of no more than **£45 million per annum**;
- self-certify that it has been impacted by Covid-19;
- not be classed as a ['business in difficulty'](#) on the date of application, if applying to borrow £30,000 or more;
- generate more than 50% of its turnover from trading activity;
- not be an excluded business (see below); and
- have a sound borrowing proposal, were it not for the current pandemic.

An *excluded* business includes:

- banks, insurers and reinsurers (but not insurance brokers);
- public-sector bodies; and
- state-funded primary and secondary schools.

Businesses with fewer than 50 employees and less than £9 million in annual turnover and/or annual balance sheet will not be considered as 'undertakings in difficulty' unless they are: (a) subject to collective insolvency procedure under national law; or (b) in receipt of unpaid rescue aid or restructuring aid.

However, smaller businesses with more than 50 employees or a £9 million turnover and/or annual balance sheet are subject to the 'undertaking in difficulty' test.

APPLICATION PROCESS

This scheme is provided by the British Business Bank (BBB). To apply, a business should approach an [accredited lender](#) (preferably through its website) to discuss a facility. Businesses should prepare in advance details of the loan, including the amount, purpose and period of repayment. The lender may require the following types of information:

- management accounts;
- cash flow forecast;
- business plan;
- historic accounts; and
- details of assets.

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BOUNCE BACK LOAN SCHEME (BBLS)

KEY FEATURES

What is available?

- Loans from £2,000 up to £50,000 (and not more than 25% of a business' turnover), which are **available to businesses of all sizes**.
- Fast-track finance scheme with cash arriving within 24 hours of approval.

What are the repayment terms?

- The length of the loan is up to ten years. Early repayment is permitted, without extra fees.
- The interest rate on each facility is 2.5% per annum.
- The borrower does not need to make repayments for the first 12 months. However, interest-only periods of up to six months (to be used a maximum of three times) will be available, as well as the option of a one-off six month payment holiday.
- The Government will pay interest and fees for the first 12 months.

Security and guarantees

- The BBLS provides lenders with a government-backed guarantee of 100% against the outstanding balance (capital and interest).
- Lenders cannot take personal guarantees or take recovery action over a borrower's personal assets.
- For more information, see [here](#).

Can you top up a bounce back loan?

- From 10 November, companies that have previously benefited from the scheme, may 'top-up' their loan from their existing BBLS lender. The minimum top up amount permitted is £1,000. Any such top-up is subject to the total amount borrowed (including the initial amount borrowed) not exceeding the cap prescribed under the scheme. The capital repayment holiday for the full amount borrowed will expire 12 months from the date of the first drawdown.
- For more information see [here](#).

ELIGIBILITY REQUIREMENTS

A business must:

- be engaged in trading or commercial activity in the UK, and have been established by 1 March 2020;
- be a company or limited liability partnership incorporated or established in the UK, or tax resident in the UK;
- have been impacted by Covid-19;
- not be in bankruptcy, debt restructuring proceedings, liquidation or similar;
- declare whether it was a '[business in difficulty](#)' at 31 December 2019 and not breach state aid restrictions under the Temporary Framework. If the borrower was a 'business in difficulty', the loan must not breach *de minimis* state aid restrictions, and it must not be used to support export-related activities. This may also limit the amount of finance available;
- not have obtained a loan through the CCFF, CLBILS, CBILS or another BBLS (unless the existing loan will be refinanced in full by the BBLS loan);
- generate more than 50% of its income from its trading activity;
- use the loan for the economic benefit of the business, and not for personal purposes; and
- not be an excluded business (see below).

An *excluded* business includes:

- credit institutions and insurers;
- public-sector bodies; and
- state-funded primary and secondary schools.

APPLICATION PROCESS

This scheme is provided by the British Business Bank (BBB). To apply, a business should approach an [accredited lender](#) (preferably through its website) to discuss a facility. If possible, this should be the business' existing provider.

You will be required to fill in a short online application form, self-certifying eligibility for the loan.

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RECOVERY LOAN SCHEME (RLS)

KEY FEATURES

What is available?

- The RLS ensures businesses of any size can continue to access loans and other kinds of finance up to £10 million per business once the existing Covid-19 loan schemes (CLBILS, CBILS and BBLS) close on 31 March 2021.
- Once received, the finance can be used for any legitimate business purpose, including managing cash flow, growth and investment.
- The maximum value of a facility provided under RLS will be £10 million per business. Minimum facility sizes vary, starting at:
 - £1,000 for asset and invoice finance; and
 - £25,001 for term loans and overdrafts.
- The Government guarantees 80% of the finance to the lender to ensure they continue to have the confidence to lend to businesses.
- Loans will be available through a network of accredited lenders, whose names will be made public in due course.
- Businesses will be required to meet the costs of interest payments and any fees associated with the facility.
- The RLS will launch on 6 April 2021 and is open until 31 December 2021, subject to review.

Term lengths:

- Term loans and asset finance facilities are available for up to six years.
- Overdrafts and invoice finance are available for up to three years.

Security and guarantees:

- No personal guarantees will be taken on facilities up to £250,000, and a borrower's principal private residence cannot be taken as security.

ELIGIBILITY REQUIREMENTS

- A business must:
 - be trading in the UK;
 - be shown to be viable, or that it would have been viable were it not for the Covid-19 pandemic;
 - have been impacted by the Covid-19 pandemic;
 - not be in collective insolvency proceedings (further details to be provided in due course); and
 - not be an excluded business (see below).
- An excluded business includes:
 - banks, building societies, insurers and reinsurers (but not insurance brokers);
 - public-sector bodies; and
 - state-funded primary and secondary schools.
- Businesses that have received support under the existing Covid-19 loan schemes (CLBILS, CBILS and BBLS) will still be eligible to access finance under this scheme, if they meet all other eligibility criteria.

APPLICATION PROCESS

- This scheme will launch on 6 April 2021.
- Lenders will be required to undertake credit and fraud checks for all applicants. Lenders may overlook concerns over short-term to medium-term performance owing to the Covid-19 pandemic. Checks and approach may vary between lenders.
- Further details on how to apply and details of accredited lenders will be released in due course. For more information, see [here](#) and [here](#).

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**SPECIALIST LOANS
AND CASH GRANTS**



LOCAL RESTRICTIONS SUPPORT GRANT (LRSRG)

KEY FEATURES

What is available?

- There are various schemes available to businesses that have been required to close due to national restrictions imposed by the Government as of 5 January 2021.
- The Local Restrictions Support Grant (Closed) Addendum schemes have been introduced for businesses that were open as usual, but then were required to close due to the national lockdowns imposed by the Government. Eligible businesses may be entitled to a cash grant from their local council for the following periods: (i) from the period between 5 November 2020 and 2 December 2020; and (ii) from 5 January 2021 onwards. For more information on the support available, see [here](#).
- The Closed Business Lockdown Payment (CBLP) was also introduced following the national lockdown that began on 5 January 2021. The CBLP offers eligible businesses a one-off cash grant of up to £9,000 from their local council. Local councils will pay the same businesses that are eligible to receive the Local Restrictions Support Grant (Closed) Addendum. For more information, see [here](#).

ELIGIBILITY REQUIREMENTS

- The eligibility requirements differ across the various schemes and each scheme terms should be considered before application. The grants are organised and issued by the local authorities and they will set their eligibility criteria.
- For more information see [here](#).
- We expect state aid limitations will apply to this scheme.

APPLICATION PROCESS

- Applications are submitted through the relevant local authority website.

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ADDITIONAL RESTRICTIONS GRANT (ARG)

KEY FEATURES

What is available?

- The ARG provides local councils with grant funding support for closed businesses that do not directly pay business rates but also those businesses that have not had to close as result of the pandemic but are still impacted.
- Local councils determine which businesses to target and determine the amount of funding awarded under the scheme.

ELIGIBILITY REQUIREMENTS

- It is expected the funding will be used by councils to help those businesses which, while not legally forced to close, are severely impacted by the restrictions. It is possible these will include:
 - businesses in the retail, hospitality and leisure sectors;
 - businesses in the events sector; and
 - businesses required to close but which do not pay business rates.
- A business cannot get funding if it:
 - is in administration, insolvent or has been struck off the Companies House register; or
 - has exceeded the permitted subsidy limit.
- The new domestic subsidy allowance for the Covid-19 business support grants took effect on 4 March 2021. This scheme is covered by three subsidy allowances which provide the financial limits to a business receiving financial assistance/grants. For more information, see [here](#).
- You can check if your business meets the eligibility criteria [here](#).

APPLICATION PROCESS

- Businesses can apply for assistance under the ARG scheme via their local council website. Details can be found [here](#).

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RESTART GRANTS

KEY FEATURES

What is available?

- This grant aims to provide help for businesses as they plan to safely relaunch trading over the coming months.
- The Government will provide one-off cash grants of up to £6,000 per premises for non-essential retail businesses and up to £18,000 per premises for hospitality and leisure businesses, including personal care and gyms.

ELIGIBILITY REQUIREMENTS AND APPLICATION PROCESS

- This grant will launch in April 2021 and more information regarding eligibility requirements and application process should become available in due course.
- For more information, see [here](#).

FUTURE FUND: BREAKTHROUGH

KEY FEATURES

What is available?

- This is a new £375 million UK-wide scheme which aims to encourage private investors to co-invest with the Government in high-growth, innovative companies such as those working in life sciences, quantum computing, or clean tech, that are aiming to raise at least £20 million of funding.
- This scheme will launch in early summer 2021 (date TBC).
- This new scheme is separate from the Government's Future Fund, now closed to new applications, which addressed the immediate funding challenge that innovative, equity backed, UK companies faced due to Covid-19. Participation in the Future Fund will have no bearing on eligibility for, or affect the likelihood of obtaining funding from, Future Fund: Breakthrough.

ELIGIBILITY REQUIREMENTS

- Eligible businesses will be UK-based companies with a significant UK operation.
- More information regarding eligibility will be issued in due course ahead of the scheme's launch in early summer 2021.

APPLICATION PROCESS

- More information regarding the application process will be announced in due course ahead of the scheme's launch in early summer 2021. For more information, see [here](#).

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**EMPLOYMENT
MEASURES**



CORONAVIRUS JOB RETENTION SCHEME (FURLOUGH)

KEY FEATURES

What is available?

- Employers who cannot maintain their current workforce because operations have been severely affected by Covid-19 can, by agreement, place eligible employees on furlough leave and apply for a grant until 30 September 2021.
- Subject to the below, employers can claim a grant of 80% of the wages of employees placed on furlough leave, up to a maximum cap of £2,500 per month. Employers must pay employer National Insurance contributions and pension contributions.
- HMRC has produced the table below which shows the level of Government contribution available, the required employer contribution and the amount that the employee receives per month where the employee is furloughed 100% of the time.

	MAY	JUNE	JULY	AUGUST	SEPTEMBER
GOVERNMENT CONTRIBUTION: WAGES FOR HOURS NOT WORKED	80% UP TO £2,500	80% UP TO £2,500	70% UP TO £2,187.50	60% UP TO £1,875	60% UP TO £1,875
EMPLOYER CONTRIBUTION: EMPLOYER NATIONAL INSURANCE CONTRIBUTIONS AND PENSION CONTRIBUTIONS	YES	YES	YES	YES	YES
EMPLOYER CONTRIBUTION WAGES FOR HOURS NOT WORKED	NO	NO	10% UP TO £312.50	20% UP TO £625	20% UP TO £625
FOR HOURS NOT WORKED EMPLOYEE RECEIVES	80% UP TO £2,500	80% UP TO £2,500	80% UP TO £2,500	80% UP TO £2,500	80% UP TO £2,500

- An employer may top-up pay during furlough leave above the cap but they are not obliged to.
- Employees are still able to accrue holiday whilst on furlough and are able to take leave whilst furloughed. Holiday is paid at the normal rate of pay for such periods.
- Any hours taken as holiday during furlough leave should be recorded as furlough hours, not working hours. Where an employee usually works on bank holidays, it can be agreed that this is included in the grant payment. If the employee does not usually work on bank holidays, the employer must either top up their usual holiday pay, or give the employee a day of holiday in lieu.
- There is no minimum furlough period and employers can agree flexible furlough, to facilitate part-time working, to last any amount of time provided this is agreed and documented.
- To be eligible for the grant, employers must also agree the terms of furlough leave with their employees. This agreement may also take the form of a collective agreement between the employer and a trade union representing the employees to be furloughed.
- Furlough agreements must be confirmed in writing and a record must be kept (together with a copy of all records relating to the claims) for six years.
- When an employee is sick, a business is entitled to claim a grant under the furlough scheme or statutory sick pay (see below) but not both in relation to the same period for the same employee.
- The scheme is not intended to cover short-term absences from work due to sick leave or because an employee is self-isolating.
- Since 1 December 2020, employers cannot claim for a furloughed employee who is serving a contractual or statutory notice period.
- Since December 2020, HMRC has been collating and publishing details of employers that have made claims under the scheme.

ELIGIBILITY REQUIREMENTS

- Any employers with a UK bank account and UK PAYE scheme can claim the grant and there is no requirement for an employer to have previously utilised the scheme.
- Where employers receive public funding for staff costs, it is expected that employers will not furlough staff.
- Under the scheme, an employee will be eligible for furlough if:
 - for periods ending on or before 30 April 2021, they were employed on or before 30 October 2020 and the employer made a PAYE RTI submission to HMRC between 20 March 2020 and 30 October 2020;
 - the employee was on a fixed term contract or was made redundant and they stopped working for the employer on or after 23 September 2020 but, subject to criteria, were re-employed; and
 - for periods starting on or after 1 May 2021, they were employed on or before 2 March 2021 and the employer made a PAYE RTI submission between 20 March 2020 and 2 March 2021.
- Eligible employees can be on any type of employment contract, including: full-time, part-time, agency, zero-hours, apprentices, office holders or salaried members of a limited liability partnership.

APPLICATION PROCESS

Claims must be submitted within 14 calendar days after the month the employer is claiming for or, if this falls on a weekend or bank holiday, the next working day. For information on how to apply, visit this [webpage](#).

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CORONAVIRUS STATUTORY SICK PAY REBATE SCHEME

KEY FEATURES

What is available?

- Qualifying employers are entitled to reclaim up to two weeks of Statutory Sick Pay (starting from the first qualifying day of sickness) if their employee is unable to work because they either:
 - have coronavirus symptoms or have tested positive for coronavirus;
 - are self-isolating because someone they live with has symptoms;
 - are self-isolating because: they have been notified by the NHS or public health authorities that they have come into contact with someone who has coronavirus; or have been advised to self-isolate before going into hospital for surgery;
 - are “shielding” in accordance with Government advice.
- Employers can claim for periods of sickness starting on or after:
 - 13 March 2020 in relation to absence for coronavirus (or symptoms of coronavirus) or self-isolation;
 - 16 April 2020 if the employee was shielding;
 - 28 May 2020 if the employee has been notified to self-isolate if they have come into contact with someone with coronavirus; and
 - 26 August 2020 if the employee has been notified by the NHS to self-isolate before surgery.
- An eligible “employee”:
 - includes full-time and part-time employees and those on agency, fixed-term, flexible and zero-hours contracts; and
 - must be eligible for SSP.
- The time limit for bringing a claim is the later of one year from either (i) the last day of incapacity; or (ii) 26 May 2020.
- For more information, see [here](#).
- Employers are advised to keep records of SSP claims for at least three years after the date they receive the payment under the scheme.

ELIGIBILITY REQUIREMENTS

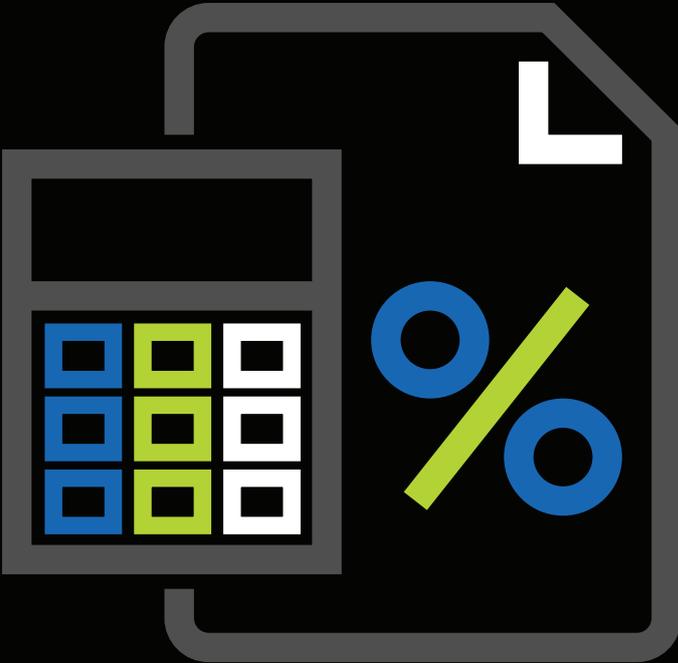
An employer will qualify for the scheme if:

- they are claiming for an employee who is eligible for SSP due to Covid-19;
- they have already paid the employee’s sick pay;
- have had a PAYE payroll scheme on or before 28 February 2020;
- have had fewer than 250 employees on 28 February 2020; and
- they are not above the state aid limits prescribed under the EU Commission’s Temporary Framework.

APPLICATION PROCESS

For information on how to apply, visit the [Government website](#).

**OPERATIONAL / COMMERCIAL
SUPPORT**



BUSINESS RATES RELIEF FOR RETAIL, HOSPITALITY AND LEISURE BUSINESSES

KEY FEATURES

What is available?

- Businesses in the retail, hospitality and leisure sectors in England will not be required to pay business rates up to 30 June 2021.
- This will be followed by 66% business rates relief for the period from 1 July 2021 to 31 March 2022, capped at £2 million per business for properties that were required to be closed on 5 January 2021, or £105,000 per business for other eligible properties.

ELIGIBILITY REQUIREMENTS

A business must be a:

- shop;
- restaurant, café, or pub;
- cinema or live music venue;
- assembly or leisure property; or
- a hospitality property.

APPLICATION PROCESS

Your local authority will automatically apply the discount. No steps need to be taken.

VAT CUT

KEY FEATURES

- The tourism and hospitality sector will continue to benefit from a 5% reduced VAT rate until 30 September 2021.
- A 12.5% reduced rate will apply for the subsequent six months until 31 March 2022.
- Included in the above reduced rates are food (eating in or out) and non-alcoholic drinks, accommodation (such as hotels and caravan sites) and attractions (including cinemas, theme parks and zoos).

ELIGIBILITY REQUIREMENTS

- The business must be UK VAT registered and the goods or services must fall into the above hospitality categories.
- The 5% reduced rate will not apply to small businesses that use the Flat Rate Scheme. Businesses that use this scheme should be aware that certain flat rate percentages have been reduced in line with the temporary reduced VAT rate.
- When the 12.5% reduced rate is introduced, businesses in these sectors that use the Flat Rate Scheme will also be able to proportionately benefit from this rate for the period that it applies.

APPLICATION PROCESS

There is no application process, with the reduced VAT rate being mandatory on these categories of hospitality supplies.

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SDLT HOLIDAY

KEY FEATURES

- The Government announced an extension to the lower rates of SDLT for residential property acquisitions. The extension applies to transactions with an effective date before 1 July 2021.
- Companies buying residential property benefit from a 3% rate up to a raised threshold of £500,000 (in most instances, companies do not benefit from the 0% rate on residential properties).
- The new rates for companies are:

Up to £500,000	3%
£500,001 to £925,000	8%
£925,001 to £1.5 million	13%
Above £1.5 million	15%
- The 3% band threshold will be lowered to £250,000 for transactions with an effective date on or after 1 July 2021 but before 1 October 2021.
- The rates for companies completing transactions on those dates are as follows:

Up to £250,000	3%
£250,001 to £925,000	8%
£925,001 to £1.5 million	13%
Above £1.5 million	15%
- From 1 April 2021, acquisitions by non-resident companies may also be subject to a 2% SDLT surcharge.
- From 1 October 2021, the 3% band threshold will revert to £125,000.

ELIGIBILITY REQUIREMENTS

- SDLT applies in England and Northern Ireland only. Measures have been introduced in Wales in relation to land transaction tax and in Scotland in relation to land and buildings transaction tax (although the detail of these differs to the new SDLT rules).
- Any purchase of residential property is eligible for the reduced rates where the completion date falls between the above dates.
- The reduced rates will not apply to a company subject to the flat 15% SDLT rate on its purchase.

APPLICATION PROCESS

There is no formal application process. SDLT is a self-assessment tax and therefore the right amount should be calculated in the land transaction return and paid to HMRC within 14 days of completion.

VAT DEFERRAL

UK VAT registered businesses with a VAT payment due between 20 March 2020 and 30 June 2020 were able to defer certain payments (at no extra cost) or pay as normal. This scheme has ended and all VAT payments due after 30 June 2020 must be paid as normal. For more information, see [here](#).

Businesses which deferred their VAT bills can opt-in to a new payment scheme. It enables those businesses to pay back their deferred bills in smaller interest-free payments up to the end of March 2022.

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SUPER DEDUCTION

KEY FEATURES

- From 1 April 2021 until 31 March 2023, companies investing in qualifying new plant and machinery assets will be able to claim:
 - a super-deduction providing allowances of 130% on most new plant and machinery investments that ordinarily qualify for 18% main rate writing down allowances (eg computers, manufacturing equipment, white goods and sanitary ware);
 - a first year allowance of 50% on most new plant and machinery investments that ordinarily qualify for 6% special rate writing down allowances (eg electrical and water systems).

ELIGIBILITY REQUIREMENTS

- Most tangible capital assets used in the course of a business are considered plant and machinery for the purposes of claiming capital allowances. However, certain expenditures (eg used and second-hand assets) are excluded.

APPLICATION PROCESS

Businesses can deduct capital allowances when computing their taxable profits.

TAX LOSSES

KEY FEATURES

- Businesses may carry back trading losses for relief against profits of earlier years - up to three years - to get a repayment of tax paid.
- Losses must be set against profits of most recent years first before carry back to earlier years.
- Carry back of losses from the current accounting period or tax year to the previous year remains uncapped. However, the extended loss carry back to the second and third year before the current accounting period or tax year is capped at a total of £2,000,000 of loss. The cap applies to companies, groups and individuals.

ELIGIBILITY REQUIREMENTS

- Both companies and individuals can benefit from the measure.
- The measure will apply to trading losses made by companies in accounting periods ending between 1 April 2020 and 31 March 2022 and to trading losses made by unincorporated businesses in tax years 2020 to 2021 and 2021 to 2022.

APPLICATION PROCESS

Extended loss carry back claims must be made in a tax return unless the claims are below a de minimis limit of £200,000.

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