

**From:** HMRC External Affairs

**Sent:** 02 April 2020

**Subject:** Further HMRC support the during coronavirus outbreak



HM Revenue  
& Customs

HM Revenue and Customs (HMRC) has been issuing a regular Stakeholder Digest outlining the various packages of support and other easements available to help people during the coronavirus outbreak. We want everyone to know about what is available, so please do share these messages with your clients, customers or members. The government has set up a [dedicated support page](#) where businesses can find the right support, advice and information to help with the impact of coronavirus.

#### Further HMRC support during coronavirus

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#### Tax avoidance promoters targeting returning NHS workers

HMRC is aware that unscrupulous promoters of tax avoidance schemes are targeting workers returning to the National Health Service (NHS) to help respond to the coronavirus outbreak. We are warning those returning to the NHS to be very careful not to sign up to these schemes. The schemes being offered all have some common features. [Read more on GOV.UK](#).

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#### HMRC Webinars now available

HMRC is delivering a programme of webinars on the measures to support employers and self-employed individuals through this period of disruption caused by coronavirus. A webinar covering the support available to help employers support their workers is [available here](#). Businesses can also register to attend a free webinar to learn more about the support available to help them deal with the economic impacts of coronavirus [by registering on GOV.UK](#).

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#### Chancellor waives duties and VAT on vital medical imports

The Chancellor has waived import taxes on medical equipment crucial to the fight against coronavirus. NHS suppliers will no longer have to pay customs duty or import VAT on specific medical goods coming from outside the EU, including ventilators, coronavirus testing kits and protective clothing. More detail is [available on GOV.UK](#).

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#### Further support for distilleries to produce hand sanitiser

HMRC is supporting distilleries to produce hand sanitiser. The alcohol used in hand sanitisers is not subject to excise duty, but must be treated to make it undrinkable. This avoids it entering the market illegally.

HMRC has already prioritised applications from existing alcohol users wishing to increase their usage allowance, reducing turnaround times from 45 days to less than 5 days. This has resulted in 13.7 million additional litres of alcohol being authorised for sanitiser production since 1 March.

However, we have now gone further, and temporarily relaxed controls to further increase the availability of alcohol for sanitisers:

- Usage limits on businesses already authorised to use alcohol in hand sanitiser production have now been removed entirely;
- Licenced distillers and gin producers operating in excise warehouses may use their stocks of ethanol to produce hand sanitiser **without** HMRC approval, if the final product meets the [WHO formulation for hand rub](#) or the alcohol is denatured to prescribed formulations;
- The use of duty-free spirits to produce hand sanitiser for hospitals has been extended to include products manufactured for care homes; and,
- A broader, less stringent range of denatured alcohols can be used to make hand sanitiser.

We have already seen and read of several well-known businesses benefitting from these changes, which will help keep people safe and protect our NHS, and we hope more take advantage over the coming weeks and months.

HMRC is on hand to help, and full guidance for distilleries is [available on GOV.UK](#). If companies wish to seek advice from HMRC, they can call 0800 024 1222 or email [nru.alcohol@hmrc.gov.uk](mailto:nru.alcohol@hmrc.gov.uk).

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### VAT deferrals – Updated Guidance

For those customers who are unable to pay VAT due between 20 March and end June 2020, they now have the option to defer that payment until 31 March 2021. They will not need to apply for deferral as eligibility is automatic. **Customers who normally pay by direct debit should cancel their direct debit with their bank if they are unable to pay. It is very important this is done in sufficient time.**

Updated guidance is [available on GOV.UK](#).

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### Job Retention Scheme – Updated Guidance

As you may be aware, the Chancellor has announced the Coronavirus Job Retention Scheme. The scheme allows businesses to access support to continue paying 80% of their employees' salary for those that have been furloughed (placed on temporary leave) due to coronavirus.

HMRC have been working hard to develop this scheme, and we have now published further details on GOV.UK.

Updated guidance for employers is [available on GOV.UK](#).

Updated guidance for employees is also [available on GOV.UK](#).

The advice will be further updated shortly to address the queries we most often received from our stakeholders, including:

- more detailed information on scheme eligibility
- further information on how to calculate a claim
- clarification of what constitutes wages.

We are aiming to have the scheme open by the end of April 2020.

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### Self Assessment – Updated Guidance

Anyone due to pay a Self-Assessment payment on account by 31 July 2020 may defer this payment until January 2021, if coronavirus is making payments difficult.

This is an automatic offer with no applications required. No penalties or interest for late payment will be charged so long as payment is made by 31 January 2021. Individuals who are still able to pay on 31 July you should do so.

[Read more on GOV.UK](#).

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### Time To Pay – Updated Guidance

All businesses and self-employed people in financial distress, and with outstanding tax liabilities, may be eligible to receive support with their tax affairs through HMRC's Time To Pay service. This support is available now, and arrangements are agreed on a case-by-case basis and are tailored to individual circumstances and liabilities.

HMRC has a set up a phone helpline to support businesses and self-employed people concerned about not being able to pay their tax due to coronavirus. Anyone who is running a business or is self-employed and is concerned about paying their tax due to coronavirus, can call HMRC's helpline for help and advice: 0800 024 1222.

More guidance is [available on GOV.UK](#).

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### Change to Child Benefit Claim Process

Child Benefit can now be claimed without registering a birth, until the registry offices can be safely reopened. This means new parents won't miss out at this crucial time.

If parents are claiming for their first child, they can fill in [Child Benefit claim form CH2](#) and send it to the Child Benefit Office. If they haven't registered the birth because of coronavirus, they'll need to add a note with their claim to let us know.

**The Child Benefit Office's Address is:**

HM Revenue and Customs - Child Benefit Office  
PO Box 1  
Newcastle Upon Tyne  
NE88 1AA

Parents who already claim Child Benefit can complete the form or add their new-born's details over the telephone on 0300 200 3100. They will need their National Insurance number or Child Benefit number to hand.

Child Benefit claims can be backdated by up to three months.

This announcement is timely as Child Benefit payments increase from 6 April to a weekly rate of £21.05 for the first child and £13.95 for each additional child. Child Benefit is paid into customer's accounts, usually every 4 weeks.

Only one person can claim Child Benefit for a child. For couples with one partner not working or paying National Insurance contributions, making the claim in their name will help protect their State Pension.

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### Working Tax Credits – Further Update

We are increasing Working Tax Credit by £1040 per year – that's up to £20 per week extra for many customers. If customers claim already, they don't have to take any action or contact us.

The increased payments will come into effect on the 6 April, but individual payment dates will vary. Customers should only contact HMRC if they have not received an increased payment by 18 May. You can find out more about Working Tax Credit payments on the HMRC app, or through a Personal Tax Account. The [tax credits calculator](#) will be updated on 6 April 2020.

People claiming Working Tax Credits should be aware that if they choose to claim Universal Credit, their tax credits will end with effect from the day before a UC claim is made. They will not be able to come back to tax credits.

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### Uprating Rates and Allowances – Further Guidance

In addition to the uprating of Child Benefit and Working Tax Credits detailed above, individuals claiming Guardian's Allowance and Child Tax Credits will benefit from an uprating of 1.7% on most elements and rates, with effect from 6 April 2020. The full list of [Rates and Allowances](#) were published at Budget.

The new payment amounts from the 6 April are:

- [Guardian's Allowance](#) will be paid at a weekly rate of **£17.90**
- The child element of [Child Tax Credits \(CTC\)](#) will be **£2,830** per year
- The disabled child rate of CTC will be **£3,415** per year
- The severely disabled child rate of CTC will be **£4,800**.

### Who can claim Guardian's Allowance?

Guardian's Allowance is paid to individuals if they are bringing up a child whose parents have died. They may also be eligible if there's one surviving parent.

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