



Coronavirus Job Retention Scheme



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Coronavirus Job Retention Scheme

On 20 March 2020, the Government announced measures to protect employers and employees under the coronavirus job retention scheme (CJRS). Under this scheme, all UK employers will be able to access support from the Government to continue paying part of their employees' salaries for those who would have otherwise been laid off during the coronavirus outbreak.

Employers will be able to obtain a grant from the Government to cover 80% of 'furloughed' employees' wages, to a maximum of £2,500 per employee per month, plus the associated employer national insurance contributions (NIC) and minimum automatic enrolment employer pension contributions on that wage.

The CJRS has been given formal legal effect by a direction issued by HM Treasury on 15 April 2020, and HMRC has published, also on 15 April 2020, the third update to its guidance notes (previously updated on 4 and 9 April).

As per the updated guidance on 15 April 2020, the cut-off eligibility date for the scheme has been changed from 28 February 2020 to 19 March 2020, widening its ambit. Employers who have furloughed staff or who intend to do so should review scheme updates and adjust their arrangements to ensure they meet current claim criteria.

Eligible businesses

Any entity with a UK payroll can apply, including businesses, charities, recruitment agencies (agency workers paid through PAYE) and public authorities.

Note that the 26 March version of the guidance stated that, in order to apply under the CJRS, the employer 'must be a UK organisation with employees'. This requirement is not included in the updated versions.

Employers must have:

- created and started a PAYE payroll scheme on or before 19 March 2020
- enrolled for PAYE online
- a UK bank account

Employers who are individuals can furlough employees (such as nannies) provided that the employer pays them through PAYE, and that they sent HMRC an RTI submission notifying a payment in respect of the employee on or before 19 March 2020.

The scheme may not be available to some public sector organisations. Further information in this respect can be found in the guidance.

Eligible employees

The 15 April update of the guidance clarified that eligible employees for whom claims can be made will be identified by reference to the RTI submissions made for payments made to employees on or before 19 March 2020.

Employees can be on any type of contract, including a zero-hour contract or a temporary contract.

The guidance expressly states that foreign nationals are eligible to be furloughed. Grants under the scheme are not counted as 'access to public funds', and employers can furlough employees on all categories of visa.

Furloughed employees must not work for the employer during the period of furlough. Therefore, if any elements of employment duties are being performed, the employee will not qualify for the scheme.

At the moment, there is no indication that any sort of *de minimis* will apply, and therefore it must be assumed that there must be a complete ban on any work-related activities.

The latest guidance provides that when an employee is on furlough, the employer cannot ask the employee to do any work that:

- makes money for the employer's organisation, or any organisation linked or associated with the employer's organisation
- provides services for the employer's organisation, or any organisation linked or associated with the employer's organisation

The references to linked or associated organisations are presumably to ensure that arrangements such as those where employers who operate through a group structure in which all employees are employed by a service company which then provides the employees to the operating companies, are caught by the prohibition on work during furlough.

There is a very limited exception for directors, who can carry out particular duties to fulfil the statutory obligations they owe to their company, to the extent necessary.

Employees working reduced hours or for reduced pay

The guidance states that if an employee is working, but on reduced hours, or for reduced pay, they will not be eligible for the CJRS.

This presumably does not mean that an employer cannot put an employee who is currently working reduced hours or who is on reduced salary on furlough, if they then stop working altogether. Instead, this aspect of the guidance clarifies that an employer cannot have an employee working reduced hours or on reduced salary and on furlough at the same time and seek to 'make up' their pay to full pay under the CJRS.

Volunteer work or training

The guidance for employers says that workers can do volunteer work or training while they are furloughed. However, they cannot provide a service to or generate revenue for their employer (or a linked or associated organisation). The updated guidance says that employers can help their furloughed workers find volunteering opportunities.

However, if furloughed employees are required to take a training course, they must be paid at least the national living wage or national minimum wage for the time spent training, even if it is more than 80% of their wage that will be subsidised.

Working for a different employer while furloughed

If the employee is put on furlough by more than one employer, they will receive separate payments from each employer. The 80% of their normal wage up to a £2,500 monthly cap applies to each job.

For any employer that takes on a new employee, the new employer should ensure they complete the starter checklist form correctly. If the employee is furloughed from another employment, they should complete Statement C.

Employees made redundant or stopped working after 28 February

As per HMRC's updated guidance on 15 April 2020, employees that were employed as of 28 February 2020 and on payroll (ie notified to HMRC on an RTI submission on or before 28 February), and were made redundant or stopped working for the employer after that and prior to 19 March 2020, can also qualify for the scheme if the employer re-employs them and puts them on furlough.

This applies to employees that were made redundant or stopped working for their employer after 28 February, even if the employer does not re-employ them until after 19 March.

This applies as long as the employee was on the payroll as at 28 February and had been notified to HMRC on an RTI submission on or before 28 February 2020. This means an RTI submission notifying payment in respect of that employee to HMRC must have been made on or before 28 February 2020.

If an employee has had multiple employers over the past year, has only worked for one of them at any one time and is being furloughed by their current employer, their former employer(s) should not re-employ them, put them on furlough and claim for their wages through the scheme.

No further details of any other requirements (e.g. in relation to repayment of any statutory redundancy payment that the employee received) are given.

Employees on unpaid leave

The 15 April updated guidance provides that if an employee started unpaid leave after 28 February 2020, they can be furloughed. If, however, an employee went on unpaid leave on or before 28 February, they cannot be furloughed until the date on which it was agreed they would return from unpaid leave.

Employees self-isolating or on sick leave

The guidance states that:

- employees on sick leave or self-isolating will be able to get statutory sick pay
- employers cannot claim for employees while they are getting SSP
- employees can be furloughed and claimed for once they are no longer receiving SSP

Originally, the guidance did not address the issue of the entitlement an employee who is on furlough leave under the scheme and subsequently becomes sick. The 9 April version of the guidance clarified that:

- the CJRS is not intended for short-term absences from work due to sickness, and there is a three-week minimum furlough period
- short-term illness or self-isolation should not be a consideration in deciding whether to furlough an employee
- if, however, employers want to furlough employees for business reasons and they are currently off sick, employers are eligible to do so, as they are with other employees; in these cases, the employee:
 - should no longer receive sick pay
 - would be classified as a furloughed employee
- employers are also entitled to furlough employees who are being shielded or off on long-term sick leave. It is up to employers to decide whether to furlough these employees. Employers can claim back from both the CJRS and the SSP rebate scheme for the same employee but not for the same period of time. When an employee is on furlough, an employer can only reclaim expenditure through the CJRS, and not the SSP rebate scheme. If a non-furloughed employee becomes ill, needs to self-isolate or be shielded, then the employer might qualify for the SSP rebate scheme, enabling the employer to claim up to two weeks of SSP per employee
- furloughed employees retain their statutory rights, including their right to SSP. This means that furloughed employees who become ill must be paid at least SSP. It is up to employers to decide whether to move these employees onto SSP or to keep them on furlough, at their furloughed rate
- if a furloughed employee who becomes sick is moved onto SSP, the employer can no longer claim for the furloughed salary. Employers are required to pay SSP themselves, although they may qualify for a rebate for up to two weeks of SSP. If an employer keeps a sick furloughed employee on the furloughed rate, the employer remains eligible to claim for these costs through the CJRS

Shielding employees

The guidance states that employees who are shielding in line with public health guidance (i.e. those defined on medical grounds as extremely vulnerable—see: government guidance) can be placed on furlough.

The latest version of the guidance clarified that an employee who needs to stay at home with someone who is shielding can also be furloughed.

The latest version of the guidance no longer contains the caveat that appeared in the 4 April version of the guidance, that employer could claim for those who are themselves shielding, or who are at home with an individual who is shielding, only if:

- the employee is unable to work from home, and
- the employer would otherwise have to make them redundant

The rationale for the caveat applying in this instance was less than clear so its removal is a welcome development.

The guidance also clarifies that individuals with coronavirus-related caring responsibilities (for example childcare due to school closures) may also be furloughed. This is an important extension to the scheme, aimed at some of the practical difficulties many are facing.

Apprentices

Apprentices may be furloughed in the same way as other employees, and they can continue to train while furloughed. However, an employer must pay their apprentices at least the apprenticeship minimum wage, national living wage or national minimum wage as appropriate for all the time they spend training. This means an employer must cover any shortfall between the amount it can claim for the apprentice's wages through the CJRS and their appropriate minimum wage.

Eligible employees who are not employees

The guidance (updated on 4 April 2020) included a new section to confirm that the following individuals are eligible for the CJRS:

- office holders (including company directors)
- salaried members of Limited Liability Partnerships
- agency workers (including those employed by umbrella companies)
- Limb (b) Workers

The Low Incomes Tax Reform Group published an article on 17 April on how the CJRS applies if an individual works through an agency, an umbrella company or their own limited company, inside and outside the public sector. See 'Job Retention Scheme and temporary workers: the questions that you are asking' for more information.

Directors

The guidance confirms that salaried directors are eligible for furlough, but makes it clear that directors owe statutory duties to their company; it would be for the company's board to make a decision on whether on a particular director can be furloughed.

Furloughed directors can still fulfil their statutory obligations as long as they do no more than is reasonably judged to be necessary. However, they must not do work 'of a kind that they would carry out in normal circumstances to generate commercial revenue or provide services to or on behalf of their company'. The guidance then states that the same treatment applies to salaried individuals who are directors of their own personal service companies. What that means in practice is still not clear. The Companies Act sets out standards for directors' behaviour (such as acting in the best interest of the company) but the specific acts for which directors are responsible are things such as:

- keeping accounting records
- preparing annual accounts, and
- maintaining statutory information

Therefore, work for clients would not be permitted and neither would looking for work or dealing with suppliers and the like.

Agency workers

The CJRS is available for agency workers (including those employed by umbrella companies) as long as they are paid through PAYE. In agency cases, the advice is that the furlough must be agreed between the agency and the worker because the former is deemed to be the employer, not the end user. A furloughed worker cannot perform any work for, through or on behalf of the agency that has furloughed them, and that includes work for the agency's clients. For umbrella company workers supplied by an agency, the umbrella company and the worker must agree the furlough arrangement.

Administrators

The Government had previously confirmed that administrators will be able to access the CJRS. However, the guidance (version updated on 4 April 2020) notes that it is expected that an administrator would only access the scheme if there is a reasonable likelihood of rehiring the workers.

Employees receiving maternity, adoption pay, paternity pay or shared parental pay

The guidance provides further details for individuals on maternity leave, contractual adoption pay, paternity pay or shared parental pay.

Meaning of 'furloughed employee'

'Furlough' is a term more frequently encountered in the USA. There, it is a temporary suspension of employment for a specified period of time, during which an employee does not receive wages. A furlough can occur as a planned period of time off work, eg an annual factory shutdown.

Dictionary definitions refer to 'allowing or forcing someone to be temporarily absent from work'.

As per HMRC guidance, a furloughed employee is someone who is placed on temporary leave of absence for at least three consecutive weeks, but who has not been made redundant.

When employees return to work, they must be taken off furlough.

They can be furloughed multiple times, but each separate instance must be for a minimum of three consecutive weeks.

It is vitally important to appreciate that the employer cannot unilaterally place an employee on furlough unless that is permitted under the employment contract. Neither can the employer unilaterally reduce a person's salary. Normal employment law considerations still apply, and employees will need to consent to being put on furlough. It is crucial that employment law advice is obtained when considering implementing a furlough scheme.

Decisions on furloughing can be taken on an individual-by-individual basis. There is no requirement to apply the same treatment to every employee for the purposes of the CJRS. But again, the employment law position should be taken into account.

Administration of the scheme

The scheme pays a grant to the employer (this is different from a loan). The grant is a reimbursement to the employer, therefore the employer will make the wage / salary payment to the furloughed worker and then be reimbursed by HMRC.

Employers will need to:

- designate affected employees as 'furloughed workers'
- notify these employees (the updated guidance makes it clear that there must be a written record of the agreement, which must be retained for five years)
- submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (see below for further details)

For directors, the decision to furlough should be formally adopted as a decision of the company and noted in the company records, as well as being communicated in writing to the director.

Initially, the Government intended for the CJRS to run for at least three months from 1 March 2020, but it announced on 17 April that the CJRS will be extended for one month, and would thus now be open until the end of June.

The Government funding available under the scheme overall is unlimited.

Employment law and employment rights

The Government's announcement made it clear in its guidance that nothing overrides the contractual and employment law position. Unless the contract has specific provisions that allow the employer not to pay employees if there is no work, employees remain entitled to receive what is specified in their employment contract. Very limited UK employment contracts will contain provisions governing how to furlough employees or even what this means. Additional work will be required to avoid discrimination in selecting furloughed employees and in agreeing the terms for the furlough.

Therefore, the matter of which employees an employer decides to furlough will be a matter for negotiation with staff and employment law.

Calculating the grant for full and part-time employees

Having determined whether somebody is an eligible employee under the CJRS, the next question is how much money is available from the Government. Again, it must be stressed that what is received is a grant to the employer, who retains responsibility for paying the employee.

The maximum grant will be calculated per employee and is the lower of:

- the lower of 80% of an employee's regular wage or £2,500 per month
- plus the associated employers' national insurance contributions (NIC) on this amount, and
- pension contributions that are paid on the subsidised furlough pay, up to the level of the minimum automatic enrolment employer contribution; the maximum level of grant for employer pension contributions on subsidised furlough pay is set in line with the minimum automatic enrolment employer contribution of 3% on qualifying earnings. Grants for pension contributions can be claimed up to this cap, provided the employer will pay the whole amount claimed to a pension scheme for the employee as an employer contribution
- but not any associated Apprenticeship Levy

At a minimum, employers must pay their employee the lower of 80% of their regular wage or £2,500 per month, ie an employer must pass on the grant it receives from HMRC.

The employee's actual salary before tax, as of 19 March 2020 (as per HMRC's updated guidance on 15 April 2020), should be used to calculate the 80%. Fees, commission and bonuses should not be included.

The previous guidance stated that the salary reference date for calculating the claim was 28 February 2020. The revised guidance as of 15 April states that if, based on previous guidance, an employer has calculated their claim based on the employee's salary as at 28 February 2020 (and this differs from their salary in their last pay period prior to 19 March 2020), the employer can choose to still use this calculation for their first claim.

The employer cannot claim for (ie the scheme will not fund):

- employer NICs and pension contributions on any top-up salary that the employer chooses to provide in addition to the grant
- any pension contributions that the employer makes that are above the mandatory employer contribution

Example:

Mr A is employed on an annual salary of £42,000. His monthly salary is therefore £3,500. Mr A is a furloughed worker.

Here, the maximum grant is the lower of:

- a) £2,800 (3,500 x 80%), or
- b) £2,500

The employer can claim £2,500 which is lower than 80% of £3,500 = £2,800, plus employers' NIC of £245, on the £2,500.

The £2,500 paid to the furloughed worker must be net under PAYE, so the employer must operate PAYE in the normal way and account for income tax and NIC to HMRC.

Whether the employer pays Mr A an extra £1,000 is a matter for the employer and the employee subject to contractual obligations. If the employer pays that amount, it would also have the extra employers' NIC cost of £138, which the employer must fund.

The updated guidance (on 4 April 2020) and the latest guidance confirms that:

- the £2,500 limit is prorated when an individual is not furloughed for a full month
- past overtime and fees can be included in calculations, as well as 'compulsory commission' (treatment of allowances remain unclear)
- salary sacrifice benefits and benefits in kind (for example a company car) should not be included in calculating the grant. Employers need to take care with how salary sacrifice interacts with furlough pay and the CJRS claim (as well as any deductions that reduce taxable pay for example, employee pension contributions where tax relief is provided via payroll)
- HMRC agrees that coronavirus is a life event for salary sacrifice, and employment contracts can be changed for salary sacrifice benefits, subject to employment law considerations

When calculating claim values for directors of owner-managed companies, only the salary that has been subject to PAYE can be considered, not any dividends paid to those directors.

In summary, the position appears to be that:

- the 'subsidised wage' that the employer can claim for under the scheme has to be based on the employee's post-sacrifice salary, ie not the notional 'reference' or 'shadow' salary that includes the sacrificed element
- the employer and employee can agree to change salary sacrifice arrangements, but if they do not, both have to keep to the arrangements (eg with childcare vouchers, employer has to keep providing them, and employee gets them instead of the salary that has been sacrificed for them, even if they cannot make use of them in the current circumstances)
- if employer and employee agree changes, eg to revert to the pre-sacrifice contractual arrangements, due to the fact that the coronavirus outbreak has been deemed a 'life event' this will not, so far as HMRC is concerned, cause HMRC to doubt the validity of the original sacrifice, ie whether it was a genuine sacrifice and not a temporary change

The latest HMRC guidance (as of 15 April) still does not mention holiday, specifically whether workers can take holiday during furlough.

Calculating the grant for employees whose pay varies

If the employee has been employed (or engaged by an employment business) for a full 12 months prior to the claim, the employer can claim for the higher of either:

- the amount an employee earned in the same month last year (note that it is not entirely clear what this actually means in practice)
- average monthly earnings from the 2019/20 tax year

If the employee has been employed for less than a year, the employer can claim for 80% of their average monthly earnings since they started work until the date they are furloughed.

If the employee has been employed for less than a month, the employer should pro-rata for their earnings so far, and claim for 80%.

HMRC provided the following examples in its CJRS webinar on 8 April 2020:

Example 1:

Nan has been working for four years. She is unable to work due to coronavirus. She and her employer have agreed that she is a furloughed worker.

Nan's pay fluctuates each month. Her employer uses her average monthly earnings from the 2019/20 tax year to calculate her actual pay.

Nan earned £10,800 in 2019/20. Her average monthly earnings are £900 (£10,800 divided by 12). Nan's employer uses this figure to work out how much to claim under the scheme.

80% of Nan's average monthly earnings is £720 (£900 x 80%).

Example 2:

Joe is a company director. He has owned a café for six years; the café has eight employees. Joe operates a payroll to pay himself and his employees. He is not able to open his business due to coronavirus and he has no work.

Joe is a furloughed worker.

Joe's monthly earnings are worked out by his payroll administrator. They use his average earnings from 2019/20. Joe received a dividend from his company during the year.

Joe's pay for 2019/20 was £21,600 (£1,800 per month), plus a dividend of £10,000.

The dividend cannot be claimed under the scheme, so 80% of his monthly earnings are £1,800 x 80%, or £1,440.

Payroll requirements

The employer will be required to pay the employee through payroll, and report payments to HMRC using the real time information (RTI) system as usual, as required by the employment contract. This contract may be renegotiated, but that is a matter for employment law.

Making a claim to HMRC

The government expects the online service that employers will use to make claims under the scheme to be up and running by Monday 20 April. Full details of how a claim can be made are not yet available, but according to the guidance and indications from the First Permanent Secretary and Chief Executive of HMRC during the Treasury select committee virtual proceedings regarding the CJRS on 8 April 2020:

- an employer can submit one claim per normal pay period (eg weekly or monthly)
- claims can be backdated until 1 March if applicable
- claims should be paid out within four to six working days of being made (HMRC runs background checks in the interim)
- when the payment system is up and running, employers will be able to submit a claim up to 14 days before their payroll is run
- the employer will need to calculate the amount it is claiming, in accordance with actual payroll amounts, either shortly before or during running payroll
- if appropriate, workers wages should be reduced to 80% of their salary within the employer's payroll system before they are paid. This adjustment will not be made by HMRC
- HMRC will retain the right to retrospectively audit all aspects of a claim (no further details are currently given of the precise scope of this right)

The guidance also states: 'The employer must pay the employee all the grant it receives for their gross pay, without deduction of any fees from the money that is granted'. This, together with the statement that the employer can calculate a claim 'either shortly before or during running payroll' and, more recently, that employers will be able to claim up to 14 days in advance of payroll, indicates that, once the HMRC claim apparatus is up and running, an employer may be able to wait until it has received each grant from HMRC in accordance with each claim, before it has to pay the relevant employees. Depending on how long it takes for claims under the scheme to be paid out, this may offer significant cash flow advantages to employers. However, where this means that employees will not be paid on their usual pay date, the employer will need to secure the agreement of each of the affected employees to this change. Effecting changes to employees' usual pay dates is normally not straightforward; employees are generally reluctant to change as their own regular financial outgoings will be timed around the day of the month they are usually paid. However, in the current situation, employers may find that employees are more ready to agree to such temporary changes.

Information needed to make a claim

In order to claim the grant, employers will need:

- their employer PAYE reference number
- the number of employees being furloughed
- national insurance numbers for employees being furloughed
- names of the employees being furloughed
- payroll/employee number for the employees being furloughed (optional)
- employer self assessment unique taxpayer reference or corporation tax unique taxpayer reference or company registration number
- the claim period (start and end date)
- amount claimed (per the minimum length of furloughing of three weeks)
- their bank account number and sort code
- their contact name
- their phone number

If the employer has fewer than 100 furloughed staff, they will be asked to enter details of each employee they are claiming for directly into the system, this will include their name, National Insurance number, claim period and claim amount, and payroll / employee number (optional).

If the employer has 100 or more furloughed staff, they will be asked to upload a file with the information rather than input it directly into the system. HMRC will accept the following file types: .xls .xlsx .csv .ods. The file should include the following information for each furloughed employee: name, National Insurance number, claim period and claim amount, payroll / employee number (optional).

The employer should retain all records and calculations in respect of the claims.

The claim period is not linked to the employer's pay period. An employer can make a claim every three weeks. The first claim will be retrospective back to 1 March 2020. Employers are going to have to put systems in place to identify workers on furlough and to calculate the amount that is due under any claim. In many cases, that work is likely to fall on accountants and tax advisers.

Claims should be started from the date that the employee finishes work and starts furlough, not when the decision is made, or when they were written to in order to confirm their furloughed status.

Businesses, and agents that are authorised to act on behalf of clients for PAYE matters, will be able to claim. However, file only agents, including payroll bureaus, will not be able access the service due to data protection reasons.

If an agent makes a claim on the employer's behalf, the employer will need to tell them which bank account they would like the grant to be paid into.

Once a claim has been made

Once HMRC has received an employer's claim and it is eligible for the grant, HMRC will pay it via BACS payment to a UK bank account. Indications are that this will be between four to six working days after the claim is submitted.

The employer must pay the employee all the grant it receives for their gross pay; no fees can be charged from the money that is granted.

As mentioned above, the employer can choose to top-up the employee's salary, but does not have to.

When the government ends the scheme, the employer must make a decision, depending on its circumstances, as to whether employees can return to their duties. If not, it may be necessary to consider termination of employment (redundancy).

Once the scheme has been closed by the government, HMRC will continue to process remaining claims before terminating the scheme.

Flexibility

The employer may want, for example, to introduce a rota or shift system, by which two teams (doing similar jobs) work alternate periods, and are placed on furlough in their non-working periods.

According to the employer guidance, an employee must be furloughed for a minimum of three weeks. The employer guidance also states that the employer can only submit one claim at least every three weeks. The March 2020 version was silent as to whether an employer can implement such a rota or shift system. However, the March 2020 version of the employee guidance stated:

'Your employer can place you on furlough more than once, and one period can follow straight after an existing furlough period, while the scheme is open.'

The latest version of the employer guidance (updated on 4 April) confirms that a 'roll-on' and 'roll-off' system of furlough is possible. It states that any employees an employer places on furlough must be furloughed for a minimum period of three consecutive weeks. When these employees return to work, they must be taken off furlough. Employees can be furloughed multiple times, but each separate instance must be for a minimum period of three consecutive weeks.

The rota system in the example above would therefore be possible.

Tax treatment for employees

Wages of furloughed employees will be subject to income tax and NIC as usual. Employees will also pay automatic enrolment contributions on qualifying earnings, unless they have chosen to opt out or to cease saving into a workplace pension scheme.

Employers will be liable to pay employer NIC on wages paid, as well as automatic enrolment contributions on qualifying earnings, unless an employee has opted out or has ceased saving into a workplace pension scheme.

Tax treatment for employers

Payments received by a business under the scheme must be included as income in the business's calculation of its taxable profits for income tax and corporation tax purposes, in accordance with normal principles.

Businesses can deduct employment costs as normal when calculating taxable profits for income tax and corporation tax purposes.

Individuals with employees that are not employed as part of a business (such as nannies or other domestic staff) are not taxable on grants received under the scheme. Domestic staff are subject to income tax and national insurance contributions on their wages as normal.

State aid

As the grants received under the CJRS constitute notified state aid, it may impact on the availability of certain tax reliefs.

For example, the value of shares issued that qualify for EIS / SEIS is reduced by the amount of notified state aid that a company receives. The receipt of notified state aid in respect of an R&D project can also prevent a company claiming R&D relief under the SME scheme (though relief is still available under the large company scheme). However, the grant would have to be used specifically towards the R&D project rather than being intended more generally to support the company for this to apply.

As the employees are being furloughed under the CJRS and are carrying out no employment duties (R&D related or otherwise), this is unlikely to impact the amount of R&D relief available.



0330 2233 660
SEMPAR.CO.UK
info@sempar.co.uk

Lymedale Business Centre
Hooters Hall Road, Lymedale Business Park
Newcastle-under-Lyme, Staffordshire ST5 9QF

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