

Very important – get ready to claim the Furlough Grant

If you've furloughed some or all of your employees, please make sure that you're ready to claim your grant once the online service goes live later this month.

To claim the grant, you must have:

- created and started a PAYE payroll scheme on or before 28 February 2020 and
- enrolled for PAYE online - this can take up to 10 days and
- have a UK bank account.

If you process your own payroll (or use a service provider different to Mitten Clarke):

Although you now submit your PAYE records online in Real Time, this doesn't necessarily mean that you are registered with HMRC for PAYE Online services. Yes, it's confusing!

We don't want you to suffer any unnecessary delay in claiming your grant so here is the link for you to check you're correctly registered (if not, please register ASAP because it can take up to 10 days to come through):

<https://www.gov.uk/log-in-register-hmrc-online-services/register>

You may find that you're already registered for the VAT online service and if so, you simply need to enrol for PAYE under 'Services you can add'. To do this, you will need:

- your PAYE reference number and
- your accounts reference number.

If you are a completely new user, then enrol for 'PAYE for Employers' under 'Organisation' and follow the steps.

Once you've enrolled, you will receive an activation code in the post from HMRC. You'll then need to log back into HMRC Online Services to activate your account.

Please do the above as soon as you can.

If Mitten Clarke processes your payroll:

We will be checking that all of our payroll clients are correctly registered over the next few days, and will be in touch with you directly if you need to do anything.

Making the claim:

Here's a quick reminder of what you will need:

- your PAYE reference number
- the number of employees being furloughed
- the claim period (start and end date)
- amount claimed (per the minimum length of furloughing of 3 consecutive weeks)
- your bank account number and sort code
- your contact name and phone number.

Further guidance issued recently:

Eligible individuals who are not employees

Just to let you know that the grant can be claimed for any of the following groups, provided they are paid via PAYE:

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

Past overtime, fees, commission, bonuses and non-cash payments

You can claim for any regular payments you are obliged to pay your employees. This includes wages, past overtime, fees and compulsory commission payments. However, discretionary bonus (including tips) and commission payments and non-cash payments should be excluded.

Benefits in kind and salary sacrifice schemes

Your claim should not include the cost of non-monetary benefits provided to employees, or benefits provided through salary sacrifice schemes (including pension contributions).

Normally, an employee cannot switch freely out of a salary sacrifice scheme unless there is a life event. HMRC agrees that COVID-19 counts as a life event that could warrant changes to salary sacrifice arrangements, provided the relevant employment contract is updated.