

## **Test and Trace Support Payment and discretionary payment Local Authority Q&A (England)**

### **Is this payment taxable?**

This payment will be subject to income tax. It will not be subject to National Insurance contributions.

### **What happens if I'm self-employed?**

The payment will be a coronavirus support payment and therefore a revenue receipt of your business, contributing towards your profits. The payment will need to be included on your Self Assessment Tax Return along with any other coronavirus support payments you may have received.

### **What happens if I'm employed?**

There is nothing you need to do. If your income for the year is not more than £12,500, you will not have any tax to pay. If tax is due, HMRC will automatically recover it from your pay through a change in your tax code. HMRC will send you a new tax code notice.

### **Can I receive the payment whilst in receipt of Statutory Sick Pay?**

Claimants can claim Statutory Sick Pay as well as a Test and Trace Support Payment, but not contractual sick pay from their employer. Employers can claim Statutory Sick Pay Reimbursement for those self-isolating.

### **Does the payment impact existing benefit entitlements?**

No, the payment does not affect existing entitlements to Universal Credit, Pension Credit, income-related Employment and Support Allowance, income-based Job Seeker's Allowance, Income Support, Pension Credit, Housing Benefit. The payment will also be disregarded as income for the purposes of tax credits.