

FOCUS ON

# A Plan for Jobs 2020 JRB update 7 October 2020

## Update on paying and qualifying for the new Job Retention Bonus (JRB)

Under the Plan for Jobs in July, the Government launched the Job Retention Bonus (JRB).

The JRB will provide employers with a bonus of £1,000 per employee for each employee who returns to work from furlough and who is paid each month and receives at least £1,560 (gross) between November 2020 and the end of January 2021.

More details are now available, including:

- Employers will not be able to claim the JRB until 15 February 2021
- Employers will be able to claim the bonus between 15 February 2021 and 31 March 2021, after which date the scheme will be closed with no further claims accepted.
- The JRB will not have to be paid to the employee
- You will still be able to claim the bonus for employees claimed for through the Job Support Scheme
- You will not be able to claim JRB for any employees for whom Coronavirus Job Retention Scheme (CJRS) claims were made if you subsequently repaid the CJRS payment.

### Who can claim

Employers can claim JRB if they furloughed employees and made an eligible claim for them through the CJRS.

Employers can claim for employees for whom:

- A valid claim was made under CJRS and:
  - who were continuously employed from the end of the claim period of their last CJRS claim for them, until 31 January 2021; and
  - are not serving a contractual or statutory notice period for the employer on 31 January 2021 (this includes people serving notice of retirement); and
  - you paid an amount in each relevant tax months and enough to meet the JRB minimum income threshold of a total of at least £1,560 (gross) throughout the tax months:
    - 6 November to 5 December 2020
    - 6 December 2020 to 5 January 2021
    - 6 January to 5 February 2021

If HMRC are still checking an employer's CJRS claims, it will still be possible to claim JRB but payment may be delayed until those checks are completed.

HMRC will not pay the JRB if an employer made an incorrect CJRS claim and the employee was not eligible for the CJRS.

Where employees have been transferred to a new employer under TUPE or due to a change in business ownership, the new employer may still be able to claim JRB in respect of the new employees if:

- TUPE rules applied; or
- the PAYE business succession rules applied; or
- the employees were associated with the transfer of a business from the liquidator of a company in compulsory liquidation where TUPE would have applied had the company not been in compulsory liquidation

For the JRB to be paid to an employer the employee must have been transferred to the new employer and have been the subject of a successful CJRS claim by the new employer.

This means that employers will not be able to claim the JRB for any employees who were transferred to them after the CJRS closes on 31 October 2020.

### **Minimum Income Thresholds**

Employers must pay their employee at least one payment of taxable earnings (of any amount) in each of the relevant tax months.

Only payments recorded as taxable pay will count towards the minimum income threshold. Taxable pay is reported to HMRC as a single figure through Full Payment Submissions (FPS) via Real Time Information (RTI).

The minimum income threshold criteria apply regardless of:

- how often an employer pays their employees
- any circumstances that may have reduced the employee's pay in the relevant tax periods, such as being on statutory leave or unpaid leave

HMRC will check that employees have been paid at least the minimum income threshold by checking information submitted through the FPS via RTI.

In order to claim employers must:

- still be enrolled for PAYE online;
- comply with their PAYE obligations to file PAYE accurately and on time under RTI for all employees between 6 April 2020 and 5 February 2021;

- keep their payroll up to date and make sure they report the leaving date for any employees that stop working for them before the end of the pay period that they leave in;
- use the irregular payment pattern indicator in RTI for any employees not being paid regularly;
- comply with all requests from HMRC to provide any employee data for past CJRS claims.

The JRB guidance will be updated by the end of January 2021 with details on how to access the online claim service.

### **If you have any queries please contact:**

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*The above guidance is provided for your information and is our summary of the latest position as we see it. You should seek appropriate legal and technical advice in relation to your own specific circumstances before acting on the above.*

*Please also note that Government advice is being updated on a daily basis.*

*If you are concerned about being impacted financially due to the Coronavirus, we are here to support you or if you require more specific advice on your situation and how the COVID-19 pandemic may affect your business. Reach out to discuss how we can help. <https://www.macintyreHUDSON.co.uk/spotlight-on/covid-19-update>*

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