

**Written evidence submitted by Linda Galloway (Director at Daffodil Soup Ltd)**

I am the self-employed sole director of a four-year-old Limited Company. I also have (had) PAYE income. My company's business is within the hospitality industry, and all my work after March 14 was cancelled.

I am on the payroll of my company and submit an annual PAYE declaration at the end of the tax year (5 April) because my income varies from year to year.

This is standard practice, submitted through my accountant, and is within HMRC guidelines. I submit an RTI every year – all my income from both the limited company and HMRC is an open book and all my corporation tax and self-assessment tax payments are up to date and filed electronically.

But an arbitrary deadline for RTIs in March, relating to the 2019/2020 tax year but before that tax year had finished – meant my claim for furlough was denied. This was described as “internal guidance” by HMRC.

Because my self-employed income in the 2018/2019 year was less than 50% - I had a job and PAID TAX – I cannot claim SEISS.

And because I have small savings for taxes due in July and January, and have managed my business and personal affairs properly and do not have any debts, I am not eligible for Universal Credit or any other benefits.

I have not worked since March 14 and I have no prospect of any contracts or employment for some months to come. A business interruption loan is not viable as it would saddle the business with debt.

While many loll about in sunny parks and buy puppies, new sofas and cars with the money they are saving while on 80% of salary, or the grants they were given without any means testing, I and many others face impossible financial decisions for the foreseeable future.

I may be in a better position than many others in that I do not have dependents, and I do have savings and investments (all part of planning responsibly for my future) – and my furlough payment would have been very little - but it is a point of principle that **every law-abiding tax payer should be equal before the Chancellor and HMRC, and given the same support.**

The yawning gaps in aid were identified early on, but no help has been forthcoming. Some have received much, some a little, and many of us (around 3 million) have received nothing at all.

Having patted himself on the back for launching a huge (but ill-thought-through) rescue package that made great headlines, and then adding up the cost, the Chancellor panicked and closed the door.

It should be very simple for HMRC, with all the information at its fingertips, to see what income has been declared by whom and act appropriately.

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Saying that a lot of people have been covered, quickly and effectively, does not acknowledge how many have not been covered.

Having left us in the lurch now, it will come back next year when self-assessment returns confirm that vast numbers of people earned no money at all, and business turnover flatlined during the crisis – thus, both personal and corporation tax revenue will be down (and many will be owed refunds and rebates).

In choosing to support the mainstream salaried sector, the chancellor has acted against entrepreneurs, freelancers in the creative sector who did their best to follow government guidance, honourable hard workers who left one job for another at a critical time and were caught inbetween, and annual PAYE staff such as myself.

A small blanket was thrown over a large double bed. Those in the middle are warm and comfy, those on the edges are getting colder and colder.

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