

Further details of the Job Retention Bonus for employers announced

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Further details of the Job Retention Bonus for employers announced

The Government has published further [details](#) of the Job Retention Bonus which will be payable to employers who employ furloughed employees until at least 31 January 2021. Fuller

guidance is due to be published in September. In this briefing, we outline the key information for employers considering making claims.

What is the Job Retention Bonus (JRB)?

The JRB is a taxable one-off payment of £1,000 that will be paid to employers in respect of every eligible employee that is claimed for.

Which employers are eligible to claim the JRB?

Employers of all sizes and from all sectors are eligible to claim the JRB.

Which employees can be counted for the purposes of a JRB claim?

A claim may be made in respect of all employees (or other types of eligible workers) who:

- were furloughed under the Coronavirus Job Retention Scheme (**Scheme**) at any point;
- were continuously employed by the employer from the date of the most recent claim under the Scheme (for each employee) made until 31 January 2021;
- are not serving a notice period that started before 1 February 2021;
- were paid at least £520 per month on average between 1 November 2020 and 31 January 2021 (i.e. a total of £1,560 over 3 months); and
- have up-to-date Real Time Information (**RTI**) records for the period up to 31 January 2021.

Claims may also be made in respect of employees who transferred to the employer by virtue of TUPE or the PAYE business succession rules provided that the employees transferred on or before 31 October 2020 and were furloughed by the new employer.

How and when may JRB claims be made?

Claims may be made on a Government website after the employer has filed PAYE for January 2021. Payments will be made to employers from February 2021. Further details of the application process will be published in September 2020.

Do employers have to pass on the JRB to the employees?

No, the JRB is a payment intended to provide additional support to employers who kept furloughed employees in employment after the closure of the Scheme on 31 October 2020. An employer could elect to make an equivalent bonus payment to the affected employees if it wished, but there is no obligation to do so.

Are there any conditions attached to the use of the JRB?

No, employers can use the JRB as they wish. The JRB will be taxable, so the employer must include the whole amount as income when calculating taxable profits for Corporation Tax or Self-Assessment.

What steps should employers who wish to make JRB claims take now?

Employers can prepare for making JRB claims by ensuring that:

- all claims made under the Scheme are accurate and any necessary amendments have been notified to HMRC;
- relevant employee records are up to date; and
- employees' details and wages have been accurately reported through the RTI system;

If HMRC considers that a claim made under the Scheme was invalid it will withhold payment of the JRB until it has completed an enquiry into the matter.

BDBF is currently advising many employers and employees on the challenges presented by the coronavirus. If you or your

business needs advice on furlough or other coronavirus-related matter please contact Amanda Steadman (amandasteadman@bdbf.co.uk) or your usual BDBF contact.

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