

New guidance on COVID-19 and salary sacrifice arrangements

The [HMRC's recent Employer Bulletin](#) included some updated guidance for employers on salary sacrifice arrangements which make allowances for the impact of COVID-19.

Its rules allow for employees to opt out of a salary sacrifice arrangement if their financial circumstances have been significantly impacted by a change in their lifestyle - for example a marriage, divorce or partner becoming pregnant or being made redundant.

The new guidance means that employees whose circumstances have now changed because of the coronavirus can now approach their employer to have their salary sacrifice agreement terminated early, with a resulting uplift in their salary as the sum previously sacrificed is returned. Similarly, employers can use the same criteria to suspend or terminate an employee's salary sacrifice arrangement – with their agreement.

Transport Routes Support Package

The Government is introducing a range of [measures to keep trade routes open](#), including:

- pledges to protect flow of goods between the UK, mainland Europe and Northern Ireland.
- UK, Ireland and France agreeing joint commitment to protecting freight during pandemic
- light rail systems in Sheffield, Manchester, West Midlands, Nottingham and Tyne and Wear also set to receive support
- thousands of volunteers from transport sector are put on standby to support frontline services as new 'Transport Support Unit' established, alongside hundreds of government vehicles from the transport network

Grant Funds Subject to Tax

The Government has updated the [Guidance on the grant fund](#) schemes to clarify that all grants made under the scheme are subject to tax should the business make a profit during the current financial year.