

The Right Honourable Rishi Sunak MP
Chancellor of the Exchequer
H.M. Treasury
1 Horse Guards Rd,
London SW1A 2HQ

25th April 2020

Dear Chancellor,

UK Government Support for Furnished Holiday Lets and the Self-Employed

We are writing to you on behalf of the estimated 60,000 professional self-catering operators which form a vital component of the UK tourism industry, generating over £3.6bn per annum for rural and seaside communities throughout the country.

While we welcome the packages that the UK Government has introduced to support businesses and the self-employed during the COVID-19 crisis, many self-employed self-catering operators are being informed by their accountants that they may not be eligible for the Self-Employed Income Support Scheme (SEISS) due to the technical exclusion of income reported in the Furnished Holiday Lets (FHL) boxes of their tax returns.

As you will be aware, HMRC introduced the FHL rules to differentiate between professional self-catering operators and people letting second homes for a few weeks a year. Operators who comply with the FHL Rules are deemed to be operating "trading businesses" similar to hotels, while the income generated by people operating below the FHL threshold is deemed to be from "property investment" similar to landlords.

As professional self-catering businesses operating above the FHL threshold are deemed to be trading businesses, it is therefore eminently sensible that the income from these businesses is deemed to be trading income for the purposes to SEISS support.

We therefore urgently seek confirmation that it is the intention of Government to support professional self-catering operators in this way. These businesses are an important part of the tourism industry, which we need to survive in order to rebuild the economy of small rural and seaside communities.

Yours sincerely

Zac Stuart-Brown, Chair, Holiday Home Association

Alistair Handyside, Executive Chairman, Professional Association of Self-Catering

Fiona Campbell, Chief Executive, Association of Scotland's Self-Caterers

Anwen Jones, Chair, Welsh Association of Self-Catering Operators

Martin Sach, Vice Chair, Federation of National Self-Catering Associations

Kurt Janson, Director, Tourism Alliance

Marc Crothall, Scottish Tourism Alliance

Contact: *Fiona Campbell* • ASSC • fiona@assc.co.uk • 07958 771106

