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## STATUTORY INSTRUMENTS

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# 2020 No. 512

## The Statutory Sick Pay (Coronavirus) (Funding of Employers' Liabilities) Regulations 2020

### PART 2

#### Eligibility for funding

##### Meaning of eligible employer

4.—(1) An eligible employer is an employer who—

- (a) on 28th February 2020, had fewer than 250 employees enrolled in all PAYE schemes operated by the employer; and
- (b) on 31st December 2019, was not already in difficulty.

(2) An employer is “in difficulty” if it is reasonable to assume that the employer would be regarded as an undertaking in difficulty under Article 2(18) of Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty <sup>M1</sup>.

(3) Where, on 28th February 2020, the employer was one of—

- (a) two or more companies which were not charities and which were connected with one another, or
- (b) two or more charities which were connected with one another,

the number of employees referred to in paragraph (1) is the total number of employees enrolled in all PAYE schemes operated by the connected companies or charities, as applicable.

(4) For the purposes of paragraph (3)—

- (a) Part 1 of Schedule 1 to the National Insurance Contributions Act 2014 <sup>M2</sup> sets out the rules for determining if two or more companies are connected with one another;
- (b) Part 2 of Schedule 1 to that Act sets out the rules for determining if two or more charities are connected with each other.

(5) In this regulation—

“charity” has the same meaning as in section 18(1) of the Small Charitable Donations Act 2012 <sup>M3</sup>, subject to paragraph 8(5) of Schedule 1 to the National Insurance Contributions Act 2014; and

“company” has the meaning given by section 1121(1) of the Corporation Tax Act 2010 <sup>M4</sup> and includes a limited liability partnership.

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##### Commencement Information

**II** Reg. 4 in force at 26.5.2020, see [reg. 1](#)

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**Changes to legislation:** There are currently no known outstanding effects for the The Statutory Sick Pay (Coronavirus) (Funding of Employers' Liabilities) Regulations 2020, Section 4. (See end of Document for details)

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**Marginal Citations**

- M1** OJ No. L 187, 26.6.2014, p. 1, to which there are amendments not relevant to these Regulations.
- M2** 2014 c. 7.
- M3** 2012 c. 23.
- M4** 2010 c. 4. Section 1121(1) was amended by [S.I. 2013/1388](#).

**Changes to legislation:**

There are currently no known outstanding effects for the The Statutory Sick Pay (Coronavirus) (Funding of Employers' Liabilities) Regulations 2020, Section 4.