

AUTUMN STATEMENT 2015



Mr Osborne described his Autumn Statement today as being a “Spending Review of One Nation, Builders of our Better Future”, and announced a number of severe cuts but also increases in budgets to sectors such as the NHS.

Apart from the cuts, it’s difficult to see where all the additional funding will come from as there were very few tax announcements made today, unlike the raft of measures announced in this year’s Summer Budget. Much is reported to come from increased tax receipts from HMRC’s attack against avoidance and evasion though.

The highlight for me came when Mr Bercow told Labour MP Ian Lewis to get a grip of himself and to take up yoga, which ‘you’ll find it of benefit man!’ I might join him!

As there were very few tax highlights today, we will need to carefully consider the draft legislation to be released on 9 December to see if anything has been hidden away.

AVOIDANCE, EVASION AND ADMINISTRATION

- Increased receipts expected from HMRC’s continued attack on tax avoidance and evasion, with a further £800m being given towards the fight
- New penalties under the general anti avoidance rules, in particular those schemes involving disguised remuneration, SDLT, intangible assets and capital allowances
- Savings to be made by HMRC in making efficiencies in cutting the number of tax offices and stopping paper processing, making the UK one of the most digitally advanced tax administrations in the world by 2019

PROPERTY

- CGT to be paid within 30 days of completion on a residential property being disposed of from April 2019
- 400,000 new houses to be built by the end of the decade
- A further 3% added to SDLT rates for purchases of second homes and buy to let properties from April 2016

FAMILIES

- Tax credit changes scrapped and £2,500 change in income disregard remains unchanged
- Housing Benefit in social sector capped to the same rate paid to those in the private rented sector
- Councils to be able to add a 2% precept to the Council Tax to be used only to provide social care for adults
- £50 off each year for customers of South West Water for the rest of this government
- New energy scheme to help save £30 per year on energy bills
- The £15 million ‘tampon tax’ raised each year to be given to women’s health charities until the EU agree to reduce the VAT rate on sanitary products
- 30 hours free childcare for families depending on income and hours worked, from 2017
- Every secondary school and 6th form college to become academies

PENSIONERS

- Basic state pension to increase to £119.30 per week from April 2016
- New single tiered pension to be set at £155.65 from April 2016

BUSINESSES

- 26 new enterprise zones across the UK to be announced
- Extension of small business rates exemption
- Councils to have power to cut business rates and keep any funds raised from the sale of assets
- Removal of the 3% surcharge on diesel cars to be delayed until 2021
- Reform of the Renewable Heat Incentive to make savings of £750 million per year
- Corporation tax rate to fall to 18% (already announced)
- Loans to replace grants from the Business, Innovations and Skills department
- 0.5% levy on employers’ total employment costs in excess of £3 million to fund apprenticeships
- Energy generation to be excluded from Venture Capital Schemes

OTHER

- New tax credit scheme for museums and galleries to keep free entry



Tracey Watts

Tracey is one of three tax partners at Albert Goodman, helping to manage a large team of tax compliance and consulting advisors.

Tracey specialises in corporate tax matters, in particular advising on business reorganisations and transactions and in maximising claims such as capital allowances and research and development. A strong practical accounting background also means that Tracey heads up the partnership’s Tax Investigations group and she relishes the challenges being presented by the Revenue under their newly extended powers.

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