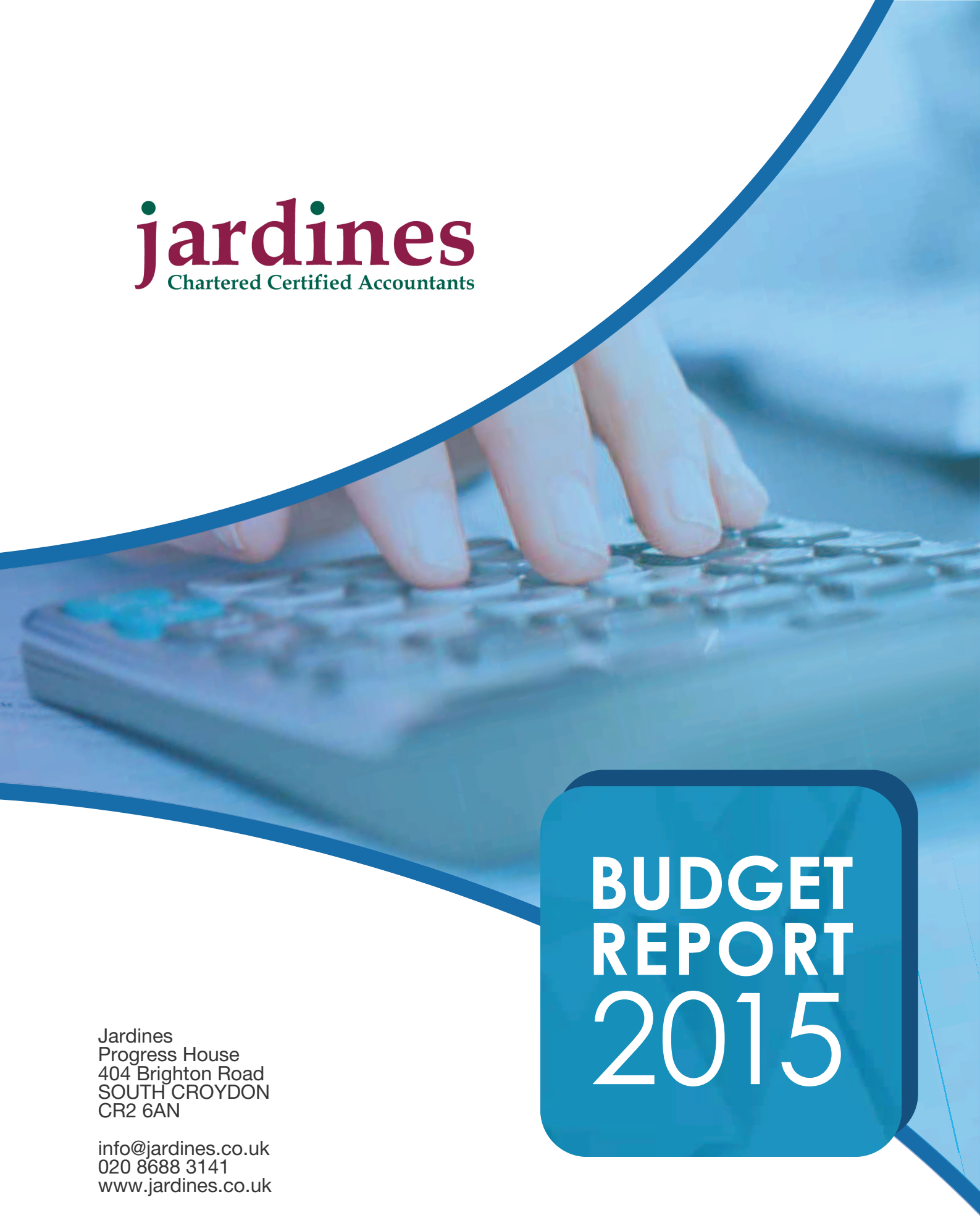
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BUDGET REPORT 2015

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INTRODUCTION

Chancellor George Osborne used his final Budget statement of this Parliament to announce that “Britain is walking tall again”.

There are many things to be positive about:

Economy

The economy grew 2.6% in 2014 – faster than any other advanced economy. The Office for Budget Responsibility (OBR) has revised up its 2015 growth forecast to 2.5% (up from 2.4% at the Autumn Statement in December 2014 and 2.3% a year ago).

Employment

Unemployment fell by 102,000 in the 3 months to January 2015 and the employment rate is 73.3% - the highest level since comparable records began in 1971. The OBR predicts that unemployment will fall from 5.7% at the end of 2014 to 5.3% this year.

Inflation

Falling world food and oil prices mean that that the OBR has revised down its inflation forecast to 0.2% for 2015. Osborne confirmed that the consumer price index inflation target remains at 2%.

National debt

The Chancellor plans to use funds from bank sales, lower interest charges on government gilts and a smaller welfare bill to pay down the national debt.

Against this backdrop, the Chancellor promised a Budget that “does more to back businesses and make work pay”. However, with a general election less than 2 months away, it is not certain how many of the new measures will make it into law before the dissolution of Parliament.

The following report summarises the announcements made by Chancellor George Osborne during the 2015 Budget on Wednesday 18 March 2015.



Important information:

The way in which tax charges (or tax relief, as appropriate) are applied depends upon individual circumstances and may be subject to change in the future. The information in this report is based upon our understanding of the 2015 Budget, in respect of which specific implementation details may change when the final legislation and supporting documentation are published.

This document is solely for information purposes and nothing in this document is intended to constitute advice or a recommendation. You should not make any investment decisions based upon its content.

Whilst considerable care has been taken to ensure that the information contained within this document is accurate and up-to-date, no warranty is given as to the accuracy or completeness of any information. E & OE.

AT A GLANCE

The measures announced in Budget 2015 include:

BUSINESS

Corporation tax

The main rate for corporation tax will be cut to 20% from April 2015.

National insurance

Businesses will no longer have to pay NICs for employees under-21 from April 2015. They will also be abolished for apprentices under 25 from April 2016.

Business rates

Small business relief will be extended until April 2016. Inflation-linked increases to business rates will be capped at 2% until April 2016.

Diverted profits tax

A new tax aimed at large companies that artificially shift profits offshore will come into effect from 1 April 2015.

Entrepreneurs' relief

Entrepreneurs' relief will only be available to those selling genuine stakes in businesses.

Bank levy

The annual bank levy will be raised to 0.21%.

Travel and subsistence

Travel and subsistence relief will be restricted for individuals working through intermediaries such as umbrella companies from April 2016.

Farmers

Farmers will now be able to average their income over 5 years for tax purposes from April 2016.

PERSONAL

Minimum Wage

The minimum wage will rise to £6.70 in the autumn, with the apprentice rate increasing to £3.30.

Pensions

The lifetime allowance will be lowered from £1.25 million to £1 million from 6 April 2016 and will be indexed to increase in line with inflation from April 2018.

Annuities

Annuity holders will be able to sell their retirement income at their marginal rate of tax from April 2016.

Income tax

The personal income tax allowance will be £10,600 in 2015/16.The threshold for the higher rate will increase to £43,300 in 2017/18.

Flexible ISAs

More flexible ISAs will allow people to take money out of their account and return it in the same year without losing any of their annual tax-free entitlement.

Help to Buy ISA

The Help to Buy ISA is designed to help first time buyers save for a deposit on their first property.

Personal savings allowance

The first £1,000 of interest on savings earned will be tax-free for basic rate taxpayers from April 2016.

Inheritance tax

The government will review deeds of variation for tax purposes.

OTHER

Alcohol duties

Beer duty will be cut by 1 pence, while cider and spirit duties will be reduced by 2%.

Fuel duty

The fuel duty increase that had previously been scheduled to come into effect in September 2015 has been cancelled.

Export finance

Support to British businesses exporting to China will be almost doubled through an increase in UK Trade & Investment resources.

Charities

Charities can claim automatic gift aid on their first £8,000 of donations.

Transport

There will be investment in transport across the country, including a new transport strategy for the north and £7 billion to the South West.

The Severn Crossing

From 2018 the toll rates for the Severn Bridge will be reduced and the higher band for vans and small buses removed completely.

BUSINESS

CAPITAL ALLOWANCES: ANNUAL INVESTMENT ALLOWANCE

In his speech the Chancellor announced that the proposed reduction in the annual investment allowance from £500,000 to £25,000 after 31 December 2015 would be reviewed. It is likely that the limit will be greater than £25,000.

TAX SIMPLIFICATION: THE END OF THE TAX RETURN

The tax system will be transformed over the next parliament by introducing digital tax accounts to remove the need for individuals and small businesses to complete annual tax returns. Further details on the policy and administrative changes needed to deliver this will be published later in 2015.

CLASS 2 NATIONAL INSURANCE CONTRIBUTIONS (NICs)

The government will abolish Class 2 NICs in the next parliament and reform Class 4 to introduce a new contributory benefit test. Consultation on the proposal and timing of the reforms will be later in 2015.

EMPLOYER NICs

The abolition of employer national insurance contributions for individual under 21 was announced in the Autumn Statement 2014. This measure comes into effect from April 2015. No changes were announced to the plans that from April 2016, employers of apprentices under the age of 25 will no longer be required to pay employer NICs on earnings up to the Upper Earnings Limit.

RESEARCH & DEVELOPMENT (R&D)

As previously announced at Autumn Statement 2014, the government will increase the above the line credit from 10% to 11% and will also increase the rate of the SME scheme from 225% to 230%. Qualifying expenditure will be restricted for R&D tax credits so that materials incorporated in products that are sold are not eligible. These measures will take effect from 1 April 2015.

R&D TAX CREDITS

To improve the access to R&D tax credits for smaller companies, the government will introduce voluntary advanced assurances lasting 3 years for smaller businesses making a first claim from autumn 2015 and reduce the time taken to process a claim from 2016.

EMPLOYMENT INTERMEDIARIES

The government will consult on detailed proposals to restrict tax relief for travel and subsistence for workers engaged through an employment intermediary (such as an umbrella company or a personal service company) and under the supervision, direction and control of the end user. It is expected that any legislative changes will take effect from 6 April 2016.

SIMPLIFICATION OF EMPLOYEE BENEFITS AND EXPENSES

The simplification of employee benefits and expenses was previously announced in Autumn Statement 2014. A statutory exemption for trivial benefits in kind costing less than £50 will be introduced from April 2015. Following technical consultation, an annual cap of £300 will also be introduced for office holders of close companies and employees who are family members of those office holders. The government will remove the £8,500 threshold below which employees do not pay income tax on certain benefits in kind, from April 2016.

EXTENDING AVERAGING PERIOD FOR FARMERS

The government will extend the period over which self-employed farmers can average their profits for income tax purposes from 2 years to 5 years. A consultation will be held later this year on the detailed design and implementation of the extension and will come into effect from 6 April 2016.

CORPORATION TAX

CORPORATION TAX RATE

As previously announced, the main rate of corporation tax reduces to 20% on 1 April 2015.

LOSS REFRESH PREVENTION

The government will introduce anti-avoidance legislation to prevent companies from obtaining a tax advantage by entering into contrived arrangements to turn historic losses of restricted use into more versatile in-year deductions. The legislation will be effective from 18 March 2015.

ORCHESTRA TAX RELIEF

The government will provide tax relief to orchestras at 25% on qualifying expenditure from 1 April 2016.



FILM TAX RELIEF

An increase in the rate of film tax relief to 25% for all qualifying expenditure will be introduced from 1 April 2015, subject to state aid clearance.

HIGH END TELEVISION TAX RELIEF

The minimum UK expenditure requirement for all television tax reliefs will reduce from 25% to 10% from 1 April 2015.

CHILDREN'S TELEVISION TAX RELIEF

As announced in Autumn Statement 2014, the government will introduce a new tax relief for the production of children's television programmes from 1 April 2015. The relief will apply at a rate of 25% on qualifying core expenditure for all eligible children's TV programmes.

OIL AND GAS INDUSTRY: REDUCTION IN SUPPLEMENTARY CHARGE

The supplementary charge payable in respect of profits from oil and gas production will be reduced from 30% to 20% from 1 January 2015.

OIL AND GAS INDUSTRY: INVESTMENT ALLOWANCE

A new investment allowance will remove an amount equal to 62.5% of investment expenditure incurred by a company in relation to a field from its adjusted ring fence profits that are subject to the supplementary charge. The allowance will apply to the investment expenditure a company incurs on or after 1 April 2015 and will be available for projects in both new and existing fields.

PETROLEUM REVENUE TAX (PRT)

The rate of PRT will reduce from 50% to 35% for chargeable periods ending after 31 December 2015.

CAPITAL ALLOWANCES: ANTI-AVOIDANCE RULES FOR PLANT AND MACHINERY

The government will introduce legislation to clarify the effect of capital allowances anti-avoidance rules where the transactions are between connected parties or sale and leaseback transactions from 26 February 2015.

DIVERTED PROFITS TAX

A new diverted profits tax will be introduced in Finance Bill 2015. The tax will be at a rate of 25% of diverted profits relating to UK activity and commences from 1 April 2015. The diverted profits tax will operate through 2 basic rules which seek to counteract arrangements by which foreign companies exploit the permanent establishment rules and prevent companies from creating tax advantages using transactions or entities that lack economic substance.

BANK LOSS RELIEF RESTRICTION

The proportion of banks' annual taxable profit that can be offset by carried forward losses will be restricted to 50% from 1 April 2015. The restriction will apply to carried forward trading losses, non-trading loan relationships and management expenses.

TREATMENT OF BANKS' COMPENSATION PAYMENTS

The government will make the banks' compensation expenses paid to customers non-deductible for corporation tax purposes. The change will be legislated in a future Finance Bill.

BANK LEVY RATE INCREASE

The bank levy will increase from 0.156% to 0.21% from 1 April 2015.

PERSONAL



INCOME TAX: PERSONAL ALLOWANCE AND BASIC RATE LIMITS

For individuals born after 5 April 1948, the income tax personal allowance will increase from £10,000 to £10,600 with effect from 6 April 2015. For those born between 6 April 1938 and 5 April 1948, the income tax personal allowance will increase from £10,500 to £10,600. It will further increase to £10,800 from 6 April 2016 and to £11,000 from 6 April 2017.

The basic rate band will decrease from £31,865 in 2014/15 to £31,785 in 2015/16. This means that the higher rate threshold above which individuals pay income tax at up to 40% will however increase from £41,865 to £42,385. National insurance limits will increase to stay in line with the higher rate threshold.

The basic rate limit will increase to £31,900 for 2016/17 and to £32,300 for 2017/18. The higher rate threshold will increase to £42,700 in 2016/17 and to £43,300 in 2017/18.

The personal allowance for individuals born before 6 April 1938 remains at £10,660 for the year ended 5 April 2016. For future years there will only be 1 level of personal allowance for all individuals, regardless of their date of birth.

The income limit for the personal allowance for persons born before 6 April 1938 is increasing to £27,700 in 2015/16. The allowance is reduced by £1 for every £2 of income above the limit, but is not reduced below £10,600 for 2015/16 unless total income exceeds £100,000.

The transferable tax allowance for married couples and civil partners is set at £1,060 for 2015/16. The amount of the transferable allowance will be set at 10% of the personal allowance for subsequent tax years.

TAX-FREE CHILDCARE

The government has doubled the maximum amount that parents of disabled children will be able to receive to help pay for their childcare costs from £2,000 to £4,000 per disabled child, per year.

GIFT AID SMALL DONATIONS SCHEME (GASDS)

With effect from April 2016, secondary legislation will be introduced to allow charities and community amateur sports clubs to increase the maximum annual donation amount which can be claimed through the GASDS to £8,000.

COMPANY CAR TAX RATES

Changes have previously been announced to increase the appropriate percentages for calculating the benefit charges for cars in 2017/18 and 2018/19.

The maximum percentage for cars for 2015/16 is 37%.

INCOME TAX: VAN BENEFIT

As previously announced, the van benefit charge for zero emission vans has been increased from £0 to 20% of the van benefit charge for vans that omit CO_2 in 2015/16. This will further increase to 40% of the van benefit charge for 2016/17, 60% for 2017/18, 80% for 2018/19 and 90% for 2019/20. There will be a single van benefit charge applying to all vans from 2020/21.

NON DOMICILES: INCREASING THE REMITTANCE BASIS CHARGE

As announced at Autumn Statement 2014, legislation will be introduced in Finance Bill 2015 making changes to the charges paid by non-domiciled individuals resident in the UK who wish to claim the remittance basis of taxation. A new annual charge of £90,000 will be introduced for individuals who have been resident in the UK in at least 17 of the last 20 years from April 2015. The charge paid by individuals who have been resident in the UK in at least 12 of the last 14 years will increase from £50,000 to £60,000.

Contact us to discuss your personal finances

CAPITAL TAXES

INHERITANCE TAX

There are no changes to the tax rates or the exemption limits.

DEEDS OF VARIATION

The government will consult on the use of deeds of variation for tax purposes.

CAPITAL GAINS TAX (CGT)

The annual exemption for 2015/16 is £11,100. The rates of tax remain unchanged.

EXEMPTION FOR CERTAIN WASTING ASSETS

The wasting asset rules are being amended for gains accruing on and after 1 April 2015 for corporation tax and 6 April 2015 for CGT. Under the amended rules, to qualify for the CGT exemption for gains accruing on the disposal of certain wasting assets, the asset must have been used in the business of the person making the disposal and not in the business of a third party.

NON-UK RESIDENTS DISPOSING OF UK RESIDENTIAL PROPERTY

Following consultation the government has confirmed that from 6 April 2015 non-UK resident individuals, trusts, personal representatives and narrowly controlled companies will be subject to CGT on gains accruing on the disposal of UK residential property on or after that date. Non-residents will be subject to tax at the same rates as UK taxpayers (28% or 18%) on gains above the annual exempt amount. Non-resident companies will be subject to tax at the same rates as UK companies (20%) and will have access to an indexation allowance.

PRINCIPAL PRIVATE RESIDENCE RELIEF (PPR) ON PROPERTIES LOCATED IN OTHER JURISDICTIONS

The government will restrict access to PPR in circumstances where a property is located in a jurisdiction in which the taxpayer is not tax resident. The individual must meet a 90 day test for time spent in the property over the year to qualify for PPR relief.

ANNUAL TAX ON ENVELOPED DWELLINGS (ATED)

As announced at Budget 2014, the government will extend the related CGT charge on disposals of properties liable to ATED with effect from 6 April 2015 to residential properties worth over £1 million and up to £2 million. It will be further extended to residential properties worth over £500,000 and up to £1 million from 6 April 2016.



ENTREPRENEURS' RELIEF: RESTRICTING RELIEF ON ASSOCIATED DISPOSALS

Legislation will be introduced in Finance Bill 2015 to ensure that in order for the disposal of a privately owned asset used in a business carried on by a company or partnership to qualify for entrepreneurs' relief, the claimant must reduce their participation in the business by also disposing of a minimum of 5% of the shares of the company conducting the business. This measure came into effect on 18 March 2015.

If the business is a partnership, the associated disposal must be a minimum of a 5% share of the assets of the partnership. This amendment is to prevent people claiming entrepreneurs' relief but not making a significant withdrawal from the business.

JOINT VENTURES AND PARTNERSHIPS

Legislation will be introduced in Finance Bill 2015 to ensure that entrepreneurs' relief is only available on the disposal of a shareholding in a trading company or of the holding company of a trading group. It will apply for any disposal on or after 18 March 2015.

It will no longer be possible to take into consideration the activities conducted by either a joint venture company in which a company is invested in, or a partnership of which a company is a member. The company will need to have a significant trade in its own right to qualify for the relief. Shareholdings in companies whose investment in a joint venture is part of their own trade will not be affected.

ACADEMICS

The government will review the entrepreneurs' relief for academics who dispose of shares in 'spin out' companies that use intellectual property to which they have contributed.

ENTREPRENEURS' RELIEF AMENDMENTS

As announced at Autumn Statement 2014, the government has prevented individuals claiming entrepreneurs' relief on disposals of the reputation and customer relationships associated with a business (the goodwill) when they transfer the business to a related close company. This affects transfers on or after 3 December 2014.

As also previously announced, the government has allowed gains which are eligible for entrepreneurs' relief, but which are instead deferred into investments which qualify for the Enterprise Investment Scheme (EIS) or Social Investment Tax Relief (SITR) to remain eligible for entrepreneurs' relief when the gain is realised. This benefits qualifying gains on disposals that would be eligible for entrepreneurs' relief on or after 3 December 2014 that are deferred into EIS and SITR.

VENTURE CAPITAL SCHEMES

The government will, subject to and with effect from the date of state aid clearance:

- require that all investments are made with the intention to grow and develop a business
- require that all investors are 'independent' from the company at the time of the first share issue
- introduce new qualifying criteria to limit relief to companies where the first commercial sale took place within the previous 12 years – this rule will apply except where the total investment represents more than 50% of turnover averaged over the preceding 5 years
- cap the total investment a company may receive under the EIS and Venture Capital Trusts (VCTs) at £15 million or £20 million for companies that meet certain conditions demonstrating that they are 'knowledge intensive'
- increase the employee limit for knowledge intensive companies to 499 employees.

From 6 April 2015, the government will remove the requirement that 70% of Seed Enterprise Investment Scheme money must be spent before EIS or VCT funding can be raised.

Speak to us about tax planning

SAVINGS AND INVESTMENTS

A NEW PERSONAL SAVINGS ALLOWANCE

A new personal savings allowance will be available to remove tax on up to £1,000 of savings income for basic rate taxpayers and up to £500 for higher rate taxpayers from 6 April 2016. However, additional rate taxpayers will not receive an allowance.

HELP TO BUY ISA

The Help to Buy ISA for first time buyers will provide a government bonus of £50 for every £200 a first time buyer saves, up to a maximum of £3,000 for those who save up to £12,000 for a deposit to purchase their first home.

ANNUITIES

From April 2016, the government will legislate to allow people who are already receiving income from an annuity to agree with their annuity provider to assign their annuity income to a third party in exchange for a lump sum or an alternative retirement product. These will be taxed at the individual's marginal rate.

PENSIONS: LIFETIME ALLOWANCE

The current lifetime allowance of £1.25 million will reduce to £1 million from 6 April 2016. Transitional protection for pension rights already over £1 million will be introduced at the same time to ensure the change is not retrospective.

TAXATION OF INHERITED ANNUITIES

From April 2015, beneficiaries of individuals who die under the age of 75 with a joint life or guaranteed term annuity will be able to receive any future payments from such policies tax-free where no payments have been made to the beneficiary before 6 April 2015.

PREMIUM BONDS

As previously announced, the premium bond investment limit is to increase from £40,000 to £50,000 on 1 June 2015. This is an individual limit so a couple has a total investment limit of £100,000 from that date.

ISAs

In autumn 2015 ISA investors will be able to withdraw and replace money from their cash ISA in-year without losing any of their annual ISA subscription limit.

Talk to us about your savings

DUTIES

FUEL DUTY

The automatic retail prices index (RPI) fuel duty increase due on 1 September 2015 is cancelled.

VEHICLE EXCISE DUTY (VED)

From 1 April 2015 VED will increase for cars, vans, motorcycles and motor cycle trade licences by RPI.

HEAVY GOODS VEHICLES VED

From 1 April 2015 heavy goods vehicle VED and road user levy will be frozen for 1 year.

ALCOHOL DUTY RATES

With effect from 23 March 2015:

- tax on a typical pint of low, average and high strength beer will be cut by 1 pence
- the duty rate on lower strength cider will be cut by 2% with an equivalent benefit in cash terms for high strength still cider
- the duty rate on spirits and other drinks exceeding 22% alcohol by volume will be cut by 2%
- the duty rates on wine, made-wine and high strength sparkling cider will be frozen in cash terms.

GAMING DUTY

Gaming duty bands are to increase in line with the RPI for accounting periods starting on or after 1 April 2015.

AIR PASSENGER DUTY (APD)

As previously announced children under the age of 16 travelling in the lowest class of travel will be exempt from APD. This change has effect in respect of flights on and after 1 March 2016. Children under the age of 12 will also be exempt from APD for flights on and after 1 May 2015.

TOBACCO DUTY

As announced in Budget 2014, duty rates on tobacco products will increase by 2% above RPI. These changes come into effect from 6pm on 18 March 2015.

LANDFILL TAX RATES

The standard and lower rates of landfill tax will increase in line with RPI rounded to the nearest 5 pence from April 2016. The loss on ignition testing regime announced at Autumn Statement 2014 will be introduced from 1 April 2015.

CLIMATE CHANGE LEVY (CCL)

The main CCL rates will increase in line with RPI from 1 April 2016.

VAT

VAT REGISTRATION AND DEREGISTRATION THRESHOLDS

The taxable turnover threshold, which requires a person to register for VAT, will be increased from £81,000 to £82,000 per year from 1 April 2015. The threshold below which a VAT-registered person may apply to deregister will be increased from £79,000 to £80,000 per year. The relevant registration and deregistration threshold for intra-Community acquisitions will also be increased from £81,000 to £82,000 per year.

VAT RATES

These remain unchanged, so the standard rate is 20% and the reduced rate is 5%.

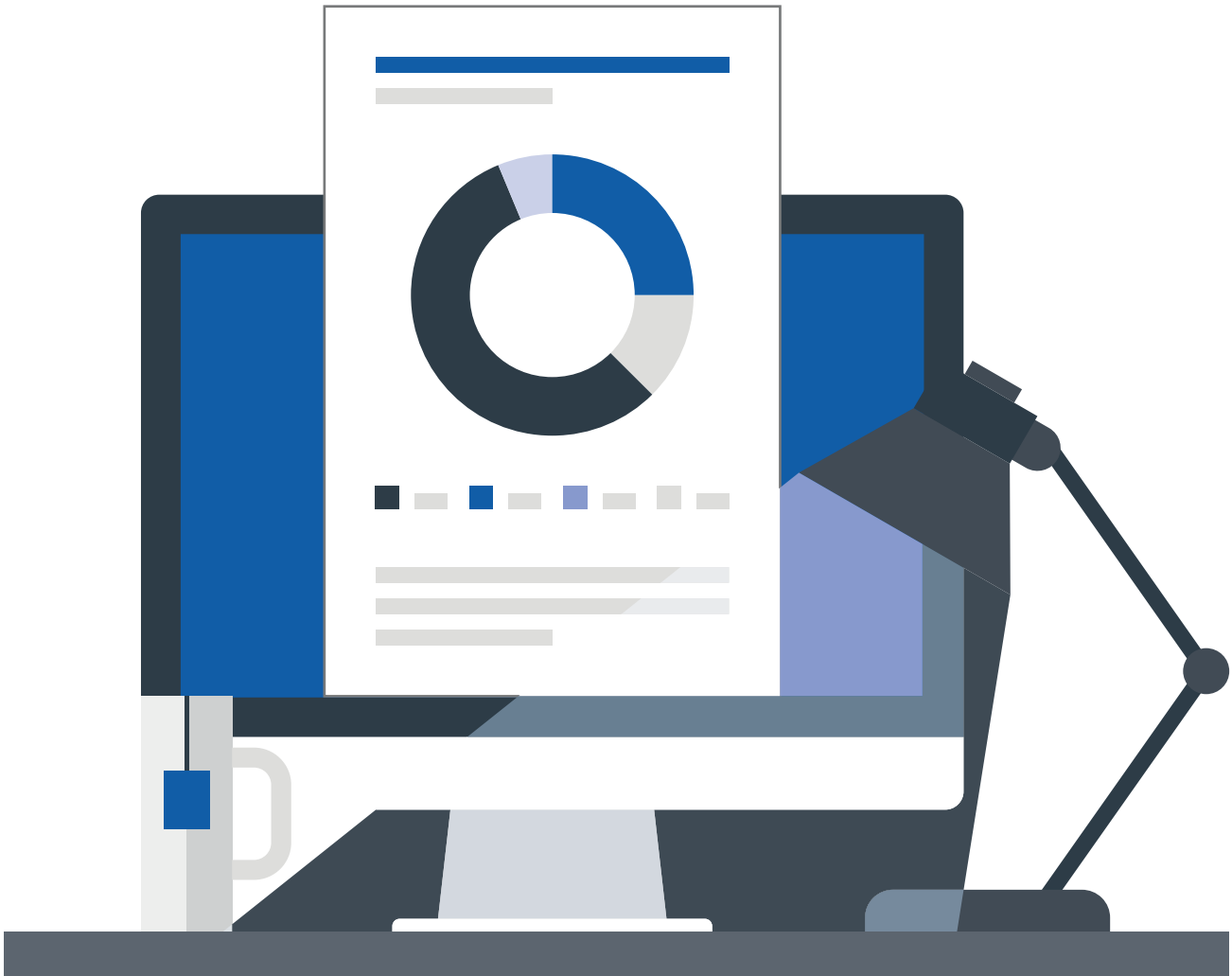
DEDUCTION OF VAT RELATING TO FOREIGN BRANCHES

Until now, businesses that make certain supplies outside the UK, have been allowed to deduct input VAT incurred in the UK attributable to those supplies, even though the supplies themselves would be exempt, if supplied in the UK. This was through the Specified Supplies Order, which mainly covers supplies of financial services.

A new measure will mean that such businesses can no longer take into account the activities of their foreign branches when calculating how much input tax they can claim. This is mainly as a result of the Court of Justice of the European Union case involving Credit Lyonnais, in which it was decided that this practice should not be allowed under the Principal VAT Directive.

It is planned to have effect on and after 1 August 2015, but where 31 July 2015 falls within the VAT longer period of accounting for a business, it will not have effect until the first day of its next longer period.

The measure is designed to make input tax deduction fairer, as well as in line with EU VAT legislation, and to prevent business structures which allocate costs to foreign activities artificially.



VAT REFUNDS TO PALLIATIVE CARE CHARITIES

A new scheme, previously announced in the Autumn Statement, is to be introduced allowing palliative care charities to reclaim VAT incurred on expenditure, which relates to their non-business activities.

Such charities are often funded through voluntary donations or public funding, which is regarded as non-business and outside the scope of VAT. Therefore, without this scheme, they could only reclaim VAT attributable to taxable activities, such as those which generated fees.

The new scheme will apply to supplies, imports and acquisitions made from 1 April 2015. New clauses 33C and 33D will be added to the VAT Act 1994 defining 'palliative care', although the definition of a charity will be in accordance with Schedule 6 of the Finance Act 2010.

VAT REFUNDS TO OTHER CHARITIES

A new scheme is to be introduced allowing medical courier charities to reclaim VAT incurred on expenditure which relates to their non-business activities.

Such charities usually offer a free service to the NHS in transporting urgently needed supplies like blood, platelets and drugs. The charities are mainly supported through voluntary donations or public funding, which is regarded as non-business and outside the scope of VAT. Therefore, without this scheme, they could only reclaim VAT attributable to taxable activities, such as those which generated fees.

The new scheme will apply to supplies, imports and acquisitions made from 1 April 2015. New clauses 33C and 33D will be added to the VAT Act 1994 defining 'medical courier charities', although the definition of a charity will be in accordance with Schedule 6 of the Finance Act 2010.

The scheme will ensure medical courier charities receive the same level of VAT recovery as the established emergency services. Note that the same refund scheme will apply, from the same date, to search and rescue and air ambulance charities, as announced in Autumn Statement 2014.

OTHER CHANGES FROM 1 APRIL 2015 AS ANNOUNCED IN AUTUMN STATEMENT

The new government-owned company replacing the Highways Agency will have the same VAT refund entitlement through legislation to be included in Finance Bill 2015.

The London Legacy Development Corporation will be eligible for VAT refunds.

Businesses will be required to account for VAT on the actual consideration received when prompt payment discounts are offered. Until that date, output VAT is due on the discounted amount whether or not the offer is taken up.

OTHER MEASURES

TAX ADMINISTRATION

In accordance with UK international requirements changes are to be introduced that will affect financial institutions doing business in the UK. From 2016 financial institutions will be required to:

- identify accounts maintained for specified persons, that is, account holders who are tax resident in jurisdictions with which the UK has entered into an agreement to exchange information about a wide range of financial accounts and investments to help tackle tax evasion
- collect and report information in a specified manner on specified persons to HMRC.

BUSINESS RATES

The government again affirmed their intention to conduct a review of business rates with a view to reporting by Budget 2016.

TOBACCO ANTI-FORESTALLING

Measures are to be introduced to tighten tobacco anti-forestalling rules and apply penalties for non-compliance, in order to prevent tax avoidance.

SIMPLIFIED EXPENSES

It is intended to amend the simplified expenses regime to ensure that a partnership can fully access the provisions in respect of the use of a home where business premises are also a home.

CARBON PRICE FLOOR

From 1 April 2015 fossil fuels that are used by combined heat and power plants to generate good quality electricity that is self-supplied or supplied under exemption from the requirement to hold a supplier licence will be excluded from the carbon price support rates.

There is to be no change to the carbon price support rate for 2017/18 which remains at £18/tCO_2

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