



Strategies for saving tax ahead of the 5 April year end

With the end of the 2017/18 tax year approaching, now may be the ideal time to think about strategies to help mitigate your tax liability. There are many different options to consider so do contact us for further advice.

Reducing your personal tax liability...

Are you making the most of your tax-free personal allowance (PA)? Individuals are entitled to their own PA, which is set at £11,500 in 2017/18. Therefore, if your spouse or partner has little or no income, you could stand to benefit by spreading your income more evenly to ensure that each PA is being fully utilised.

Some married couples may also be eligible to transfer 10% of their PA to their spouse under the Transferable Tax Allowance, or 'Marriage Allowance'. It means £1,150 may be transferred in 2017/18, which could help to reduce a couple's tax liability by up to £230 in this financial year. Certain rules apply.

And despite relatively low interest rates, for many individuals ISAs are still an attractive tax-free way to save. For 2017/18, the overall subscription limit for ISAs is £20,000, of which no more than £4,000 can be deposited into a Lifetime ISA. With a range of ISAs to choose from, you have until 5 April 2018 to make your 2017/18 ISA investment

... and your business's tax bill

Are you maximising claims for capital allowances? The majority of businesses are able to claim a 100% Annual Investment Allowance on the first £200,000 of expenditure on most types of plant and machinery (except cars). In many cases, a purchase made just before the end of the current accounting year will mean that the allowances are available a year earlier than if the purchase was made just after the year end.

Business owners may also wish to consider tax-efficient ways in which they can extract profit from their business. There are many ways to achieve this. Some may opt to take dividends instead of a salary or bonus, as these are paid free of national insurance contributions. Others may wish to talk to us about incorporating their business, while employer pension contributions can be another tax-efficient means of extracting profit.

As always, it is important to seek advice before taking action. For more information on tax-saving strategies to implement ahead of the 5 April 2018, please call us on 01753 888211

Government outlines VAT proposals for post-Brexit Britain

Businesses groups have voiced concerns over government proposals to amend the way in which EU imports will be treated following the UK's withdrawal from the EU in 2019.

Plans to change the VAT rules are included in the Taxation (Cross-Border Trade) Bill 2017-19, which is currently making its way through Parliament. The proposals could see UK businesses being required to pay VAT upfront in cash to HMRC.

Currently, goods imported from the EU are treated as 'acquisitions' for tax purposes, meaning that VAT is not paid until the products have been sold to the end consumer. However, if the UK exits the Customs Union, goods from the EU will be treated in a similar way to other imports.

The British Retail Consortium (BRC) has warned that the proposed changes could create 'additional burdens' for UK businesses. Commenting on the Bill, the BRC stated: 'If the Bill becomes law without any commitment to inclusion within the EU VAT area, UK businesses will become liable to

pay upfront import VAT on goods being imported from the EU27 for the first time.

'Liability for upfront import VAT will create additional cashflow burdens for companies, as well as additional processing time at ports and border entry points attached to the customs process.'

Meanwhile, the Chair of the Treasury Select Committee, Nicky Morgan, has written to the head of HMRC, Jon Thompson, urging him to address the BRC's concerns.

Ms Morgan stated: 'I have written to HMRC to seek clarification on the costs to businesses and consumers arising from this legislation, the options being considered to mitigate these costs and the likelihood of the UK participating in the EU VAT area as part of its end-state relationship with the EU.'

We can help you with your VAT obligations. Please contact us for advice and assistance.

ESSENTIAL TAX DATES FOR FEBRUARY

2 February

Deadline for submitting P46(Car) for employees whose car/fuel benefits changed during the quarter to 5 January 2018.

19 February

PAYE, Student loan and CIS deductions are due for the month to 5 February 2018.

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The 2018 **Spring Statement** will be announced on **March 13th**. Register online to get your **FREE** report.

Go to www.nhllp.com and submit your details.

QUOTE OF THE MONTH

'Smaller firms want to do the right thing and support the continued push to shift consumer behaviour away from disposables towards cleaner, more sustainable alternatives.'

Mike Cherry, National Chairman of the Federation of Small Businesses, commenting on government plans to help combat the UK's 'throwaway culture'.

Nunn Hayward: Gold Sponsors for the 2018 Gerrards Cross Fun Run

We are proud to again be sponsoring and supporting the Gerrards Cross Fun Run in May 2018. It's the town's largest event and raises money for some extremely worthy charities. This year funds will be going to the Epilepsy Society and Medical Detection Dogs.

(Pictured) Staff and family joined in the fun at the 2016 event including their dogs!

For more information go to www.gxfunrun.org.uk

