

SURVEY SUGGESTS TWO THIRDS OF BUSINESSES 'UNPREPARED FOR GDPR'

A survey carried out by professional services firm EY has suggested that two thirds of businesses are 'unprepared' for the upcoming introduction of the General Data Protection Regulation (GDPR).



The GDPR is set to come into effect on 25 May 2018, and will strengthen the obligations on all businesses in regard to the safeguarding of individuals' personal information. Firms have been urged to review their data privacy and security practices ahead of the introduction of the Regulation, to ensure that they are compliant.

Businesses who fail to take action in respect of the new Regulation will face severe financial penalties, with fines costing up to €20 million, or up to 4% of total annual worldwide revenue, whichever is the greater.

EY found that 78% of firms consider data protection and privacy to be a growing concern: however, only 33% of businesses stated that they have a plan in place for the implementation of the new GDPR.

Meanwhile, a report published by software technology company Senzing suggested that businesses are 'sleepwalking towards a GDPR abyss'.

Senzing believes that 24% of businesses should be deemed 'at risk' of receiving significant fines for failing to comply with the new Regulation, and a further 36% are 'challenged' when it comes to complying with the obligations.

Worryingly, Senzing's report also found that 30% of firms believe GDPR fines and penalties 'will have no impact at all' on their business, and an additional 15% 'don't know' if fines will have an impact.

Commenting on the findings, Jeff Jonas, CEO of Senzing, said: 'The fines that can be levied for non-compliance will be potentially terminal to some organisations, and even the largest companies - and certainly their shareholders - will feel a significant impact.'

'A huge number of companies simply don't understand the dangers of non-compliance, with smaller firms apparently particularly unaware.'

Research suggests 70% of individuals 'unaware of inheritance tax nil-rate band'

Research carried out by Canada Life has suggested that a significant amount of individuals 'do not know the threshold' for the standard inheritance tax (IHT) nil-rate band. Canada Life found that 70% of those surveyed did not know the standard nil-rate band threshold, which currently sits at £325,000.

55% of those questioned do not know the rate at which assets above their available nil-rate band are taxed, the data also revealed.

Meanwhile, an additional 38% do not believe that their main home is liable for IHT. Canada Life has warned that many families in the UK could face 'unexpectedly high' tax bills as a result.

'There is a disturbing lack of knowledge which will undoubtedly translate into unnecessarily high inheritance tax bills,' said Karen Stacey, Head of Distribution Services at Canada Life.

'Unless people learn more about taxes and actively plan the future of their estate, the government is in line for a large, ongoing and often unnecessary windfall.'

Meanwhile, Chancellor Philip Hammond has commissioned the Office of Tax Simplification (OTS) to review the UK's IHT regime, and make suggestions as to ways in which the tax can be simplified.

In a letter to the Chair of the OTS, the Chancellor acknowledged that the IHT regime is 'particularly complex', and suggested that the review focus on the technical and administrative issues surrounding the tax.

Mr Hammond also said that the review should examine how existing gifts rules interact with the IHT system, and consider whether the current rules cause taxpayers to rethink their decisions when it comes to investments and transfers.

A 'scoping document' for the review into IHT will be agreed and published 'in due course', the OTS said.

As accountants we can help you to plan to minimise the IHT due on your estate - please contact us for further advice.

ESSENTIAL TAX DATES FOR MARCH

1 March

New Advisory Fuel Rates (AFR) for company car users apply from today.

3 March

5% late payment penalty on any 2016/17 outstanding tax which was due on 31 January 2018 and still remains unpaid.

19 March

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

31 March

End of corporation tax financial year.

End of CT61 quarterly period.

Filing date for Company Tax Return Form CT600 for period ended 31 March 2017.

Last minute planning for tax year 2017/18 - please contact us for advice



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QUOTE OF THE MONTH

'If the government is serious about equality at work and tackling the gender pay gap, it should consider also introducing a properly paid, standalone period of extended paternity leave for fathers.'

Sarah Jackson, Chief Executive of the charity Working Families, commenting on the reportedly low take-up of shared parental leave.