



GOVERNMENT PUBLISHES DRAFT FINANCE BILL 2018-19

The government has published draft legislation for Finance Bill 2018-19. The July publication of the legislation is the next step in the government's new fiscal timetable, which has seen the main annual Budget move to the Autumn, and the introduction of the annual Spring Statement.

The stated aim of the changes is to allow more time for tax measures to be scrutinised, with a view to offering taxpayers 'greater certainty and stability'.

The draft legislation is open for consultation, and includes measures affecting a range of business and personal taxes. Amongst the business tax measures included in the draft legislation are changes to the corporation tax reform of loss relief rules; the introduction of corporation tax on non-UK resident companies with UK property income; and changes to oil and gas taxation.

Meanwhile, proposed changes to personal taxation include amendments to the Optional Remuneration Arrangements (OpRA) rules for taxable cars and vans; the simplification of donor benefits rules for Gift Aid; a new income tax and national insurance exemption for employers who offer workplace charging provision for all-electric and plug-in hybrid vehicles; and reform of employer contributions into life assurance and overseas pension schemes.

The draft legislation also outlines the government's approach to the Making Tax Digital (MTD) penalty system, with HMRC highlighting its intention to utilise a two-tier penalty model for businesses and individuals who fail to pay their tax on time.

The legislation also confirms the government's plans to introduce a new points-based penalty regime for the late submission of tax returns, and a reduction in the time limit for filing a Stamp Duty Land Tax (SDLT) return and paying the tax due, with the period set to reduce from 30 to 14 days.

Commenting on the draft legislation, Mel Stride, Financial Secretary to the Treasury, said: 'Britain is one of the best places in the world to do business, and we're determined to see that continue.'

'This legislation illustrates our commitment to creating an environment in which innovation and enterprise can thrive, while ensuring that everyone plays by the same rules.' The consultation will run until 31 August 2018, and the final contents of Finance Bill 2018-19 will be subject to confirmation in the Autumn Budget.

For more information on any points above, please contact us on 01753 888211 or visit www.nhllp.com

FRC publishes new Corporate Governance Code

The Financial Reporting Council (FRC) has published a revised Corporate Governance Code, which emphasises the 'importance of positive relationships between companies, shareholders and stakeholders'.

The Corporate Governance Code was first published in 1992. Over the years, the FRC has expanded the Code in order to account for the 'increasing demands' on the UK's corporate governance framework.

The revised Code states that relationships between companies, shareholders and stakeholders are 'at the heart' of long-term growth in the UK economy, and urges businesses to 'create a culture which aligns company values with strategy'.

A number of changes have been made to the Code, including a new provision to promote board engagement with the workforce in order to understand employees' views, and an emphasis on the need to refresh boards and carry out succession planning.

'To make sure the UK moves with the times, the new Code considers economic and social issues, and will help to guide the long-term success of UK businesses,' said Sir Win Bischoff, Chairman of the FRC.

'This new Code, in its new shorter and sharper form, and with its overarching theme of trust, is paramount in promoting transparency and integrity in business for society as a whole.'

The Institute of Directors (IoD) welcomed the new Code. Dr Roger Barker, Head of Corporate Governance at the Institute, said: 'The IoD welcomes the publication of the revised UK Corporate Governance Code, particularly its engagement with a wider range of stakeholders, including the workforce, as well as encouragement of more long-term oriented business behaviour and recognition of the board's role in overseeing a company's purpose and culture.'

Business groups respond to publication of Brexit White Paper

Business groups, including the Confederation of British Industry (CBI), the British Chambers of Commerce (BCC) and the Institute of Directors (IoD) have responded to the government's recent publication of its Brexit White Paper.

The 104-page document is divided into four chapters, which focus on security, economic partnership, co-operation and institutional arrangements. A commitment to build a 'new relationship that works for both the UK and the EU' has been outlined by the government within the White Paper, alongside proposals for future trade arrangements. Responding to the publication of the Paper, the CBI stated that many of the government's intentions in regard to Brexit are 'reassuring'. Carolyn Fairbairn, Director General of the CBI, said: 'The Brexit White Paper reflects much of the evidence that business has been highlighting since the Referendum.'

'Businesses on both sides have been asking for frictionless trade between the UK and the EU, and shared rules could go a long way towards delivering that. It is now the EU's turn to put economics before ideology on these proposals.' Meanwhile, Stephen Martin, Director General of the IoD, said that EU negotiators 'now have specific details to build upon', and urged them to 'respond constructively'.

The BCC, however, gave a decidedly lukewarm response. Dr Adam Marshall, its Director General, commented: 'Businesses still need clear and detailed answers on many of the practical, real-world questions they face. Many of these answers can only emerge through negotiations – so it's time for the two sides to crack on and get to a deal.'

ESSENTIAL TAX DATES FOR AUGUST

2 August

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

19 August

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

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