



Hazel Cooch FCCA

Accounting and Tax Services

Newsletter - July 2016

Brexit

What does this mean for business? Well, at the moment it is still mostly speculation and it's more or less business as normal. Obviously if your business buys or sells to the EU you should consider forward commitments, but nothing definite is yet known and there are no actual legal changes.

Living wage and minimum wage

From 1/4/16 workers over age 25 became entitled to the National Living Wage (NLW) of £7.20 ph. From October 2016 the minimum wage will rise - the main rate for over 21's will be £6.95ph and thus the NLW for most over 25's will become £7.45ph.

Benefits-in-kind

Dispensations are no longer required and there is an automatic exemption for reimbursement of genuine business expenses. The £8,500 income limit has been removed so everyone is taxed on BIK, however trivial non-cash benefits of under £50 are ignored (up to £300pa)

Auto enrolment

This is now starting to roll out for smaller employers. If you are an employer you should check your staging date. If you have any staff over 22 years old earning over £10,000 pa. you must offer a scheme and it you should start to research the best one for you. The government offer a scheme but it may not be the best solution for you. There are certain declarations etc to complete **even if you have no eligible employees**, so watch those dates or you may be fined.

Buy-to-let

From april the new rules restricting the claim for finance costs come into effect. Note that this is not just mortgage interest but includes any costs of obtaining finance or refinance eg mortgage booking fees. If you are thinking of remortgaging a buy-to-let it is worth considering doing it in this tax year so that you can claim all these costs in full.

REMINDER - Self-assessment tax instalment due this month

For those of you who pay twice yearly under self-assessment (generally, but not only, the self-employed) the next payment on account is due on or before 31 July 2016.

Self-assessment tax returns

Although the 2015/16 tax return does not have to be filed until 31 January 2017, if you wish me to prepare it, then I am happy to receive your information as soon as you have everything.

That's all for now, as always I welcome any comments and please do get in touch if I can help with anything mentioned above, or if you have any other accounting or taxation queries.

I hope you have a good summer.

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