



BELFAST | LISBURN | PORTADOWN | gmcgca.com

AUTUMN BUDGET 2021

highlights

The Chancellor's speech included a number of tax-related measures, as well as confirming some previous announcements. In addition to these a number of other tax related measures were published today.

The main tax-related points are summarised below:

- ◆ **Annual Investment Allowance** on qualifying capital expenditure – current £1M limit extended to 31 March 2023
- ◆ **Reporting Disposals of UK Land and Property** – 30 day reporting requirement, including CGT payment, extended to 60 days, for disposals completing on/after 27 October 2021
- ◆ **VAT and Second-hand Cars** – new VAT refund scheme to be introduced in 2022 for second-hand cars sold in NI which are purchased in GB
- ◆ **National Living/Minimum Wage increases confirmed** – including over-23s rate increase to £9.50 per hour from April 2022
- ◆ **Health and Social Care Levy confirmed** – 1.25% increase on employer, employee and self-employed National Insurance Contributions rates from April 2022; before operating as a separate levy from April 2023, including on self-employment/employment income of individuals above state pension age
- ◆ **Dividend Income Tax rate increases confirmed** – rates to rise by 1.25% to 8.75% (basic rate), 33.75% (higher rate) and 39.35% (additional rate) from April 2022 (s.455 tax rate on loans to participators will also increase to 33.75%)
- ◆ **Unincorporated Business Basis Period Reform** - including sole traders, partnerships: businesses to be taxed on the profits of the tax year (rather than the profits of the accounting period ending in the tax year) – effective for tax year 2024/25 (i.e. from 6 April 2024) with 2023/24 as a transition year
- ◆ **Taxation of Employment Income** – van benefit-in-kind charge and van fuel benefit charge to increase to £3,600 and £688. Company car fuel benefit charge multiplier to increase to £25,300 – from April 2022
- ◆ **Accessing Pension Savings** – earliest age for accessing pensions savings without incurring unauthorised payments tax charges, to rise from 55 to 57, from April 2028
- ◆ **Residential Property Developer Tax confirmed** – 4% on annual profits exceeding £25M from April 2022

For an in-depth look at the announcements, you can download our **Budget Analysis** publication from the GM^cG website from Thursday 28 October.

This can be found at www.gmcgca.com/Publications

GM^cG BELFAST

Lyn Canning Hagan

T: 028 9031 1113

E: haganl@gmcgca.com

GM^cG LISBURN

Christine Harrison

T: 028 9260 7355

E: harrisonc@gmcgca.com

GM^cG PORTADOWN

Neil Armstrong

T: 028 3833 2801

E: armstrongn@gmcgca.com

