

eNews

23 FEBRUARY 2021

Welcome to haysmacintyre's regular 'e-news alert' for corporates and private individuals.

A LOCKDOWN BUDGET: 3 MARCH 2021

With the UK still in lockdown, the Chancellor will deliver his Budget on 3 March 2021 with much speculation as to what he will announce. Will Rishi Sunak announce measures to stimulate the economy, or will he risk the much-needed economic recovery by imposing tax increases? Rumoured tax increases include Capital Gains Tax and Corporation Tax with the freezing of personal tax rate bands and allowances. On Budget day, we will issue a note of the tax headlines, followed by a more detailed summary of the measures announced. Please contact [Katharine Arthur](#) if you require assistance with your tax matters.



IOD: CHANCELLOR NEEDS TO SUPPORT ENTREPRENEURSHIP

The [Institute of Directors \(IoD\)](#) has called on the Chancellor to support entrepreneurs through targeted packages to support start-ups and scale-ups in the forthcoming Budget. The IoD suggestions include the following: extending the COVID-19 economic support whilst restrictions continue; a one off support package for owner directors; deferring major tax increases; encouraging investment in technology, carbon reduction and retraining; extending the £1m Annual Investment Allowance; expanding the scope of courses under the Apprenticeship Levy; and accelerating the rollout of faster broadband.

IR35 EXTENSION COMING

[HMRC has published its briefing document](#) prior to the extension of the off-payroll working rules (IR35) to medium and large businesses with effect from 6 April 2021. All such businesses need to consider the impact this may have on the way in which they engage with contractors, especially as, after previous postponements, it is highly unlikely there will be any further delays to the introduction of the legislation. For further guidance, please contact a member of the [Employment Tax](#) team.



IASB CONSULTS ON EXTENDING COVID-19 LEASE RELIEF

The International Accounting Standards Board (IASB) has published a two week consultation on extending the [amendment it made to IFRS 16 Leases](#) by a year to make it easier to account for COVID-19 related rent concessions. The IASB proposes to extend the relief to cover rent concessions that reduce only lease payments due on or before 30 June 2022. The consultation ends on 25 February 2021.

UBER LOSES ITS CLAIM AT SUPREME COURT

The [Supreme Court](#) has announced that Uber drivers should be treated as workers for employment law purposes. Whilst not a tax decision, it does highlight the challenges businesses face within the labour-supply chain. There are expectations that the Government will look at the tax and employment law issues concerning workers, employees and the self-employed. As mentioned in the article 'IR35 extension coming' above, medium and large businesses will also need to ensure they are ready for the changes to the IR35 rules which come into effect from 6 April 2021.



HMRC DELAYS 5% LATE PAYMENT PENALTY

[HMRC has announced that self-assessment](#) taxpayers will not be charged the 5% late payment penalty (which normally applies to payments due on 31 January but not paid by 28 February) if they pay their tax, or agree a Time to Pay arrangement, by 1 April 2021. The payment deadline however remains 31 January 2021 and interest (but not the 5% penalty) will be charged from 1 February 2021 on any amounts outstanding. Self-assessment taxpayers who have yet to file their tax return should do so by 28 February 2021 to avoid a late filing penalty. Please contact [Katharine Arthur](#) for assistance.

PAYROLLING OF BENEFITS

HMRC has announced that employers who wish to payroll the taxable benefits provided to their employees can only do so using the voluntary benefit taxable rules. Employers will need to register their intent to payroll benefits before the beginning of the 2021/22 tax year. Employers wishing to use this [arrangement need to register with HMRC](#) before 5 April 2021. If employers miss the registration deadline, they cannot payroll benefits until the following tax year or adopt any other informal arrangements whereby tax is deducted via the payroll. For further information, please contact [Nick Bustin](#) or [Moksud Ahmed](#).



MINIMUM PENSION AGE TO INCREASE PRINCIPLES

The Government has [launched a consultation](#) which reconfirms that the normal minimum pension age will increase from 55 to 57 on 6 April 2028 and seeks views on the proposed protection regime. The normal minimum pension age is the minimum age at which most pension savers can access their pensions without incurring an unauthorised payments tax charge, unless they are taking their pension due to ill-health. The consultation runs until 22 April 2021.

FRC ISSUES 2021/22 PLAN

The Financial Reporting Council (FRC) has published its draft [2021/22 strategy, plan and budget](#) for comment until 12 March 2021. The plan reflects its continued commitment to serve the public interest whilst also building the enhanced capacity and capability necessary to transform into the new Audit, Reporting and Governance Authority.



HAYSMACINTYRE'S BREXIT SERIES

We are pleased to share the recording of our webinar with [Jeremy Thomson-Cook](#), marking the first event in our Brexit series, exploring the aftermath businesses are now facing. The webinar covered the following topics: the impact of Brexit for UK PLCs; the likely reaction of the Bank of England; what the markets expect the Chancellor to do; how sterling will perform; and what it means for your global workforce. To view the recording click [here](#).

AND FINALLY... VIRTUAL CORPORATE REPORTING

The FRC Lab (the Lab) has issued a report on '[Virtual and Augmented Reality in corporate reporting](#)' and how its use might be increased. Although the Lab found the use of Virtual and Augmented Reality (VR & AR) to be currently limited it believes, in the longer term, VR & AR has a place in corporate reporting. The Lab considers that VR & AR can provide a useful role in supporting and building understanding about a company, its business model and its operations.

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Winner: Audit Team of the Year



Top 15 auditor to quoted companies in Adviser Ranking Listing



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