

eNews

23 MARCH 2021

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

### REFORMING CORPORATES AND THEIR AUDITORS

The Government has published a [White Paper on its proposals](#) to strengthen the UK's corporate framework and the way they are audited. The proposals are wide ranging and include reducing the dominance of the Big Four accountancy firms, holding company directors to greater accountability for their actions and creating a new statutory regulator. Other proposals include: curbing dividends and bonuses if the business is facing potential insolvency, with statutory clawback of bonuses up to two years after the pay award is made; greater disclosure surrounding anti-fraud measures; and expanding the definition of public interest entities.



### TARGETING R&D ABUSE

HMRC has issued a [policy paper, draft legislation and explanatory notes](#) on preventing abuse of Research and Development (R&D) tax relief for small and medium-sized enterprises (SMEs). It is intended that the amount of payable R&D tax credit which a SME can claim in a period will be limited to £20,000 plus 300% of its total PAYE and National Insurance contributions liability for that period. Please contact either [Mark Shewring](#) or [Diana Negentsova](#) for assistance with your R&D issues.

### BREXIT SUPPORT FUND OPENS

HMRC has updated its guidance on how SMEs can [apply for a Brexit support grant](#) to help with training or professional advice. The SME Brexit Support Fund provides grants of up to £2,000 to help businesses with up to 500 employees and an annual turnover not exceeding £100m. Applications will close on 30 June 2021, or earlier if all funding is allocated before this date.



## FCA SIGNALS THE END OF LIBOR

The Financial Conduct Authority (FCA) has [announced that representative LIBOR settings](#) will cease after 31 December 2021 for sterling, euro, Swiss franc and Japanese yen. After 30 June 2023 the US dollar LIBOR will also cease.

## SUPER-DEDUCTIONS

The Treasury has [published a factsheet](#) covering the new super-deduction, announced in the 2021 Budget, which will allow companies to cut their tax bill by up to 25p for every £1 they invest in qualifying assets. In broad terms, companies who invest in qualifying new plant and machinery assets between April 2021 and 31 March 2023 will be able to claim a 130% super-deduction capital allowance on qualifying plant and machinery investments; and a 50% first-year allowance for qualifying special rate assets. Please contact your usual haysmacintyre adviser, or [Nick Jordan](#), if you require further assistance with capital allowance matters.



## FREE REGULAR COVID-19 WORKPLACE TESTING

The Government has announced how businesses will be [able to order free lateral flow tests](#) as part of its roadmap to easing the lockdown. Businesses have until 31 March to register for the government's workplace testing scheme, which will remain free until the end of June and will allow businesses to test their employees twice a week. An [online portal](#) has been launched to allow businesses to obtain further information.

## AND FINALLY.... GOVERNMENT REDUCES THE GRANT

The [Government has announced](#) a cut in the grant available to electric car buyers from £3,000 to £2,500. In addition, electric cars costing more than £35,000 will no longer qualify for the grant. The previous limit had been £50,000. The reduction was with immediate effect from the announcement (18 March 2021). The change is intended to allow the Government to fund more electric cars and reflects the increase in the number of electric cars available for under £35,000.

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