



Chartered  
Management  
Accountants

## THE BCS PARTNERSHIP LTD

### NEWSLETTER DECEMBER 2013

**From all at BCS we wish you a very happy Christmas and a successful New Year.**



#### ~ THE CHANCELLOR'S AUTUMN STATEMENT ~ Key

#### 1) Corporation Tax -

The Chancellor's Autumn Statement on 5th December 2013 confirmed that Corporation Tax rates would be as previously announced . . . . .

	Financial Year to 31 March	2013	2014	2015
<b>Taxable Profits</b>	First £300,000	20%	20%	20%
	Next £1,200,000	23.75%	23.75%	21.25%
	Over £1,500,000	23%	23%	21%

#### 2) Employer National Insurance Contributions

i) From 6th April 2014 an annual £2,000 Employment Allowance will be introduced, reducing the overall cost of employing staff.

Employers will not need to pay the first £2,000 of Employers' NIC in the tax year.

ii) From April 2015 Employers will not have to pay Class 1 NIC's for employees under 21 years old, earning less than £813 per week. (Above that, normal rates of NICs will apply).

#### 3) Company Cars - Fuel Benefit Charge - 2014/15

	Company Car Tax	
Fuel Benefit	2013/14	2014/15
Car fuel benefit charge multiplier	£21,100	£21,700
Van fuel benefit charge	£564	£581
<b>Company Van Benefit</b>	£3,000	£3,090

The Benefits In Kind scale charges for private fuel will be increased by some 3% to £21,700.

The Van Benefit scale charge - similarly, the scale charges for Private Use of a Company Van will be increased by 3% in the new tax year; from £3,000 to £3,090.

#### 4) Pensions Tax Relief 2014-15

Maximum annual tax deductible contributions will be limited to 100% of relevant earnings up to £40,000 (previously £50,000).

The cumulative pension fund lifetime limit will be £1,250,000.

#### State Pension Relief from April 2014

The basic State Pension will be increased by £2.95 p.week to £113.10.

#### ~ SELF ASSESSMENT - TAX RETURNS - 2012/13 ~

Just a reminder, the deadline for filing your Tax Return for 2012/13 is 31st January 2014.

These Returns must now be filed electronically.

#### ~ COMPANY CARS - THE ALTERNATIVES ~ SEMINARS

BCS are continuing to run their very successful seminars on:-

##### **"Company Cars - The Alternatives"**

½ Day - 9.30 am - 12.30 Noon

Full notes are provided and an opportunity to meet two of the UK's leading experts on Company Cars.

Manchester - Thursday 6th February - Bewleys Hotel Manchester Airport, Outwood Lane, Manchester.

Birmingham - Thursday 13<sup>th</sup> March - Holiday Inn, Chapel Lane, Great Barr.

Milton Keynes - Thursday 3rd April - Holiday Inn Milton Keynes East, M1 Junction 14, London Road, Newport Pagnell.

£149 + VAT for (1) Delegate - £199 + VAT for (2) Delegates

Details and booking on-line can be found at :- <http://www.bcspart.co.uk/> or telephone **01706 646664**.

**For the 2014 programme, see <http://www.bcspart.co.uk/>**

#### ~ AUTO-ENROLMENT ~

Employers with 250+ PAYE employees must register between October 2012 and February 2014.

Employers with 50 to 249 PAYE employees between 1st April 2014 and 1st April 2015.

Employers with fewer than 50 PAYE employees will be staged between 1st June 2015 and 1st April 2017.

New employers setting up business from 1st April 2012 up to 30th September 2017 will have to register between 1st May 2017 and 1st February 2018.

#### ~ SIMPLIFIED TRAVEL EXPENSES ~

From 2013/14 sole traders and business partnerships may now deduct the costs of using a (Proprietor's) car for business travel using the the HMRC Approved Mileage Rates (45/25 ppm).

This means that actual costs incurred do not need to be recorded, nor do Capital Allowances need to be calculated.

Where businesses choose to use the AMR rates, this method of calculation must continue for as long as the vehicle remains in the business.

#### ~ 'USE OF HOME FOR BUSINESS' DEDUCTIONS ~

The 'simplified expenses' rules also allow sole traders and business partnerships to claim a flat rate deduction in respect of

'use of home for business' as an alternative method to actual expenditure and apportioning the business element.

No. of Hours Worked	Flat Rate Per Month
25 or more	£10
51 or more	£18
101 or more	£26

### ~ TRAVEL & MEAL EXPENSES - HOW MUCH CAN YOU PAY ? ~

Where meal allowances are paid, employers do not have to deduct PAYE or NI as long as allowances are no more than :-

Breakfast	£5	Similar exemptions apply where actual expenses are reimbursed, provided receipts are submitted.
Lunch	£10	
Evening Meal	£15	HMRC will automatically grant a dispensation for the above allowances, which means that the payments do not need to be declared on P11D's.
Maximum £25 Per Day		

### ~ ADVISORY FUEL RATES ~

These changed, yet again, from 1st December 2013; reviewable each quarter.

Engine Size	Petrol	LPG	Diesel
1400 cc or less	14p	9p	
1600 cc or less			12p
1401 cc to 2000 cc	16p	11p	
1601 cc to 2000 cc			14p
Over 2000 cc	24p	16p	17p
Fuel Cost	129.9 ppl	70.0 ppl	137.5 ppl

For further advice and guidance on any of the above topics, please contact BCS on 01706 646664.

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The BCS Partnership Ltd., Merlin House, 4 Beaumonts Way, Rochdale, OL11 5NL  
 Tel: 01706 646664 Fax: 01706 345367 Email: [enquiries@bcspart.co.uk](mailto:enquiries@bcspart.co.uk) Web: <http://www.bcspart.co.uk/>  
 Registered in England & Wales Company No. 2841028 VAT Reg. No. 606 6748 24 Registered office as above.