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Seasonal & Kilby Fox News

The Tax Return submission deadline is over again for another year! However, if you still have not submitted your 2010/2011 tax return to HMRC and would like Kilby Fox to do this for you, please contact our tax department on 01604 662 670.

Kilby Fox Event Programme

In 2012 Kilby Fox are launching a programme of networking events for clients and contacts. We will be hosting our first networking lunch on Thursday 29th March 2012 with two guest speakers Jim Thomson and Sean Gray. Jim and Sean will be speaking about Kilby Fox Wealth Management and briefly about how the new Auto-Enrolment system will affect employers.

If you would like to come along to this event, or any others mentioned below, please contact Gemma to reserve your place.

- 29th March 2012 – Networking Lunch
- 19th June 2012 – Summer BBQ
- 4th September 2012 – Games Night
- 26th October 2012 – Wear It Pink Speed Networking
- 4th December 2012 – Kilby Fox's Festive Feast
- Hearts & Minds Quiz



Hearts & Minds Quiz

The Northamptonshire Community Foundation will be holding their annual Heart & Minds Quiz this year on the 19th April. The event is being held at Northampton Saints, Franklins Gardens with a two course meal and welcome drinks. There will also be a raffle and lots of additional entertainment!

To book a table or to see what fabulous sponsorship packages the Foundation has to offer, please email events@ncf.uk.com or call 01604 230033.

Capital Allowances in Enterprise Zones

Following the Autumn Statement at the end of November 2011, more information is now available in respect of the proposal to give 100% first year allowances on plant and machinery expenditure for use in some Enterprise Zone areas.

The relief will only be available to trading companies.

- The plant must be new and represent an investment not a replacement of existing plant.
- The plant must be used primarily in designated assisted areas within Enterprise Zones.
- The allowance will apply for purchases made from 1 April 2012 up to 31 March 2017.
- Some businesses and some types of expenditure are specifically excluded from the provisions.



For Draft rules for the Capital Allowances in Enterprise Zones, please visit: http://hmtreasury.gov.uk/d/capital_allowance_enterprise_zones.pdf

FOX Facts



Welcome to the first issue of Fox Facts for 2012! Now that the tax submission deadline has passed, all the partners and staff here at Kilby Fox would like to wish you a belated Happy New Year, we hope that the coming months will bring you success and good fortune!

This year we plan to bring you hot topics and relevant articles which may affect you or your business. We will also be publishing our new events programme in each issue of Fox Facts, look out for it in the Kilby Fox News section on page 4. If you require further details on any events we are holding, please do not hesitate to contact Gemma on 01604 662 670.

Online VAT Returns & Electronic Payments



Since April 2010 most VAT registered businesses have been required to submit their VAT Returns online and pay any VAT due electronically. From 1 April 2012 all VAT registered businesses will be required to meet these requirements, apart from a very small number who will be exempt.

Exemptions from doing your VAT online

Businesses may not have to comply with the requirement if:

- they are subject to an insolvency procedure - but if the business is subject to an approved Voluntary Arrangement, administration or trust deed, an online submission may be made
- HMRC is satisfied that the business is run by practising members of a religious society, whose beliefs prevent them from using computers.

If you believe either of these exemptions apply then it is important to confirm the position with HMRC and not assume that the exemption applies.

Paying your VAT electronically

Businesses which submit their VAT Returns online, must also pay any VAT due electronically. This generally gives businesses up to seven extra calendar days to submit their return and pay their VAT. There are some exceptions to this rule, for example businesses which file annual returns and make payments on account.

HMRC advise:

'The extended due date will be shown on your online return and you must ensure that cleared funds reach HMRC's bank account by this date. If your payment clears later than this, you may be liable to a surcharge for late payment.'

'There are various ways to pay including by Direct Debit, online and telephone banking. You can also pay by cheque at a bank or building society using a Bank Giro paying-in slip which can be obtained from HMRC. Since some of these methods can take a little time to set up, you should choose which method you want to use, and set it up, well in advance of the filing and payment deadline.'

If you would like any help with your VAT return please do get in touch on 01604 662 670.

HMRC introduce new procedures for civil fraud



As part of the government's commitment to tackle fraud, HMRC's new Contractual Disclosure Facility (CDF) was launched on 31 January 2012.

HMRC will contact a taxpayer, in writing, to inform them that they are suspected of serious tax fraud and offer them the opportunity to enter into a contract to disclose that fraud within 60 days. In return, HMRC will agree not to criminally investigate, removing the risk of prosecution by HMRC.

Taxpayers who are not under investigation but who want to admit to tax fraud may fill out a form to voluntarily request that HMRC consider their suitability for a CDF contractual arrangement. Launching the CDF, Exchequer Secretary to the Treasury, David Gauke, said:

'This new facility is a valuable tool which will help HMRC in its fight against fraud. HMRC will set out clearly what is expected of taxpayers, and what will happen to fraudsters who choose not to disclose their crimes.'

More information on this topic can be found on HM Revenue & Customs website <http://nds.col.gov.uk>

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If you would like to receive earlier editions of Fox Facts please contact Gemma on 01604 662 670

PAYE Tax Codes

HMRC are issuing PAYE tax codes for 2012/13. These new coding notices, which are due to be issued between January and March 2012, will be used against employees pay from April 2012 onwards. It is important that these coding notices are checked carefully as an incorrect code will result in too little or too much tax being deducted from pay or pension payments.

If you are unsure that your coding notice is correct and would like some further guidance please do get in touch with our tax department.

Good news for many

The majority of taxpayers will see an increase in their tax code as the personal allowance for those under 65 increases from £7,475 to £8,105.

Those individuals with simple tax affairs (just one employer with no reliefs or benefits or tax underpayments brought forward) will generally not receive a coding notice. Their current coding of 747L will be automatically uplifted to 810L following general instructions to employers.

Although the personal allowance is increasing, the point at which taxpayers start to pay the higher rate of 40% tax on their taxable income is decreasing (from £35,000 to £34,370). This means that both basic and higher rate taxpayers will generally benefit from the same tax saving of £126.

The withdrawal of the personal allowance for those with income over the £100,000 income limit applies for 2012/13. The reduction in the personal allowance is by £1 for every £2 of adjusted net income above the income limit. Adjusted net income for these purposes is broadly all income after adjustment for pension payments, charitable giving and relief for losses. Individuals with adjusted net income of at least £116,210 will not be entitled to a personal allowance for 2012/13.

For more information, please visit: <http://www.hmrc.gov.uk/incometax/tax-codes.htm>



Fighting Customs and Excise Fraud and Tax Evasion

HMRC are asking for information to help them tackle Customs and Excise fraud and tax evasion.

The HMRC guide explains 'how you can help HMRC by either telling them about your suspicions, or give information that will help stop people committing fraud, bringing goods into the UK that they shouldn't or deliberately not paying tax'.

For more information visit: <http://www.hmrc.gov.uk/reportingfraud/help.htm> where you can find information on Keeping Anonymous, What Tax Evasion Is and What Information you Need Before Contacting HMRC.



Gangmasters and Temporary Workers for the Olympics



HMRC are warning employers who plan to take on more staff for the Olympic and Paralympic Games to check their 'labour providers'. These 'labour providers' are agencies that supply temporary workers to meet seasonal and market demand and are sometimes called 'gangmasters'.

Businesses which may be affected include those in catering, food processing, construction, hotels, leisure and security.

HMRC has warned there is a risk that employers could unknowingly hire workers who are in the UK illegally or are earning below the National Minimum Wage. This could result in enquiries by HMRC and costs for the business, damaged reputation and even prosecution.

Marie-Claire Uhart, Director of Specialist Investigations, said: 'HMRC has found problems with fraud and unpaid taxes in the labour provider field and this might increase as companies employ more casual labour for the Games. HMRC routinely tackles attempts to defraud the Exchequer, including the use of false invoices and hijacked VAT registrations.'

'Businesses that use labour providers can help prevent these forms of tax abuse – and avoid involvement in fraudulent supply chains – by being alert and asking the right questions.'

The link below includes a list of questions which businesses should ask before using the services of a gangmaster: <http://nds.coi.gov.uk/>

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www.qswblaw.com



EU VAT Registration Letter Scam

HMRC are warning of a new scam letter which is being sent to businesses. The letter requests payment of a fixed fee by credit card and provides a website address to activate VAT registration.

HMRC are advising that these letters are not issued by HMRC and the registration should not be completed or payment made.

For a copy of a sample letter and more information on this scam and others, please visit: <http://www.hmrc.gov.uk/security/examples.htm>

For monthly updates and tax reminders why not register free of charge at kilbyfox.co.uk