



Business Accountants for Business People

Welcome to our 2015 Winter Update

Our seasonal update includes commentary from the draft Finance Bill 2016 legislation and some other interesting pieces of information that you need to know about.

AIMS Accountants for Business have been working with the SME community for over 23 years and part of our job is making sure we know exactly what is going on – when it happens and then we pass the information on to you. As you need to focus on running and developing your business we've made the job easier for you by putting together our own summary of the latest announcements.

You'll be happy we did because the draft bill is 647 pages long including explanatory notes and most of the announcements are aimed at the larger businesses. But don't worry, we've stripped out the jargon and included the bits that only apply to you.

You may already be aware of some of the announcements but regardless of whether you do or not, give us a call for a chat about your business. We are more than just number crunchers and as business owners ourselves we know exactly how the small business community works.

All AIMS accountants are based locally and are happy to visit you at your premises for a **FREE, no risk, no obligation meeting** to discuss your requirements. Also, all fees are agreed in advance and we don't charge by the hour (never have and never will).

We do what you expect an accountant to do and we do it very well, so contact your [Local AIMS Accountant](#) today.

Corporate and Business Tax

Tax in any shape or form is a minefield of rules and regulations so rather than get bogged down by it all, leave it in the hands of an AIMS accountant who has the knowledge and experience to take it on for you.

Annual Investment Allowance

From 1 January 2016 the annual investment allowance will be £200,000 – it is going down from £500,000.

[Speak to your Local AIMS Accountant today](#)

AIMS Accountants for Business

Income Tax

Taxation of Dividends

Dividend Allowances changes were first highlighted in the summer Budget. Since then the following announcements have been made:

- From 6 April 2016 a new Dividend Allowance will be introduced in the form of a 0% tax rate on the first £5,000 of dividend income per year
- Dividends in excess of £5,000 will be taxed at:
 - 7.5% on dividend income within the basic rate band
 - 32.5% on dividend income within the higher rate band
 - 38.1% on dividend income within the additional rate band
- Dividends received on shares held in an ISA will continue to be tax free
- The notional 10% tax credit attaching to dividends will disappear.

Employment intermediaries and relief for travel and subsistence

This will affect you if you are employed through a recruitment agency, an umbrella company or a personal services company.

The following measures will start from 6 April 2016:

- Certain temporary workers will no longer be able to claim tax relief on travel and subsistence expenses when they commute from home-to-work
- Individuals who supply their services through small limited companies – known as PSCs will no longer be able to claim tax relief on travel and subsistence costs if their company is subject to the “IR35” regime.



Employers

National Minimum Wage

Below is a reminder of the minimum wage changes that came in to effect in October 2015.

Year 2015	21 and over	18 to 20	Under 18	Apprentice*
Current rate	£6.70	£5.30	£3.87	£3.30

* This rate is for apprentices aged 16 to 18 and those aged 19 or over that are in their first year. All other apprentices are entitled to the National Minimum Wage for their age.

National Living Wage

A new National Living Wage of £7.20 an hour will be introduced from April 2016 for over 25s.

Property

Wear and Tear Allowance

If you let out furnished residential properties personally or through a company this will apply to you.

- With effect from 6th April 2016 the 10% (of rent) Wear and Tear allowance used by landlords of fully furnished residential properties will be replaced by a relief that allows them to deduct the costs they incur when replacing furnishings, appliances and kitchenware. This will also be available to landlords of unfurnished residential properties
- The cost will match goods on a like-for-like basis or nearest or closest equivalent
- Other costs such as the cost of disposal of the asset being replaced can be claimed.

Other news

Sorry to spoil your Christmas but we have been asked by a number of people for a link to the Tax Payments page. You can find it [here](#) but please remember that AIMS accountants are much easier to deal with than HMRC, so why not get in touch with them instead.

You can find your **Local AIMS Accountant** right [here](#).

Coming up

Spring Update

If anything happens before then you'll be the first to know.

About AIMS

AIMS Accountants for Business are a market leader in core accountancy and taxation services for small, local and independent businesses. We've been established for over 23 years and with 220 qualified accountants nationwide we continue to enjoy robust growth along with a successful track record. Our success is down to our clear focus on our clients, our successful systems and on our accountants - our accountants are personally responsible for each and every one of their clients thus ensuring a personable service and a quality service guaranteed.

AIMS accountants have the knowledge and expertise in all areas of accounting and tax services and are more than happy to take on the bean counting and number crunching for you.

Find out more about us at www.aims.co.uk.