

Key Guides: October 2020

Key Guides Update Overview and Client Marketing Support Pack

Welcome to the Key Guides October 2020 update Marketing Support Pack. To help you get the most out of your series of Guides, we've summarised the updates made across the titles. We have also created template communications for you to use in promoting your Guides. In this pack you'll find:

1. An overview of the quarterly updates to each Key Guide.
2. An email message you can use to send to your clients highlighting the latest subjects covered in the Key Guides.
3. A draft post you can add to your website with your Guides, outlining the latest updates. You can also use it on your blog, LinkedIn page or other social media platforms.
4. Suggested social media content for Twitter, LinkedIn and Facebook, which you can use to link to your website.

Don't forget that you can download further information on how to use your Key Guides from the My account area on our website.

Updates for October 2020

Content reviewed and updated

All the Guides have been reviewed for relevant developments and some stylistic improvements. In addition, as we continue to navigate the Covid-19 situation, we have updated the Guides to reflect the latest government guidance and the Chancellor's Winter Economy Plan announced in September.

The following Guides have specific changes as detailed. If a title is not listed, then no additional substantive changes have been made for this release. The disclaimer date on the Guides has been updated to reflect the date of the review.

Investing tax efficiently

- Minor updates around the impact of Covid-19, including the postponed Budget and the prospect of negative interest rates.

Making tax digital

- Fully updated introduction that now situates MTD as part of the government's 10-year plan to automate the tax administration system.
- We confirm the year for planned extension of the MTD programme to individuals with an annual turnover of £10,000 or more as 2023.
- Businesses currently subject to MTD must now be submitting their tax returns via compliant software. We now include the government's website of suitable suppliers.
- We include the eligible criteria for the MTD for income tax pilot, open to sole traders with one business and landlords of UK property (excluding furnished holiday lets).

Making the most of fringe benefits

- Minor updates around the impact of Covid-19.

Off-payroll working

- The introduction has been updated to remove information about claiming under the now closed Coronavirus Job Retention Scheme, and instead acknowledges the limited government support available for contractors.
- A new example of falling foul of the off-payroll working rules details the case of a Talksport radio presenter.

Starting and selling a business

- Our introduction now acknowledges that with the growing prospect of a no-deal Brexit looming and the Covid-19 economic crisis the UK is likely to struggle economically for some months to come.

- A planning point has been updated to acknowledge that people still working from home may be able to dedicate hours previously spent commuting to testing out a new business.

Strategies for a high tax environment

- Includes the latest estimated figure of the steadily rising percentage of total income tax paid by the highest earners.
- We updated the estimate for the rising deficit figure for 2020/21.
- We warn against deferring CGT payments for 2020/21: it seems likely that in the Spring the Chancellor could make changes to CGT to try to regain some of the excess spending to manage the pandemic.
- Corporation tax rates may rise in the Spring. The Chancellor is rumoured to be looking to raise funds in this area.

Taxation of property

- 'Renting out a property' now includes the latest safety requirements for landlords regarding checking electrical installations.
- Our planning point counsels against increasing rents for tenants during this tricky financial period as it is better to have a property occupied than empty.
- We include the merging of the first two Land and Building Transaction Tax bands for Scottish homeowners, so that the 6% band disappears and the 4% band extends up to £250,000.

Tax allowances for business investment

- Minor amendments including updated annual investment allowance example.

You and yours

- Our section on probate now details the differences for England and Wales, Scotland and Northern Ireland.
- Our section on powers of attorney now explains the differences in England and Wales, Scotland and Northern Ireland.

2. Email message

Dear {Client}

With children back at school and some businesses reopened, it felt for a little while that the country was getting back to normal. However, with daylight hours reducing, and Covid-19 cases increasing, the prospect of more restrictions on daily life looms large and for those in high or very high-risk areas it's already a reality.

With indoor meetings of friends and family no longer an option for many in the country, it's not just our social lives that are affected but also businesses that are facing further challenges. Our Key Guides have incorporated the latest government announcements related to Covid-19 support to help you and your clients navigate this shifting landscape.

A reminder: one of our titles has changed its name. What was 'Working for Personal Service Companies' is now 'Off-payroll working'. This name change reflects that the Guide is about navigating the rules for both the workers and the businesses hiring them, and adopts the same terminology as used by the government on this topic.

For this October 2020 release we've updated nine of our Guides, including:

- **Making tax digital**
The timetable for the wider roll out of MTD beyond VAT to other taxes has been announced and our guide has been fully updated to include ways of planning towards the changes coming in the next couple of years.
- **Starting and selling a business**
Although the economic outlook must be of concern to anyone starting a business, the current shift towards flexible working and working from home for many may provide the chance to try out a new business idea for those whose hours spent commuting have been regained.
- **You and yours**
Making plans for uncontrollable life events remains as important as ever and we now include a more comprehensive guide to two major areas of legislation that differ across the UK. Our sections on probate and powers of attorney now detail all the differences across the nations of the UK.

We've also made some amendments to our other Guides 'Investing tax efficiently', 'Making the most of fringe benefits', 'Off-payroll working', 'Strategies for a high tax environment', 'Tax allowances for business investments' and 'Taxation of property'.

Our next revision will be available in January 2021, when the UK's exit from the EU will be finalised, and we will be examining the impact on our lives and businesses. Please get in touch with us if you need help or advice on any of the topics covered in the Key Guides.

Best wishes

3. A draft post for your website/social media platform

Don't stay at home; stay at home

It's fair to say that the last three months have included some confusing advice as we all hoped to be moving back towards some normality. Unfortunately this appears to have been premature.

As the new three-tier system of lockdown becomes established, there is now some consistency in the rules and regulations across towns and cities in England. While English regions appear to be in disagreement with government provisions, Scotland, Wales and Northern Ireland have already brought back restrictions on hospitality and household mixing. The implications for the winter months are clear.

Many are looking to the Chancellor's latest support systems to see them through this dark time, as far as they go. While Mr Sunak's Winter Economy Plan in September announced revised and additional schemes from November, there is still disquiet on the challenges faced by businesses and workers across the country.

Our latest set of Key Guides includes the impact on businesses and individuals of the changes to government Covid-19 restrictions announced in September and October and the new financial support packages available.

From investing tax-efficiently through the effects on the taxation of property to estate planning, our guides highlight the key issues you need to consider.

If any questions arise from any of our Key Guides, please get in touch.

4. Drafts for your social media platforms

Twitter

Our latest round of updated Key Guides is available, with guidance on personal and business tax planning and more #taxplanning #business #property #Covid19 [insert link]
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Are you/your clients an existing business owner? Our Guides give the latest information on available government support payments including the job retention bonus scheme. #business #Covid19 [insert link]
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Making tax digital continues to gain pace. To keep up to date with the latest timeline, or if you need help sourcing MTD compliant reporting software see our guide 'Making tax digital' #MTD #MTDforVAT #MTD for income tax [insert link]
221 characters minus link

Uncontrollable life events will always happen. Know your position regarding probate and power of attorney wherever you live in the UK. See our Guide 'You and yours' #powerofattorney #probate #inheritance [insert link]
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Keep up to date with the latest tax reliefs for UK property owners and legal safety requirements for landlords. See our guide 'Taxation of property' #landlords #propertytax [insert link]
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Facebook / LinkedIn

As a growing number of areas in the UK are being classified as high or very high risk Covid areas, the restrictions on lifestyle and work are set to tighten for many. While initial support measures are running out at the end of October, revised schemes were announced by the Chancellor in his statement in September. Additional changes to deal with local restrictions were unveiled in October, although their provisions are far less generous than previously.

Our latest set of Key Guides includes the impact on businesses and individuals of the changes to government Covid-19 restrictions announced in September and October and the new financial support packages available.

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