

September 2024

Tax

Newsletter

Budgets

The first Budget from the new government will take place on 30th October. Wait, avoid the kind of clever people who are offering schemes to “help” you avoid VAT on school fees or inheritance tax or some such. Special Advisers read the same newspapers as you: if an avoidance scheme looks troublesome the government will simply squash it in the legislation. The [Scottish Budget](#) is on 4th December which is an unusually long time after the UK Budget but there are special circumstances with the changes of government.



Reminders

HMRC will no longer send you Corporation Tax return reminders, payment reminders and receipts or interest statements. The announcement can be read [here](#) – note that some of this is on a trial basis, so if it gives you issues you need to make your disagreement known as soon as possible.



Basis periods

If you are an individual or partnership and make up your accounts to a date that *isn't* the 5th April you should have a look at [this guidance](#) which reminds you of changes coming into force this year. If your accounting date is 5th April you don't need to do anything.



Off payroll working

The [government guidance](#) on off payroll working has been updated around when you should apply the rules of a simplified test. The £10.2 million turnover test is now applied on an annual basis and not for two consecutive years.



Branded messages

From October text [messages from HMRC](#) will look a little different. Some phones have the ability to receive messages with branding and logos and HMRC plan to make use of this to brand their messages. Please be careful not to fall for [spoof messages](#) trying to steal your financial details.



Verifying subcontractors

If you have received one of [these letters](#) from HMRC it is important not to ignore it. It is part of a “one to many” campaign, where HMRC writes to large numbers of taxpayers it suspects of making the same error in their returns, in this case not doing proper verification of subcontractors. It's a batch process from HMRC's point of view but for you as a taxpayer it is a wake up call. You have 45 days to make sure your verification process is working and up to date: don't be the person who ignores it and then becomes subject to a full enquiry.



Advisory fuel rates from 1st September 2024

The latest advisory fuel rates update apply from 1st September 2024. These rates only apply to employees using a company car. The advisory electric rate for fully electric cars will be 7 pence per mile. The advisory fuel rates for petrol, LPG and diesel are in the table below. Hybrid cars are treated as either petrol or diesel cars for advisory fuel rates.

You can use the previous rates for up to 1 month from the date any new rates apply. The full details are [here](#).

Engine size	Petrol	Diesel	LPG	Fully electric
1,400cc or less	13p		11p	7p
1,600cc or less		12p		7p
1,401cc-2,000cc	15p		13p	7p
1,601cc-2,000cc		14p		7p
Over 2,000cc	24p	18p	21p	7p