

Budget Breakdown 2021

27th October 2021

WAGES

The national living wage is to increase by 6.6% next year from £8.91 per hour to £9.50 per hour. The national living wage applies to employees aged 23 or over.

TAX

VAT

The planned rise from 12.5% back to 20% seems to be still going ahead.

Corporation tax

The planned rise in corporation tax next year to 25% seems to still be going ahead also. However, the Super Deduction Capital Allowance is still active. To find out more take a look at this [previous NEWS article](#).

BUSINESS RATES

Business rates were due to resume in full from April 2022.

Today it was announced that hospitality business will qualify for a 50% discount up to a maximum claim of £110,000.

This is assumed to be for only the 2022/2023 year at this time.

Other changes to rates were announced that may or may not be something that affects your business.

- Investment relief to adopt green technology such as solar panels
- More frequent re-evaluations of business rates to be every 3 years commencing in 2023
- Business rates were due to increase next year but the planned increase in the multiplier has been cancelled (the multiplier is the calculation that works out your rates bill from your rateable value)

ALCOHOL DUTY

Several reforms were announced to alcohol duty.

These are due to take place in February 2023. This should be noted as many customers of hospitality businesses expect their prices at the bar to come down as soon as any Chancellor announces such cuts or reforms.

- Lower alcohol drinks to pay less duty
- Small producer relief to include (small beer and cider makers for example) on drinks of an ABV of less than 8.5%
- The duty on sparkling wines is to be cut to match that of still wines
- A duty cut on fruit ciders
- Draught relief of 5% on products served from draught containers over 40 litres (8.8 gallons)
- The planned general alcohol duty rise that was planned is now cancelled

As you will appreciate, this has just been announced so details are yet to be released. As soon as details are available, we'll be in touch.

We hope this information helps, if you are a Roslyns client and you want any more information, please contact your BDM or our support team via support@roslyns.co.uk

From all the support team at Roslyns.