

Budget Breakdown 2021

3rd March 2021

GRANTS

A new set of grants will be released in April. When we have more details on application dates, we will be in touch, however as with all previous grants these will be processed by your local authority. At this stage, we believe these to be provided across the UK.

Rateable value	Your grant
< £15,000	£8,000
£15,000 to £51,000	£12,000
> £51,000	£18,000

FURLOUGH

The job retention scheme (furlough) has been extended as outlined in the below table. This new extension continues the current permitted part or full time furlough (flexi).

	Furlough pay	Gov contributes	You contribute*
April	80% of regular	80%	0%
May	80% of regular	80%	0%
June	80% of regular	80%	0%
July	80% of regular	70%	10%
August	80% of regular	60%	20%
September	80% of regular	60%	20%
October	Furlough ends		

* Employers are required to pay relevant N.I. and pensions in addition.

TAX

The current 5% reduced **VAT** rate for food, non-alcoholic drinks, and accommodation is to be extended until 30th September 2021.

Then the rate will rise to an interim rate of 12.5% for another six months.

VAT will rise to the standard 20% from April 2022.

Corporation Tax is to rise from 19% to 25% in 2023 but only for businesses with profits over £250,000.

BUSINESS RATES

The 100% relief is to be continued for a further 3 months (April, May & June).
For the remaining 9 months, you will only be charged 1/3 of your payable amount.
Rates payable will return to the full amount as of April 2022.

SELF-EMPLOYED INCOME SUPPORT GRANTS *

The SEISS is to be extended until September 2021 with a further 4th and then a 5th payment.

	Period covered	Claim from	Amount payable as % of pre-covid profit	
Payment 4	Feb/Mar/Apr	Soon	Regardless of turnover reduction	80%
Payment 5	May/Jun/Jul/Aug	TBC	If turnover down by 30% or more	80%
			If turnover down less than 30%	30%

*** Important:** this grant was previously only open to the self-employed who have submitted a 2018/19 self-assessment tax return.

The 4th and 5th payments will be open to everyone who submitted a self-assessment tax return for 2019/20 by midnight 2.3.21

LOANS

The Bounceback and CBILS are to be replaced by a new 'Recovery Loan'.
Businesses can borrow from £25,000 up to the end of this year and the government will provide a guarantee to lenders of 80%.
We will provide more details on this when this information has been released.

OTHER INFORMATION

Universal Credit is currently paid at an increased rate of £20 per week. This is to be extended for another 6 months.

Working tax credits is to be similarly improved by a one-off payment of £500.

Apprenticeships are to be supported with the incentive payments to companies employing an NEW apprentice of any age doubled to £3000.

Duty on all alcohol is to be frozen.

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.