

CONTENTS

- [Pre-April Tax Planning Reminder](#)
- [National Insurance Gaps Deadlines](#)
- [New VAT Penalties for Late Returns](#)
- [13% Super Deduction ends soon](#)
- [CGT Annual allowance - use it or lose it](#)
- [Minimum wage rates increase from 1 April](#)
- [Government extends mortgage guarantee scheme](#)
- [Customs declaration service exporter deadline extended](#)
- [Want to reduce your 2021/2022 tax bill?](#)
- [Making tax digital for income tax self-assessment](#)
- [Selling online and paying taxes](#)
- [MNA Website](#)
- [MNP Website](#)

Pre-April Tax Planning Reminder

The new tax year starts 6 April 2023, so you have a couple of months to consider your options, once we pass this date the majority of the tax planning options for Income Tax and Capital Gains Tax purposes will cease unless actioned before the 6 April.

Do you fall into any of these categories?

- You have or are thinking about a change in your personal status (single, married, separating, joining or dissolving a civil partnership).
- You are thinking about selling a capital asset, such as shares or a property. From 6 April 2023 the Capital Gains Tax annual exempt amount reduces from £12,300 to £6,000.
- You or your child's other parent claims Child Benefit and the income of either parent is likely to exceed £50,000 for the first time during tax year 2022-23;
- Your annual income is approaching or above £100,000;
- You have not yet topped up your pension contributions for tax year 2022-23;
- You are self-employed with a 31 March 2023 year-end;
- You are self-employed and are thinking about the purchase of equipment or vehicles; or
- You are the director and/or shareholder of a limited company and have not yet considered voting final dividends or bonuses for 2022-23.

If you do we can help you discuss your options ahead of the 6 April deadline!

The above list is not comprehensive, and we specialise in helping clients with all taxes including PAYE, NIC, VAT, Corporation, Capital Gains, Income and Inheritance tax. **Please contact us now!**

National Insurance Gaps Deadline

An extension to the period for which gaps can be made up if you're a man born after 5 April 1951 or a woman born after 5 April 1953 ends soon.

You have until **5 April 2023** to pay voluntary contributions to make up for gaps between April 2006 and April 2016 if you're eligible. Normally only gaps in the previous 6 years can be paid as voluntary contributions.

New VAT Penalties for Late Returns

A new points-based system for late VAT returns starts for return periods commencing on or after 1 January 2023. A financial penalty will apply when a number of points have been accumulated, which will depend on how frequently the returns should be submitted. For a trader preparing quarterly returns a penalty will be charged when four points have been accumulated.

130% Super Deduction ends soon

Companies considering the acquisition of new plant and machinery need to be aware that the temporary 'super-deduction' of up to 130% for the cost of acquiring new plant ends on **31 March 2023**.

Consequently, corporate businesses may wish to bring forward planned expenditure to take advantage of this enhanced tax deduction, utilising hire purchase agreements if funds are otherwise unavailable. For companies with profits over £50,000, the profits over that level will be taxed at 26.5% from 1 April 2023, so new plant may still get the same effective relief, albeit a year later than if bought pre 1 April 2023.

£12,300 CGT ANNUAL ALLOWANCE – USE IT OR LOSE IT

The CGT annual exempt amount reduces from £12,300 to just £6,000 for gains made in 2023/24. Remember that the 2022/23 allowance is lost if not used by 5 April 2023 and you might want to consider bringing forward disposals of chargeable assets where possible. Where a married couple who are higher rate taxpayers own a buy to let property, bringing forward the disposal from 2023/24 could potentially save £3,528 CGT (£24,600 - £12,000 @ 28%). **It would be important to exchange contracts before 6 April 2023 as that is the critical date for CGT.**

Minimum Wage Rates Increase from 1 April 2023

Employers should be aware that all minimum wage rates increase on 1 April of each year. This includes all National Minimum Wage rates and the National Living Wage rate.

See the table below that shows the current minimum wage rates and new rates from April 2023:

	Current rate (since April 2022)	New rate from April 2023	Increase
National Living Wage (23 years old and over)	£9.50	£10.42	9.7%
National Minimum Wage adult rate (21-22 years old)	£9.18	£10.18	10.9%
National Minimum Wage (18-20 years old)	£6.83	£7.49	9.7%
National Minimum Wage (16-17 years old)	£4.81	£5.28	9.8%
National Minimum Wage (apprentice rate)	£4.81	£5.28	9.8%
Accommodation Offset	£8.70	£9.10	4.6%

See: [National Minimum Wage and National Living Wage rates - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Government Extends Mortgage Guarantee Scheme

The Mortgage Guarantee Scheme will be extended by a year to the end of December 2023, helping people with 5% deposits on to the property ladder.

Under the scheme the government offers lenders the financial guarantees they need to provide mortgages that cover the other 95%, subject to the usual affordability checks, on a house worth up to £600,000.

Launched in April 2021, the scheme has already helped over 24,000 households. It was originally planned to close at the end of 2022 but will now be extended until the **end of 2023**.

See: [Government extends Mortgage Guarantee Scheme - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-extends-mortgage-guarantee-scheme)

Customs Declaration Service Exporter Deadline Extended

Following consultation with the border industry, exporters will now have until **30 November 2023** to move across to the Customs Declaration Service (CDS), 8 months later than previously announced.

After 30 November 2023, businesses will need to use CDS to make export declarations for goods they send out of the UK, as they already do for import declarations.

CDS has been running since 2018 and is already being used for making import declarations when moving goods into the UK.

The service will replace the Customs Handling of Import and Export Freight (CHIEF) service, representing a significant upgrade by providing businesses with a more user-friendly, streamlined system that offers greater functionality.

HMRC will provide further information about the timeline for CDS exports by the end of January.

See: [Customs Declaration Service - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/customs-declaration-service-exporter-deadline-extended)

Want to Reduce your 2021/2022 Tax Bill?

If you would like to legitimately reduce your 2021/22 tax bill that you have just paid, or your bill for 2022/23, you might want to consider investing in shares in qualifying Enterprise Investment Scheme (EIS) companies.

Under this HMRC approved scheme every £1,000 you invest reduces your tax bill by £300 (30%), provided you are not connected with the company. Broadly you are not allowed to be an employee or control more than 30% of the company.

The reduction in your tax bill is available in the tax year in which the shares are issued, however you may elect to treat some or all of the shares as issued in the previous year and claim tax relief in that previous year.

If you are prepared to take more of a risk by investing in small start-up companies, the Seed EIS scheme provides a 50% tax deduction on up to £100,000 of investments.

Although we can advise you on the tax advantages of investing in EIS and Seed EIS companies you will need to consult with a suitably qualified Independent Financial Adviser who will help you find investments appropriate to your needs.

Making Tax Digital for Income Tax Self-Assessment

More time to prepare for Making Tax Digital for Income Tax Self-Assessment

The mandatory use of software for Making Tax Digital for Income Tax Self-Assessment is being phased in from **April 2026**.

Making Tax Digital (MTD) for Income Tax Self-Assessment (ITSA) was due to be phased in from April 2024. However, the government, recognising the current economic environment and the significant change that a transition to Making Tax Digital represents, has pushed this back to April 2026. In addition, the previously announced £10,000 threshold for self-employment and property income has been raised, as detailed below.

Under MTD for ITSA, businesses, self-employed individuals, and landlords will keep digital records, and send a quarterly summary of their business income and expenses to HMRC using MTD-compatible software. In response, they will receive an estimated tax calculation based on the information provided to help them budget for their tax. At the end of the year, they can add any non-business information and finalise their tax affairs. This will replace the need for a Self-Assessment tax return.

Making Tax Digital from April 2026

From April 2026, self-employed individuals and landlords with an income of more than £50,000 will be required to keep digital records and provide quarterly updates on their income and expenditure to HMRC through MTD-compatible software.

Making Tax Digital from April 2027

Those with an income of between £30,000 and £50,000 will need to do this from April 2027. Most customers will be able to join voluntarily beforehand, meaning they can eliminate common errors and save time managing their tax affairs.

Income below the £30,000 threshold

The government has also announced a review into the needs of smaller businesses, particularly those under the £30,000 income threshold. The review will consider how MTD for ITSA can be shaped to meet the needs of these smaller businesses and the best way for them to fulfil their Income Tax obligations. It will also inform the approach for any further rollout of MTD for ITSA after April 2027.

Mandating of MTD for ITSA will not be extended to general partnerships in 2025 as previously announced.

See: [Government announces phased mandate of Making Tax Digital for ITSA - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-announces-phased-mandation-of-making-tax-digital-for-itisa)

Selling Online and Paying Taxes

If you regularly sell goods or services through an online marketplace, you could be classed as a 'trader'.

And if you earn more than £1,000 before deducting expenses through your trading, you will need to pay Income Tax on this.

For tax, an online marketplace is any website or mobile phone app that handles and enables the sale of goods and services from individuals and/or businesses to customers.

If you only sell items occasionally, you can [check if you need to tell HMRC](#) about this income.

If you've never declared income through a Self-Assessment tax return, you can [register for HMRC Online Services](#).

Please talk to us if you need any advice in this area

See: [Selling online and paying taxes - information sheet - GOV.UK \(www.gov.uk\)](#)

Marsland Nash Associates Move from Paignton to Newton Abbot

Just a reminder Marsland Nash have now moved to their new Newton Abbot office and the Paignton office is now closed. We have already seen many of our clients at Vantage Point House in Newton Abbot and look forward to welcoming you all over the coming year.

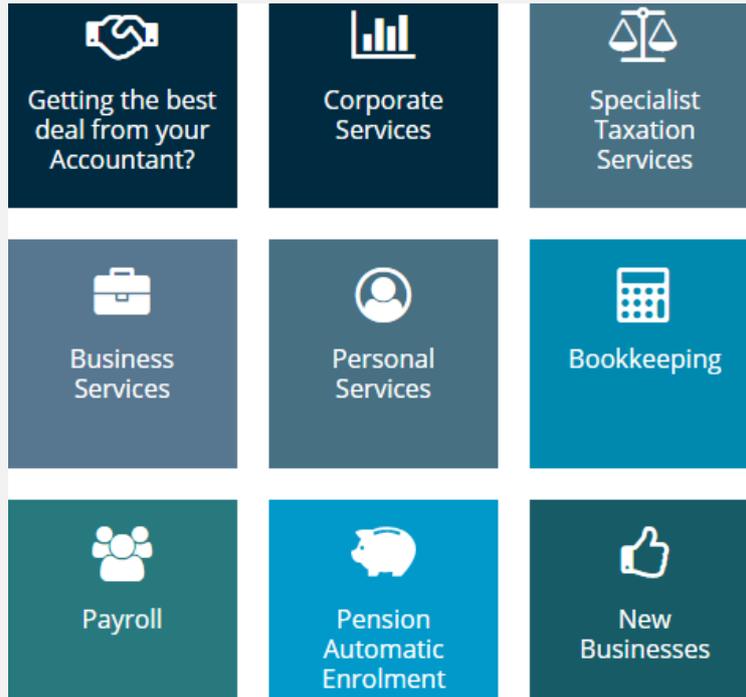
The new office has parking right outside and is situated on the ground floor for ease of access.

Vantage Point House
Silverhills Road
Decoy Industrial Estate
Newton Abbot
Devon
TQ12 5ND



Marsland Nash Associates
Vantage Point House
Silverhills Road, Decoy Industrial Estate
Newton Abbot Devon TQ12 5ND
Tele: 01803 527 599
enquiries@marslandnash.com

MNA WEBSITE



Remember we have a comprehensive website at <https://www.marstrandnash.com> which contains full details of all of our services, as well as:

- ⇒ Latest accounts and tax news
- ⇒ Downloads section which includes all our newsletters
- ⇒ Filing deadlines pages
- ⇒ Current tax rates and information pages

Plus much more!

PAYROLL WEBSITE



We have created a dedicated website at www.mnipay.co.uk
With our payroll clients in mind, so all your payroll resources
are in one place



Visit our website or contact Joe Bostock who will
be happy to assist you.

Direct Line: 01803 698 928