

PROACTIVE

OUR DOORS MAY BE CLOSED, BUT WE ARE STILL OPEN

On 22 February 2021 Boris Johnson published a roadmap to bring the UK out of the current COVID-19 restrictions.

That roadmap gives a possible end date of 21 June 2021 which will mean that we will have had some form of restrictions placed on us for 14 months.

During the COVID-19 pandemic we extended our investment in technology which has meant that all of our staff have been able to continue working, albeit from home, and have been able to continue to offer you the high standard of service and support that you were used to before the pandemic.

In particular, we more than doubled the capacity of our remote servers which staff connect to from home - allowing staff to connect in this way means that all of the electronic personal and private data you send to us remains in the office in a GDPR compliant way.

Another important step we took at the start of the pandemic was to implement a new telephone system which enabled staff to make and receive calls as if they were in the office.

Video meetings are another form of technology which we have all become so used to. Although Zoom meetings are not appropriate for everything, it is something that we will continue to offer.

Although we may have had to close the doors of our building to visitors as a result of these changes, we have continued working for our clients preparing accounts, tax returns, audits, giving business advice and running monthly payrolls. As we move into the final phase of the pandemic restrictions our staff will be able to return to the office building, but with the technology improvements we have made that can be in a slightly more flexible way.

Charity of the Year - ARC

Every year the staff of A C Mole nominate and vote on the firm's Charity of the Year. Due to COVID-19 our charitable activities had to stop during 2020 but the money we raised in 2019 along with donations from the partners has now been sent to our last charity, Arc, a charitable Co-operative and Community Benefit Society working to house, support and enable homeless people to maximise their potential in the Taunton, West Somerset and Sedgemoor area. Robert stated that "I am pleased to be able to hand over a cheque to Arc for £6,000 to support the work they do with the homeless.". Qualified Accountant Rebekah said that "I enjoy



Robert Zelazik, Managing Partner at A C Mole, along with Rebekah Rich, part of the A C Mole Charity Committee.

volunteering as part of the Charity Committee and I look forward to being able to organise more charitable events when the COVID-19 restrictions have been lifted".

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TAX CARDS

The latest version of the A C Mole Tax Data cards are now available to download from our website:

www.acmole.com/tax2021

2021 BUDGET ANALYSIS

Job Retention Scheme

- ✓ Extended to end of September.
- ✓ Employees will continue to receive 80% of normal pay.
- ✓ Employers - no change until the end of June.
- ✓ For July, employers will need to contribute 10% towards furlough pay.
- ✓ For August and September, employers will need to contribute 20% towards furlough pay.

Self Employed Income Support Scheme

- ✓ A fourth grant has been confirmed and will cover February to April.
- ✓ A fifth, and final grant was also announced and will cover May to September.
- ✓ Criteria for both grants has slightly changed to take into account the 2019/20 tax year.
- ✓ The newly self employed in 2019/20 may now qualify for the fourth and fifth grant.

*The criteria for the fifth grant includes a turnover test. Where turnover has fallen by more than 30% the grant will be for 80% (of 3 months average trading profits) where turnover has fallen by less than 30% the grant will be for 30% (of 3 months average trading profits).

How can I claim?

HMRC will contact eligible persons and a claim needs to be made through their online portal.

When can I claim?

End of April for fourth grant.
End of July for fifth grant.

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Your Questions Answered...

Last year businesses received rates relief and grants for having to close. Will there be anything else this year?

Yes, grants of £6,000 per premises for non-essential retail businesses and up to £18,000 per premises for hospitality, accommodation, leisure, personal care and gym businesses will be available.

Who qualifies for the relief?

Businesses that occupy property on which they pay business rates in England and have been required to close between 5 November and 2 December or from 5 January this year because of the lock down and who are unable to provide the businesses usual in-person customer service from the business premises.

How do I apply?

The grants will be dealt with by local councils - keep an eye on your local council's website for further details.

What about Business Rates?

Eligible businesses will receive 100% relief for the first three months of the rates year and then 66% relief for the remainder of the year.

Who's eligible?

Eligible businesses include retail stores, restaurants, cafes, pubs, cinemas, music venues and leisure businesses such as gyms and hotels.

How can I check if I qualify?

Local Council websites will provide more detail including how to make a claim.



A C Mole joined Clarke Willmott Solicitors on 5 March 2021 to present an online budget briefing, the full presentation can be viewed here www.acmole.com/110

VAT news

Don't forget, if you deferred payment of any quarter's VAT last year it is due to be paid by the end of the month unless you opt into the new VAT Deferral Payment Scheme.

Opting into the new scheme means you can pay the deferred VAT in up to 11 equal installments BUT it does require you to log into your Government Gateway account and apply to join the scheme. Unfortunately we can't make the application for you but we can talk you through the process if you need assistance. Registration must be completed by 21 June 2021 to use the scheme

The reduced rate of 5% VAT for Goods and services supplied by the tourism and hospitality sector is being extended to the end of September. From September the rate will increase to 12.5% until the end of March when it will revert to the standard rate of 20%.

Major accounting software will be able to deal with changes in VAT rates but if you need any assistance with this please contact a member of our business services team.

Business losses

Currently losses made in a year can be carried back for relief to the previous year:

2019/20

2020/21
£ LOSS

For 2020/21 and 2021/22 tax years businesses will be able to go back for up to 3 years:

2017/18

2018/19

2019/20

2020/21
£ LOSS

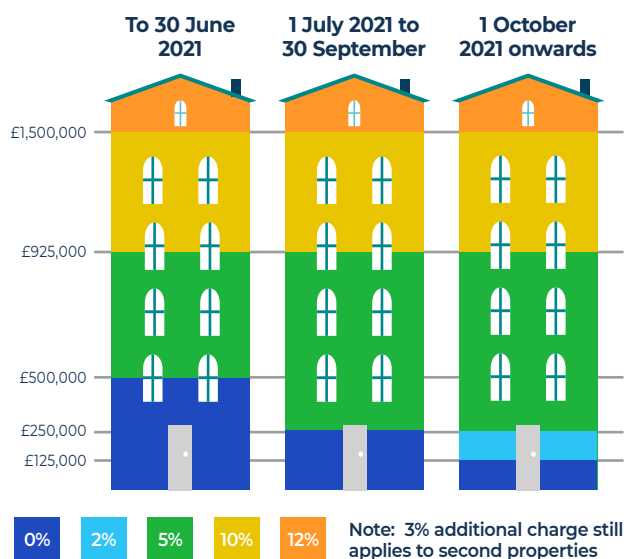
Corporation Tax

From **1 April 2023** Corporation Tax will **increase to 25%**.

The current rate of 19% however **will remain** for businesses with profits of £50,000 or less and a taper rate will apply to profits between £50,000 and £250,000.

25%

Stamp Duty Land Tax Rates



Rates & allowances from 6 April 2021: FROZEN UNTIL 2026

Personal allowance, higher rate threshold, starting rate savings band, pension standard lifetime allowance, Inheritance Tax nil rate band, Residence nil rate band, Capital Gains Tax annual exemption and VAT registration threshold all **frozen** until 2026.

Please visit www.acmole.com/tax2021 for full details of all rates and allowances.

Super Deduction for Companies

130% RELIEF

for the purchase of most NEW plant and machinery which would normally qualify for 18% writing down allowances between 1 April 2021 and 31 March 2023.

50% RELIEF

for the purchase of most NEW plant and machinery which would normally qualify for 6% writing down allowances between 1 April 2021 and 31 March 2023.



Is it genuine?

My husband recently received a text stating he was entitled to a tax refund due to Covid-19 and to click the link urgently. He asked me if it was genuine, which it wasn't. The message was swiftly deleted but it left me wondering how many people are accidentally caught out.

At a time when a large number of individuals and businesses are relying on the various forms of government assistance to survive lockdown it is easy to fall into the hands of scammers pretending to be HM Revenue & Customs.

If you do receive an email, phone call or text proclaiming to be from HM Revenue & Customs how do you know if it is genuine?

One very important point to note is that H M Revenue & Customs preferred and most common method of contact is by post. If they do email, phone or text they will never use these methods to notify you of a tax refund, offer you a repayment or ask you to disclose personal or financial information.

To receive emails from HM Revenue & Customs you have to sign up for them and they will address you using the name you provided at sign up. They will not use generic greetings such as "Dear Customer" and they never contain attachments.

Fraudulent emails or texts often contain spelling mistakes and poor grammar. They also often ask you to respond immediately or say they require urgent action. A trick designed to make people act before they think.

HM Revenue & Customs take phishing very seriously and if you do receive a bogus text or email you can report it by forwarding texts to 60599 (charges may apply) and emails to phishing@hmrc.gov.uk

My advice is to stay vigilant. This is true at any time but particularly at the moment as scammers are more prevalent. If you receive an email, call or text from HM Revenue & Customs and you are not sure if it is genuine; if it looks too good to be true, as the saying goes, it probably is. Not everyone can call across the landing to check (there are advantages to working from home) but a quick phone call to your accountant could just save you from being caught out.

There are many forms of government assistance currently available under the Covid-19 support package. Details and updates on the various forms of assistance can be found on our website www.acmole.co.uk or you can contact our office and speak to one of our team.

Rebecca Oatley is an Associate at A C Mole & Sons. She can be contacted on 01823 624450 or by email at roatley@acmole.co.uk

Environmental and community awareness

Over the course of the pandemic, we have become more aware of our environmental impact and are working hard to continually lessen it.

Hopefully you will have noticed that this newsletter is now printed on completely recyclable paper – no more glossy non-recyclables from us. The bag the newsletter was delivered in is also completely compostable being made from potato starch.

Over the last few months we have also been active on social media with our "FREE school printing" initiative. Aware that many children were

struggling to print school work at home, A C Mole offered a free printing service for local parents, carers and students. This has been very well received and will continue until at least the end of June 2021.

Lastly, you may remember that we had solar panels installed on our office roof at the end of 2015. Since then our solar panels have been quietly working in the background and the energy generated by our solar panels has resulted in a CO2 emission saving of 6,000kg per year, roughly the same as driving a medium size car 900,000 miles every month. (source: www.carbonify.com)

