

BLUE FLAG ALERT
January 2019

Rowleys
CHARTERED ACCOUNTANTS



ARE YOU Making Tax Digital ready?

If you would like more information, why not come along to our free Seminar?

6th February @ 3pm

Book your place now!

Making Tax Digital (MTD) is fast approaching with the first tranche of businesses being affected by the legislation from April 2019.

If you are a VAT registered business with a turnover above the £85,000 VAT registration threshold you will have to keep your accounting records in a digital form. The first VAT return starting on or after 1 April 2019 will then need to be submitted directly from your accounting software.

For those VAT registered businesses with turnover below the £85,000 threshold MTD will apply one year later from 1 April 2020. With less than 18 months to go for the second tranche, planning for this change is essential. Considering how you are going to maintain your accounting records to be compliant and the best time to change, at your business year end or at a VAT period end, are important decisions to make.

Whilst the legislation is currently focussing and starting with VAT, plans are in place to progress on to income and corporate tax from as early as 2020. So even if you are not a VAT registered business MTD is likely to affect you at some time in the near future.

After the success of the two Making Tax Digital seminars we ran in November, we will be holding a third, for those who were unable to make the previous ones. This will be held at 3pm on Wednesday 6 February 2019 at Big Shed Conferencing, Leicester. This seminar will give you an insight in to what Making Tax Digital is and how it will affect you. There will also be an opportunity to see and discuss the options available to you for maintaining your accounting records digitally.

To book please contact Jo Sharp on 0116 282 7000 or email post@rowleys.biz.

Pension Contribution Increases – auto enrolment

From April 2019, employers may be required to increase the amount of their contributions into automatic enrolment pension schemes, with their employees having to make up whatever shortfall remains of the new total minimum contribution. Contribution levels continue to rise until the employer is paying a minimum of 3% towards the pension and the total minimum contribution reaches 8% (with the staff member paying the difference, i.e. 5%). However, if the employer pays the minimum contribution amount, then the member of staff will not need to pay any contributions, unless the pension scheme rules require them to do so.

Both the employer and employee can choose to pay greater contributions toward the pension scheme, if they wish to do so. If the employer contributes more than the required minimum amount but less than the total minimum amount, then the employee is only required to pay the shortfall between the minimum employer and minimum total contributions.

The following table demonstrates the effective phase dates, where the employer pays only their minimum contribution and the employee makes up the difference between the total employer minimum and total minimum contributions:

Effective date	Employer minimum contribution	Staff contribution	Total minimum contribution
06/04/18 to 05/04/19	2%	3%	5%
06/04/19 onwards	3%	5%	8%

Get a UK EORI number to trade within the EU

In the event that the UK exits the EU without a deal, from 11PM GMT on 29 March 2019, many UK businesses will need to apply the same processes to EU trade that apply when trading with the rest of the world.

This guidance is relevant to businesses that are established in Great Britain, the Channel Islands or the Isle of Man and import to or export from the EU. If you fall into this category and do not have an Economic Operator Registration and Identification (EORI) number, you should register for one now.

Details on how to register can be found on the following webpage:

<https://www.gov.uk/guidance/get-a-uk-eori-number-to-trade-within-the-eu>

Advisory fuel rates from 1 December 2018

These rates apply from 1 December 2018. You can use the previous rates for up to one month from the date the new rates apply.

Engine size	Petrol – amount per mile	LPG – amount per mile
1400cc or less	12 pence	8 pence
1401cc to 2000cc	15 pence	10 pence
Over 2000cc	22 pence	15 pence

Engine size	Diesel – amount per mile
1600cc or less	10 pence
1601cc to 2000cc	12 pence
Over 2000cc	14 pence

Hybrid cars are treated as either petrol or diesel cars for this purpose.

Advisory Electricity Rate

The Advisory Electricity Rate for fully electric cars is 4 pence per mile.

Electricity is not a fuel for car fuel benefit purposes.

The Rowleys Partnership Limited
Charnwood House, Harcourt Way, Meridian Business Park, Leicester, LE19 1WP
T: +44 (0)116 282 7000 E: post@rowleys.biz W: www.rowleys.biz

