

Sixty Second Update February 2009.

Shorter deadlines, bigger fines

Late accounts that are received at Companies House after 1st February 2009 will attract the following increased fines:

- £150 – Not more than 1 month late.
- £375 – More than 1 month but not more than 3 months late.
- £750 – More than 3 months but not more than 6 months late.
- £1,500 – More than 6 months late.

This is in addition to reducing the deadline for filing the accounts to 9m after the year end, for financial years beginning on or after 6th April 2008.

Can't pay?

You can get help if you can't pay your personal tax, corporation tax, PAYE or VAT. The government have announced that they will help you with your bills by allowing payment over an extended period of time – so don't struggle on – take up their offer. We can help you arrange a payment plan with HMRC.

Temporary or permanent?

Plans to restrict the use of a temporary workplace have been halted for now, but it's worth a reminder of the how to decide whether a workplace is temporary or permanent.

Home to work travel is not normally an allowable expense, but if your workplace changes from time to time, then the cost of the travel may be tax deductible. However, if you are going to work at the same location for more than 2 years then this tax advantage may be lost. Please contact John or Claire for more details.

More holiday for your staff

Please make a note that the statutory holiday entitlement is increasing from 24 to 28 days a year, including bank holidays, from 1st April 2009.

Parking fines

Watch out! Parking fines are not tax deductible as HMRC are not going to give you a tax uplift for breaking the law. Worse still is that if an employer pays the fine for a director or employee's own car, then it actually creates an additional tax bill for the employer and employee.