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The key tax points made by the Chancellor this lunchtime during the Budget that are relevant to employers were as follows:

- Income tax rates will be unchanged for the tax year 2012-13. The top rate of income tax for individuals (currently payable on income above £150,000) will reduce from 50 percent to 45 percent from 6 April 2013.
- The income tax personal allowance will rise to £8,105 for the tax year 2012-13 and then to £9,205 for the tax year 2013-14.
- The government will continue its consultation on integrating the operation of income tax and national insurance contributions (NICs).
- The government is bringing forward a package of measures to tighten up on avoidance through the use of personal services companies and to make the existing IR35 legislation easier to understand. This will include HMRC strengthening specialist compliance teams, simplifying the way IR35 is administered and consulting on proposals which would require office holders/controlling persons who are integral to the running of an organisation to have PAYE and NICs deducted at source.
- The annual allowance for contributions to UK registered pensions schemes will remain at £50,000 and no restriction on tax relief for higher earners was announced.
- Relief from income tax and NICs on employer contributions to employees' family members' pensions will be removed from April 2013.
- The limit on the value of shares over which options may be held by an employee under Enterprise Management Incentives (EMI) will be increased from £120,000 to £250,000. Subject to European Union state aid approval, further reforms will be made in 2013 so that gains made on shares acquired through exercising EMI options on or after 6 April 2012 will potentially be eligible for capital gains tax entrepreneurs' relief.
- The government will consider the recommendations of the Office of Tax Simplification's review of tax advantaged employee share schemes, and will consult on how to take a number of these proposals forward.

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