



**NEWSLETTER 11
APRIL 2009**

Please note that I am on holiday from Monday 6 April and will be back in the office on Tuesday 14 April. The office will be staffed during my absence and if you have an urgent query please contact either Anne or Val who will try to help.

TAX PLANNING BEFORE 5th APRIL

- Use your ISA allowance
- Declare dividends to use up basic rate tax bands if appropriate
- Make a personal pension contribution

Please note that there are things you can do to save tax by making the right decisions by 5th April – the end of this week. I can advise from a business tax perspective or I can recommend a financial advisor you can speak to about pensions and investments or mortgages.

BUSINESS SUPPORT LINE

In the previous newsletter there was a great deal of interest in this service (Tel: 0845 302 1435). If you are struggling with VAT bills, PAYE bills or tax bills, you can spread your payments over, say, a year, at a very low interest rate, without having to fill in any paperwork - it is all done over the telephone.



VAT ON ENTERTAINING

There is a common misconception that VAT can be recovered on entertaining expenditure. This is not the case.

VAT should not be recovered on your VAT return in respect of business expenditure that involved paying for drinks/meals/accommodation for others who are not employees. The amounts are not tax deductible in most cases either. However should you pay for your own meals/drinks/accommodation whilst away from the office (even if you are with a colleague) it may constitute subsistence in which case the VAT would be recoverable and the expense tax deductible.

£75 ONLINE FILING BONUS

As in previous tax years HMRC are paying businesses tax free cash simply for filing their P35 online. We do this for most of our clients for a small fee and then ensure that HMRC pay our client! This will be the case again this year. If you are planning to submit your own P35 please make sure you claim this cash. **This is the last year in which the payment will be made by HMRC.** A total of £825 will have been paid over 5 years.

CREDIT CRUNCH

Many of our clients are affected by the economic downturn. However in general they are not finding it as hard as the media make out. If you want to discuss matters in relation to your own business performance, please do give us a call.