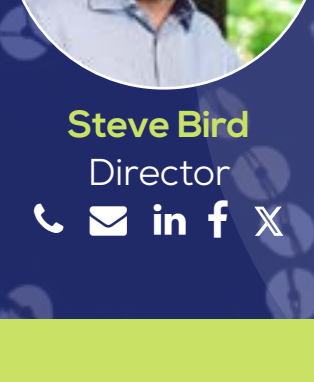


WELCOME TO THE JANUARY TAX NEWSLETTER

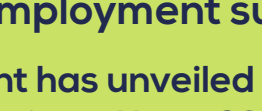
Our newsletters are designed to keep you informed of the latest tax issues, we hope you find it useful.

Please contact us if you need further information on any of the subjects covered, we are only a phone call away and always here to help.

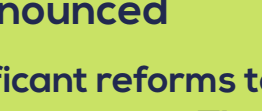
Call **01245 258 689** or email **info@viewpointaccountants.co.uk**



Steve Bird
Director



Vicky Coffman
Director



Get Britain Working White Paper

Reforms to employment support announced

The government has unveiled some significant reforms to employment support, underpinned by a £240 million investment. The measures aim to address deep-rooted issues of unemployment, economic inactivity, and barriers to work, as detailed in the recently published Get Britain Working White Paper.

Figures quoted in the government's announcement made for sobering reading. 1.5 million are unemployed, 9 million are economically inactive, and a record 2.8 million are out of work due to long-term illness. Young people, in particular, are disproportionately affected, with one in eight not in education, employment, or training.

The UK is apparently the only major economy that has seen its employment rate fall over the last five years. The government has attributed the reason for the decline to an increase in long-term ill health, as well as an employment support system that is outdated.

Therefore, the White Paper is highlighting the need for a fundamentally different approach to employment, health, and skills support to revitalise Britain's workforce.

What are the key reforms being proposed?

- 1. Revamping jobcentres:** These will be transformed into a new "national jobs and careers service". This overhaul will focus on developing people's skills and careers rather than simply monitoring benefits.
- 2. Tackling economic inactivity from ill health:** Health-related issues will be addressed through employing extra NHS staff in 20 areas that have high inactivity so as to cut waiting list times. Mental health support will also be expanded.
- 3. A new "Youth Guarantee":** Every 18-to-21-year-old will have access to an apprenticeship, quality training and education opportunities. The current Apprenticeship Levy will be replaced by a more flexible Growth and Skills Levy. Eight youth "trailblazer" areas are to be set up, including in Liverpool, Tees Valley and the East Midlands to help young people in those areas find education, training or work.
- 4. Supporting people with disabilities and health conditions:** An independent review will be launched into the role of UK employers in promoting health and inclusive workplaces. It will look at what more can be done to enable employers to increase the recruitment and retention of disabled people and those with a health condition. It will also explore early intervention for sickness absence and what may help increase returns to work.
- 5. Empowering local communities:** Local leaders, including mayors and councils, in areas of England that are not getting a trailblazer will receive up to £15 million to develop their own plans.

How will the reforms affect you?

Based on the changes being proposed, we may begin to see new measures introduced into employer's obligations towards long-term sickness.

Over the longer term, if these initiatives result in more younger people receiving more training, then this may increase the number of skilled people available for hire. This could alleviate the difficulty some businesses are finding in locating suitably qualified staff.

To review the White Paper, [click here](#).

Be wary of Self Assessment scams

Scam attempts on the increase

HM Revenue and Customs (HMRC) have issued a reminder to be careful about scam attempts that target people filing Self Assessment tax returns. In the last year, nearly 150,000 scam attempts were referred to HMRC, a 16.7% increase on last year. With the 31 January 2025 filing deadline approaching, fraudsters are likely to step up their activities.

HMRC reports that around half of all scam reports in the last year were fake tax rebate claims. Fraudsters are usually aiming to get hold of personal information and banking details.

If you receive an email, text or phone call from someone claiming to be from HMRC that asks you for personal information or offers you a tax rebate, there is a useful checklist here that can help you identify a scam.

It is helpful to know that HMRC will never leave voicemails threatening legal action or arrest. Neither will they ask for personal or financial information over text message.

HMRC also will not contact you by email, text, or phone to announce a refund or ask you to request one.

[If you have been contacted by someone claiming to be from HMRC and feel unsure whether it is a scam, or you would like to check whether you are due a tax refund, call us at any time and we would be happy to help you.](#)

New Fair Payments Code launched

Will it help you get paid quicker?

The government's promised new Fair Payments Code was launched last month to try and tackle late payment problems that can be particularly harmful to small businesses.

How will the Fair Payment Code help?

The code introduces a gold, silver, and bronze system that smaller firms can use to identify business partners who have made themselves accountable to pay fairly and within certain time limits.

The three award tiers have the following requirements:

- **Gold award:** for businesses paying at least 95% of all invoices within 30 days.
- **Silver award:** for businesses paying at least 95% of all invoices within 60 days, including at least 95% of invoices to small businesses within 30 days.
- **Bronze award:** for businesses paying at least 95% of invoices within 60 days.

Businesses that are granted an award also agree to abide by the principles in the Code of being "Clear, Fair and Collaborative" with their suppliers.

The awards, once granted, last for two years and then must be reapplied for at the conclusion of that time. There will be a "robust" complaint system so that businesses who don't meet the requirements of their award or otherwise comply with the principles in the Code can be reported.

[Dealing with late payments can be a challenge to deal with. While the new Fair Payments Code may help, there are a variety of methods you can use to help reduce the effect of late payments. If you need practical help in how to improve how quickly your business is paid, please get in touch and we would be happy to help you.](#)

Coffee bean prices at record high

Will our morning caffeine fix cost more?

Those of us that rely on a coffee-fix to get the day started may see this get more expensive. Coffee prices on international commodity markets soared to their highest level on record in December.

The price for Arabica beans, the most used beans in global production, increased to \$3.44 a pound, increasing by more than 80% this year. Robusta beans similarly reached a fresh high in September.

Coffee traders are expecting crops to shrink due to bad weather in Brazil and Vietnam, two of the world's largest producers. Brazil experienced its worst drought in 70 years during August and September and this was followed by heavy rains in October. Vietnam, where Arabica beans are grown, has also experienced drought and heavy rainfall during 2025.

Meanwhile, the popularity of coffee continues to grow. For example, coffee consumption has doubled in the last decade in China, which is not traditionally a coffee drinking nation.

In recent years, major coffee roasters have been absorbing price increases to keep customers happy and maintain their market share, however some experts believe this could soon change and consumers will see price increases as a result.

New reporting requirements for online platforms

HMRC confirm there is no change to tax rules

New changes come into effect from January 2025 where online platforms, such as eBay and Airbnb, will start sharing some user sales and personal data with HM Revenue and Customs (HMRC).

Although these reporting requirements have caused concern, HMRC have confirmed that there are no changes to the tax rules for someone selling unwanted possessions online.

Angie MacDonald, who is HMRC's Second Permanent Secretary and Deputy Chief Executive Officer, said: "We cannot be clearer – if you are not trading and just occasionally sell unwanted items online – there is no tax due."

HMRC have advised that anyone who sold at least 30 items or earned roughly £1,700, or provided a paid-for service, on a website or app in 2024 will be contacted by the digital platform they used in January to say their sales data and some personal information will be sent to HMRC due to new legal obligations.

This does not mean that an individual automatically needs to complete a tax return. However, if the following applies then you would likely need to register for Self Assessment (if you are not already registered) and pay tax.

- Buying goods for resale or making goods with the intention of selling them at a profit.
- Offering a service through a digital platform – such as delivery driving or letting out a holiday home.
- And you generate a total income before deducting expenses of more than £1,000.

[If you are concerned about whether you are likely to need to register for self assessment or pay tax, give us a call and we will be happy to help you.](#)

Scottish Budget announcement

Highlights for businesses from the Budget

The Cabinet Secretary for Finance & Local Government, Shona Robinson delivered the 2024/25 Scottish Budget on 4 December.

This Budget was centred on the following priorities to:

- eradicate child poverty;
- grow the economy;
- tackle the climate emergency; and
- ensure high quality and sustainable public services.

The following measures will be of particular interest to Scotland's business community:

- Scottish rates of income tax will not be increased and no new bands will be introduced for the remainder of this parliament. From April 2025, the Basic and Intermediate rate thresholds will increase by 3.5%. The Higher, Advanced and Top rate thresholds will be frozen at their current levels.
- Business Rates: The Basic Property Rate will be frozen at 49.8p and a 40% relief will be introduced for hospitality premises liable for the Basic Property Rate, capped at £110,000 per business.
- Rates and bands of residential and non-residential Land & Buildings Transaction Tax (LBTT) will remain at their current levels, although the Additional Dwelling Supplement (ADS) increases from 6% to 8% from 5 December 2024. The increase will not apply to transactions for which legal missives have been signed on or before 4 December.
- Landfill Tax rates will increase from 1 April 2025, in line with those for the rest of the UK.

[To review the Scottish Budget in full, \[click here\]\(#\).](#)

[If you would like any help in understanding how the Scottish Budget will affect your business or personal situation, please give us a call at any time and we will be pleased to help you!](#)

Welsh Budget announcement

Highlights for businesses from the Budget

The Welsh budget was announced on 10 December. The key decisions for Welsh businesses and individuals were as follows:

Welsh Rates of Income Tax

The Welsh rates of income tax for 2025/26 will remain at 10p for the three income tax rates (Basic, higher and additional). This means that Welsh taxpayers will pay the same income tax as those in England and Northern Ireland.

Land transaction tax

In disappointing news for purchasers, the higher residential rates of Land Transaction Tax (LTT) are being increased by one percentage point across all bands. This change was made almost immediately, coming into force on 11 December.

Purchasers who have already exchanged contracts prior to this date will pay the former rates provided they comply with transitional rules.

The result of this change is that the higher residential rates of LTT are now five percentage points above the main residential rates.

The current starting threshold for the main residential rates of LTT remains at £225,000. The government estimates that around 60% of residential transactions are below the threshold for paying LTT.

The Budget also includes the intention to limit multiple dwellings relief (MDR) available on purchasing two or more dwellings in Wales. The changes will mean that taxpayers subject to the subsidiary dwelling exemption (SDE) will pay the main residential rates on the total consideration, without the benefit of MDR. It appears that this will not be the only change to MDR, as the relief will be further considered over the next year.

It was also announced that the new LTT special tax sites relief that currently applies to the Celtic Freeport will also be extended to the Ynys Môn Freeport. Senedd approval will be sought on these in January so that the relief is in place when the UK government's designation regulations come into force.

Landfill Disposals Tax

The standard rate of Landfill Disposals Tax (LDT) will be increased to £126.15 per tonne from 1 April 2025. This matches the increase made to the UK government's equivalent Landfill Tax.

The lower rate of LDT will be increased to £6.30 per tonne. This means that the lower rate will be 5% of the standard rate, just under double the existing rate.

The new approach to lower rate setting, as well as the substantial increase for next year, is designed to increase the incentive to reduce landfill waste disposals. The intention is to raise the rate further if the volumes of lower-rated waste disposals by way of landfill do not reduce in line with Welsh government objectives. The goal is to become a zero-waste nation by 2050.

The unauthorised rate remains at 150% of the standard rate, and so increases to £189.25 per tonne.

[If you would like any help in understanding how the Welsh Budget will affect your business or personal situation, please give us a call at any time and we will be pleased to help you!](#)

Further information & advice

If you would like further information or advice about any of the issues raised in this newsletter then we would be delighted to hear from you.

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