



We're into autumn, we hope the worst of the pandemic is behind us, and businesses are now having to go it alone following the withdrawal of Covid funding. We explore what this might mean.

Plus, in this issue, we look at self-assessment, the National Insurance increase, and we extend an invitation to you to come and have breakfast on us.

Finally, October 27 is Budget day, and shortly after we'll be emailing out a special newsletter analysing its impact. To make sure you receive your copy, please get in touch.

End of Covid support: What does this mean for the economy?

The start of October marked the end of most of the Government's support given to people and businesses to help them weather the pandemic. So what might this mean for the economy?

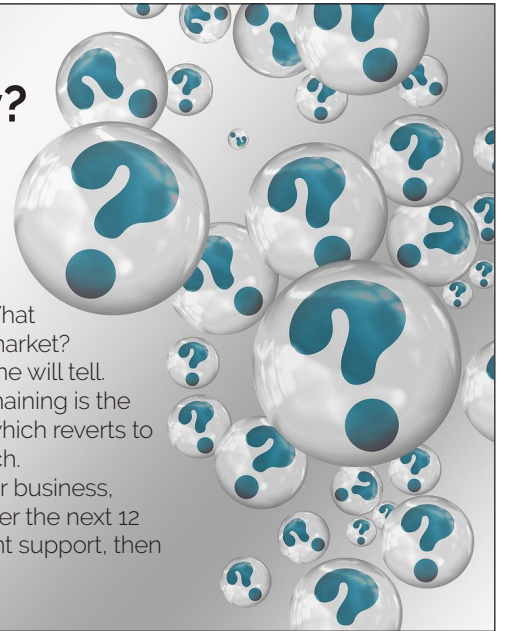
The furlough scheme was probably the most far-reaching initiative. However, during furlough, a number of employers found some employees were reluctant to move jobs through fear that, if the pandemic worsened, they would not fall under the furlough rules and could risk being out of a job. So, it is hopeful that the end of furlough will bring a more fluid market for employees.

October also marked the end of the Stamp Duty Land Tax holiday, and well done to our legal team for working so hard for all our clients who chose this time to move house.

SDLT has now returned to the standard threshold of £125,000. What might this mean for the housing market? Will it flatten off? Probably only time will tell.

Just about the only support remaining is the reduced VAT rate for hospitality, which reverts to the normal rate at the end of March.

If you would like a review of your business, to assess how it could perform over the next 12 months, with no more Government support, then please get in touch.



Making Tax Digital for Income Tax Self-Assessment

The Government recently announced that the introduction of Making Tax Digital for self-assessment would be delayed for a year.

Known as MTD for ITSA (Making Tax Digital for Income Tax Self-Assessment), the start date was due for April 2023, but this will now happen in 2024.

But experts in MTD have advised the Optimum team there will be no 'soft landing'. Once it's introduced, anyone in self-assessment will be expected to immediately start filing quarterly returns, plus a fifth 'mop up' return.

Those affected will need to keep records electronically and, using MTD compatible software, file quarterly returns to HMRC with details of their income and expenditure.

2024 may seem a long way off, but it will take into account the 2022/23 tax return, which needs to be filed by January 31 2024.

If you find you are drawn into MTD for ITSA, you then only have three months before 'go live' on April 6.

As ever, our advice at Optimum is to plan now. For help with planning for Making Tax Digital for self-assessment, please get in touch.

Breakfast networking events are back!

We're delighted to announce our popular business networking breakfasts have resumed and we'd love to you to come along.

They were put on hold during the pandemic, but due to popular demand (not least from our team, who love the bacon rolls) our free breakfasts are back on the menu.

The next is on November 10, from 7.30 until 9am, at our offices here in Vicarage

Court, Swindon. On offer will be tea, coffee and bacon rolls, and the opportunity to chat to, and network with, other business people.

To book your place, please email our practice manager Tracey Heath: theath@optps.co.uk.



Questions every first-time buyer should ask

Nobody ever forgets buying their first home. Getting their foot on the property ladder, settling into their new property for the first time, and then staying there for as long as it meets their needs, before they move to the next place.

However, for first-time buyers, setting out on the road to becoming homeowners can seem a daunting prospect. With average house prices in England standing at £271,000 in July

2021, it is also an expensive one.

So our advice to all first-time buyers is be prepared and go into the process fully informed and with your eyes wide open. Our conveyancing team have compiled a handy checklist of questions first-time buyers should be asking, including: What is a survey? What is a search? What is the difference between freehold and leasehold?

If you are a first-time buyer, or you

know anyone getting onto the property ladder, or if you'd simply like a refresher, you can find the questions (and answers) on our website. And if you are moving house and want expert legal help from our property law team, please get in touch.



Plan ahead to avoid nasty tax surprises

October 31 was once a date firmly in the diaries for those filing a paper self-assessment tax return. Nowadays most people file digitally and are guided by the January 31 deadline.

But we believe October is still an excellent time to file a tax return. Because by filing early, you will know what your tax liability is well in advance of January, when it has to be paid.

Have you benefited from the Government's SEISS (Self-Employment Income Support Scheme) grants? The first

three rounds of SEISS have to be accounted for in the 2020/21 tax return.

We have clients who have claimed SEISS grants, which increased their income to a higher level than in a 'normal' trading year, pushing some into the higher tax rate bracket.

Having an increased income may have implications for two tax benefits that you may be claiming: child benefit and marriage allowance.

If you are self-employed and would like help with self-assessment get in touch.

National Insurance increase and the new levy

Businesses, employed people and pensioners who are still working must all prepare to pay more tax, after the Government announced its plans to boost funds for the NHS and increase spending on social care.

From April 2022, National Insurance will increase by 1.25% for businesses, employees and the self-employed. Then from April 2023, it will return to its former level and the new Health and Social Care Levy will be introduced, also at 1.25%. This will be paid by businesses, their employees and the self-employed and also by working pensioners,

who cease to pay National Insurance once they reach retirement age.

Those earning less than £9,564 won't have to pay National Insurance or the new levy. Income from share dividends will also see a 1.25% tax rate increase.

Any tax rises have an impact, and we believe most people expected some

kind of increase to help the NHS after the pandemic. Clearly, increasing NI was the Government's preferred option.

Our advice always is to plan ahead. This change is coming in from April 2022, which gives six months for businesses to adjust their budgets to take into account the increase.



We are recruiting for our growing team

At Optimum, we are delighted that our business continues to grow and thrive, now with two offices, thanks to the addition of our Cheltenham base.

So we can continue to provide a great service for our clients, we are growing our team. We currently have a number of vacancies, including for a conveyancing manager, a bookkeeper, an accountant and a tax assistant.

If you know anyone who would be interested in applying, you can find more details on our website:
www.optps.co.uk/category/vacancy



For more information about Optimum's services please email info@optps.co.uk or visit www.optps.co.uk. To talk to the team, call our Swindon office on 01793 538 198 or our Cheltenham office on 01242 384 936. Our offices are at Vicarage Court, 160 Ermin Street, Stratton, Swindon, SN3 4NE and The Site, 24 Chosen View Road, Cheltenham GL51 9LT.