

2016 Autumn Statement Summary:

The Key Points at a Glance

Personal and Employment Taxes

- The tax free personal allowance is to increase to £11,500 in April 2017. This is to rise to £12,500 by the end of the Parliament.
- The higher rate threshold is to rise to £33,500 in April 17 and to £50,000 by the end of the Parliament.
- The National Living Wage is to increase from £7.20 to £7.50 per hour in April 2017.
- Tax savings on salary sacrifice and benefits in kind are to be stopped, with the exceptions for ultra-low emission cars, pensions, childcare and cycling.
- Employer and employee National Insurance starting bands are to be equalised at £157 per week from April 2017.

Corporate and Business Taxes

- Confirmed the government's commitment to cut the main rate of corporation tax to 17% by 2020. (This is still significantly higher than N. Ireland's planned lower rate of 12.5%).
- Restriction for companies to the amount of profit that can be offset by carried forward losses to 50%.

Savings

- The ISA limit will be increased to £20,000 per annum from 6 April 2017.
- A new 3 year investment bond will be introduced from spring 2017, with an indicative rate of 2.2%. The bond will offer the flexibility to save between £100 and £3,000 and will be available to those aged 16 or over.

Other Announcements

- Northern Ireland Executive will receive an additional £250 million.
- Fuel duty rise has been cancelled for the seventh year in succession.
- Promise to abolish the Autumn Statement, with Budgets happening in the autumn from next year, along with "Spring Statement" from 2018.

Should you require any further information, have a simple question or require more detailed advice, please do not hesitate to contact us.