



R. M. Rahim & Co.

Chartered Accountants and Business Advisors

November 2012



www.rmrahim-accountants.co.uk rmrfca.rahim@gmail.com facebook.com/RMRahimAccountants



Business Update

Special points of interest:

- Office Refurbishments
- Get ready for RTI
- Workplace Pension: What it means for you
- New Car? Yes! With the 100% Capital Allowance!
- Tax Tips

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Seasons Greetings & Best Wishes from us all at R. M. Rahim & Co!

Here at R. M. Rahim & Co. there have been quite a few changes happening. The office is currently undergoing a full refurbishment bringing it right up to date. Those clients with appointments just after we re-open in January will be amongst the first to see the new layout and design!

There have also been changes elsewhere in the business, starting with a fully revamped and resourceful website. On here you will find useful information, client updates and downloadable forms for your use. Go to the website address at the top to have a look and check back regularly for updates!

R. M. Rahim & Co. is now on Facebook! Head to our Facebook

page shown at the top to connect with us. Please hit like and spread the word!

Don't forget you can always contact us by email too. To contact the staff please use staff.rmrahim@gmail.com or for Mr. R. M. Rahim directly please use rmrfca.rahim@gmail.com

All clients are requested to note that during the Festive Season the office will be closed from Monday 24 December 5pm and will re-open on Tuesday 3rd January 2013. As always, we will make every effort to ensure that there is no disruption to clients in receipt of continuous services. However to ensure this is possible, please ensure the following dates are met: -

- Latest date for bringing in books and records for VAT return for quarter ended 30 No-

vember 2012 is: Friday 7 December 2012.

- Payroll details should be made available to our office by Monday 17 December 2012 so that wages slips for both weeks ending 21 December and 28 December 2012 are posted by 19 December 2012.

TAX DIARY

-31st October 2012-
Deadline for paper returns

-31st January 2013-
Last Date for submission of your 2011/12 return electronically

-31st January 2013-
Payment of balance due on 2011/2012 return together with first installment for 2012/2013 return

Taxation News and Tips

HMRC have a strict penalty regime for late and non submitted Tax Returns. These penalties are very severe and you could be paying up to double the amount of tax due in penalties!

The Taxman has a new approach to tax debt. If you don't pay the Taxman on time, he will now categorize you as either a "Can't pay" or "Wont pay". If he classes you as a "Can't pay" he'll be more amenable to negotiating deferred payments (he can suspend or cancel late payment surcharges). However if you are classed a "Won't pay" (if you have chosen to pay other bills e.g. your suppliers ahead of him) you can expect little mercy. The taxman will quickly move to enforce payments by county court proceedings, for which you will have to meet his costs! This can occur for tax debts as low as £1000.

In April the annual investment allowance (AIA) for the cost of equipment was slashed from £100,000 to just £25,000. But if your company intends to spend more, there's a nifty and legitimate way to claim more AIA. Come and see us for more info!

Workplace Pensions

As an employer you'll face some new duties in running your business. These new duties will help more people save for their retirement.

What are the changes?

You must automatically enroll certain members of your workforce into a pension scheme and as an employer you will need to make a contribution towards it. The law came into force for large employers from 2012 and smaller employers will follow.

Even if you already offer pension arrangements for your workers, you'll still have some new obligations to meet.

What do I have to do?

The main things you must do are:

- Provide a qualifying scheme for workers
- Automatically enroll all eligible jobholders onto the scheme
- Pay employer contribution for eligible jobholders to the scheme
- Tell all eligible jobholders that they have been automatically enrolled and they have the right to opt out if they want to do so

As always we are on hand to assist our clients with this new legislation and if you require more information or any assis-

tance do not hesitate to contact us.

Tax Data 2012/13

Rates Of Income Tax:

£0 - £34,370	20%
£34,371 - £150,000	40%
Over £150,000	50%

Personal Allowance £8,105

C.G.T Annual Exemption £10,600

Corporation Tax Rate:

Up to £300,000 profits	20%
Main Rate	24%

If you are late with your Tax Returns- "You could be paying up to double the amount of tax due in penalties!"

RTI

Real Time Information will be phased in from April 2013. This will require you to report details of your employees' earnings, tax and NI each payday so that the Taxman can collect the PAYE due directly from your bank.

The idea of the Taxman taking PAYE from you, rather than waiting to be paid, sounds like something worth avoiding, but the bad news is that it will be compulsory. Although it won't be fully functional until October 2013, RTI has already been suc-

cessfully tested on a handful of employers since April this year. Now the taxman is taking a step towards early implementation for some businesses.

Under RTI, ALL employees (who are 16 or over) who receive payment from a company must be processed through the payroll. (If an employee younger than 16 has earned over the 'NIable' threshold they must still be included.) This now includes casual workers and students which means there is no longer a need

for P38A or P38s forms. If your company has either casual workers or students, they must be processed through the payroll as a normal employee.

As always here at R. M. Rahim & Co. we will be prepared well in advance, with the latest software to comply with this. Any questions or queries you may have in regards to RTI or Payroll services, please do contact us.

Last Few Months For 100% FYAs On New Cars

If you are thinking of buying a new car, this is one extra reason to do so! 31 March 2013 is the last date that businesses can claim 100% FYAs on capital expenditure on an eco-friendly car.

Businesses of all sizes can claim 100% FYAs on capital expenditure on a car provided that:

- the car is 'unused and not second hand', and is first registered on or after 17 April 2002;
- it is an electric car, or
- a car with CO2 emissions of not more than 110gm per km driven.
- the expenditure is incurred between 17 April 2002 and 31 March 2013.

A list of cars that fit into this category can be found online at:

<http://www.comcar.co.uk/newcar/companycar/poolresults/110tax.cfm>