

Welcome to **advAccountancy**
Advancing your business through Management Accounting

Newsletter



October 2017

THE RIGHT ADVICE FOR YOUR BUSINESS

IN THIS ISSUE

Christmas will be here in a flash are you ready for Black Friday and Cyber Monday

Black Friday (Friday 24th November 2017) and Cyber Monday (Monday 27th November 2017)

Black Friday

This one you've probably heard of before... it's the day after American Thanksgiving. It marks the beginning of the Christmas shopping season. Many high street shops open up early and offer wild deals that are similar to, or even bigger than "Boxing Day" sales which you may be familiar with.

Cyber Monday

This is the Monday immediately following Black Friday. Cyber Monday works on the same principle as Black Friday, except that it occurs **online only**.

Shoppers are expected to spend £20 billion online in November

Amazon and Argos typically compete to offer the biggest Black Friday deals, and this year looks to be no different.

How can you participate?

Are you going to offer special deals? Discounts?

Will you have enough staff to cope with demand? Will you be buying your gifts on Black Friday and Cyber Monday?



SA302 Madness



In order to get a mortgage, brokers and lenders ask employees for payslips and P60's and for business owners they ask for SA302's and Tax Overviews (often lenders also want an accountants certificate to certify the clients trading results).

The SA302 shows:

- Pay from all employments
- Profits from self employments
- Property Profits
- Dividends
- Tax and National Insurance due

You can get copies of SA302's from HMRC <https://www.gov.uk/sa302-tax-calculation>

The Tax Overview shows:

- Tax Due
- Tax Paid

You can only get Tax Overviews from your online HMRC account.

Lenders and Brokers are often insisting on HMRC SA302's (which can take several days or even a couple of weeks to obtain).

On the 25th August 2017 [HMRC wrote...](#)

Agents have told us that not all their client's lenders will accept the self-serve copy printed from their HMRC online account or the commercial software used to file the SA return, or their commercial software does not print.

A list of lenders who will accept self-serve copies can be found in the HMRC's guidance, [Mortgage providers and lenders who accept a SA302 tax calculation and a tax year overview](#).

It is always worth checking with the lender or mortgage provider what they require as evidence of income. And should another third party require a copy of the tax calculation, you may wish to ask if they accept a self-serve copy.

Now that we have made all the changes required to allow agents to self-serve online, we will no longer be issuing paper copies of the tax calculations directly to agents from the 5 September 2017.

So basically, clients will have to call HMRC if they need an SA302 with the HMRC logo and the lender won't accept a self serve or agents copy.

Why are lenders and brokers being so picky! surely if an accountant provides the information that will be sufficient?

FOR MORE INFORMATION

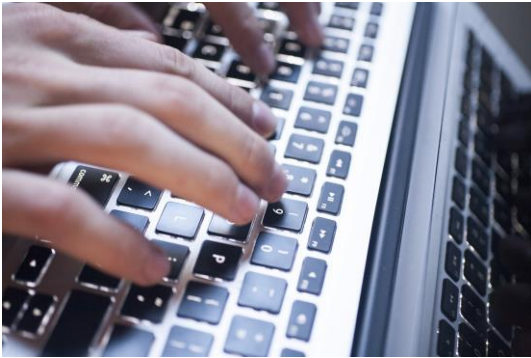
Contact

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Oops! HMRC software not working

We have an extremely complicated tax system, so is it any wonder that even HMRC struggle to calculate your tax correctly!

The way that allowances are applied for dividends, allowances, savings and other items all impact on each other.



Many tax payers will be working on their 2016/17 returns (to 5th April 2017 due by 31st January 2018) over the coming months and find that they can't use the HMRC software because it doesn't work properly.

As reported by [Accounting Web](#)

Rob Ellis, CEO of [BTCSoftware](#), can't remember a year when there have been so many exclusions from filing SA tax returns online. For the 2016/17 tax returns 16 new examples have been added to the online filing exclusions list, which is now in [version 4](#); there is a version 5 of this list under construction.

You can read the full list of exclusions on this link

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/622426/2017-exc-indi.pdf



Trivial Benefits are great for Christmas



Christmas is definitely a time when you can give your employees and yourself a trivial benefit worth up to £50.

Section 323A ITEPA 2003 sets out a statutory exemption for trivial benefits. Under this exemption, if an employer provides a benefit to its employees, the benefit is exempt from tax as employment income if all the following conditions are satisfied:

- the cost of providing the benefit does not exceed £50 (or the average cost per employee if a benefit is provided to a group of employees and it is impracticable to work out the exact cost per person) (see [EIM21865](#))
- the benefit is not cash or a cash voucher (see [EIM21866](#))
- the employee is not entitled to the benefit as part of any contractual obligation (including under salary sacrifice arrangements) (see [EIM21867](#))
- the benefit is not provided in recognition of particular services performed by the employee as part of their employment duties (or in anticipation of such services) (see [EIM21868](#))

Where the employer is a close company and the benefit is provided to an individual who is a director or other office holder of the company (or a member of their family or household) the exemption is capped at a total cost of £300 in the tax year (see [EIM21869](#)).

All shop vouchers (that can't be cashed in) will count provided the value is less than £50.

So why not make a list of special occasions:

Birthday

Christmas

New Year

Anniversary

Holiday

Easter

Buy a stock of vouchers and give them out.

This is a fantastic tax free benefit.

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