



AUTUMN STATEMENT SUMMARY: BUSINESS

- Corporation Tax rate of 25% will come into force for profits over £250k from April 2023;
- In line with the increase in Corporation Tax, the Diverted Profits Tax which is currently 25% will increase to 31%;
- VAT registration threshold of £85k will remain frozen until April 2026;
- R&D tax credit relief for SME's will be reduced from 130% to 86% from April 2023 and for those businesses that surrender their losses, the relief is reduced from the current rate of 14.5% to 10%;
- For businesses claiming R&D Expenditure Credit ('RDEC'), costs incurred on or after 1 April 2023 will qualify for the increased rate of 20%;
- The annual investment allowance of £1M per annum will be permanent from April 2023;
- Transfer Pricing documentation required for large multinational businesses will follow the OECD's Guidelines for Master and Local Files from April 2023.



Talk to our experts:

MAYBETH SHAW

Partner
maybeth.shaw@bdoni.com

FIONA HALL

Principal, Personal Tax
fiona.hall@bdoni.com

CLAIRE McGUIGAN

Director, Corporate Tax
claire.mcguigan@bdoni.com

GERALDINE BROWNE

Director, Employment Tax
geraldine.browne@bdoni.com

KAREN DOHERTY

Director, Corporate Tax
karen.doherty@bdoni.com

LORRAINE NELSON

Director, Corporate Tax
Lorraine.nelson@bdoni.com



AUTUMN STATEMENT SUMMARY: WAGES

- From 1 April 2023, new hourly rates will be increased as follows:
 - National Living Wage to increase to £10.42 per hour, for those over 23;
 - National Minimum wage increases to £10.18 (21-22 year olds), £7.49 (18-20 year olds) and £5.28 (16-17 year olds);
 - The Apprenticeship rate will also increase to £5.28 per hour;
- National Insurance Contribution thresholds will remain frozen until April 2028;
- Company Car Tax rates for calculating Benefit in Kind charges will increase by 1% for each band, with a maximum rate of 37%, from April 2025 and remain in place until March 2028.



Talk to our experts:

MAYBETH SHAW

Partner
maybeth.shaw@bdoni.com

FIONA HALL

Principal, Personal Tax
fiona.hall@bdoni.com

CLAIRE McGUIGAN

Director, Corporate Tax
claire.mcguigan@bdoni.com

GERALDINE BROWNE

Director, Employment Tax
geraldine.browne@bdoni.com

KAREN DOHERTY

Director, Corporate Tax
karen.doherty@bdoni.com

LORRAINE NELSON

Director, Corporate Tax
Lorraine.nelson@bdoni.com



AUTUMN STATEMENT SUMMARY: INDIVIDUALS

- Personal allowance thresholds will now be frozen until April 2028 rather than April 2026. These include the personal allowance of £12,570 and the higher rate threshold of £50,270 per year;
- The additional rate tax threshold will be decreased to £125,140 from 6 April 2023, resulting in an extra income tax liability of £1,250 for those impacted;
- Class 2 (Self-employed) and Class 3 (Voluntary) National Insurance contributions will increase from April 2023 to £3.45 and £17.45 per week, respectively;
- Tax free dividend allowance to reduce from £2k to £1k from April 2023 and to just £500 from April 2024;
- Capital Gains Tax annual allowance is also slashed from £12k to £6k from April 2023 and only £3k from April 2024;
- Inheritance Tax nil-rate band remains unchanged at £325,000;
- Stamp Duty Land Tax increases announced in September will remain, however the phased decreases to these thresholds will be earlier from April 2025;
- From April 2025, electric vehicles will become subject to vehicle tax.



Talk to our experts:

MAYBETH SHAW

Partner
maybeth.shaw@bdoni.com

FIONA HALL

Principal, Personal Tax
fiona.hall@bdoni.com

CLAIRE McGUIGAN

Director, Corporate Tax
claire.mcguigan@bdoni.com

GERALDINE BROWNE

Director, Employment Tax
geraldine.browne@bdoni.com

KAREN DOHERTY

Director, Corporate Tax
karen.doherty@bdoni.com

LORRAINE NELSON

Director, Corporate Tax
Lorraine.nelson@bdoni.com