

Budget 2021 - Key Points

Covid Support

Furlough Scheme

- Extended till end of September 2021
- Government to continue paying 80% till June
- Employer will be asked to contribute 10% in July, 20% in August and September

Self Employed Income Support Scheme

- Extended till September 2021
- Anyone that couldn't previously claim, can now claim so long as you have filed your personal tax return (due 28th Feb 21)

Universal Credit / Working Tax Credit

- £20 increase in Universal Credit to continue for another 6 months
- Working Tax Credit claimants will receive a one-off payment of £500

Minimum Wage increased to £8.91 an hour from April 2021

Taxation

- Income Tax, Vat and National Insurance - nothing changes
- Stamp Duty holiday on house purchases extended till June 2021, no tax liability on sales of less than £500k
- Inheritance Tax - No changes
- Corporation Tax - Higher rate to be introduced on company profits from 19% to 25%
 - Rate to be kept at 19% for smaller companies with profits less than £50k
- Personal Income Tax - Allowance to be frozen at £12,570 from April 2022-2026
- Higher Rate Income Tax - Allowance to be frozen at £50,270 from 2022 - 2026



Businesses

- Businesses will be able to deduct investment costs from tax bills, reducing taxable profits by 130%
- Companies that take on an apprentice - grants to rise to £3000
- Vat rate to stay at 5% for hospitality firms till September 2021
 - Vat rate to be 12.5% after September for another 6 months till April 2022
- Tax on spirits - No increase for a second year running
- Tax on fuel - no increase for a second year running
- Business rate holidays to continue till June 2021, after which point a 75% discount will be introduced
- Restart grants for shops and businesses that were forced to close
 - £6,000 per premises for non-essentials that will re-open in April (as per the roadmap)
 - £18,000 for Gyms, Personal Care businesses and other hospitality and leisure businesses
- New VISA scheme to help start-up companies and grow tech firms
- Contactless payments to rise to £100

Loans

Following the end of the BBLS and CBILS loan scheme, the government will now launch a **Recovery** Loan Scheme

- Any business can apply
- You can borrow from £25,000 - £10,000,000
- The Gov will guarantee the new loan scheme 80%

Mortgages

The government will launch 95% mortgages to help first time buys get themselves on the property ladder, with a host of lenders already starting to offer this product following on from the budget and alot more to follow.