

# **McGovern Accountancy Ltd.**

## **Business Taxes - Autumn Budget 2017**

The following is a summary of 2017 Autumn Budget in relation to Business Taxes.

### **Corporation tax rates**

As previously announced, the Corporation Tax rate remains at **19%** from April 2018.

### **Research and Development**

The Research & Development Tax Credit for large companies is to increase from 11% to 12% for expenditure incurred on or after 1 January 2018.

### **Capital Gains Tax indexation allowance**

Indexation allowance for gains made by companies will be frozen from 1 January 2018. When a company disposes of a capital asset giving rise to a chargeable gain, indexation will be calculated up to December 2017.

### **Water and Energy Efficient Equipment**

Loss making businesses acquiring energy or water efficient equipment, can claim a cash tax credit at two thirds of the current corporation tax rate of 19%, i.e. at 12.67%.

### **Zero Emission and Gas Refuelling Equipment**

Businesses incurring expenditure on the acquisition of zero emission goods vehicles or gas refuelling equipment can claim 100% first year allowance for a further 3 years.

### **Reimbursement of employee subsistence expenses**

From April 2019 employers will no longer be required to check receipts when reimbursing employees for subsistence when using benchmark scale rates.

### **Enhanced capital allowances**

The list of energy saving technologies qualifying for enhanced capital allowances will be updated to include additional items.