Employers' Newsletter

Introduction

In this edition we are starting with a focus on staff welfare/entertainment and trivial benefits. The reason for this is a reflection of where HMRC have been giving this area some considerable attention of late. The rules are complex and often based on the facts surrounding the payments being made and although many of the rules have been around for some time, the relatively new trivial benefits exemption provides employers with some new challenges.

We have outlined the rules and provided some examples of the likely tax treatment of various payments but as ever the advice will always be, if in doubt, please ask. A review of existing policies and even accounting treatment can sometimes head off an accumulation of cost as a result of misunderstanding of application of the rules.

We have also revisited a few changes that have been highlighted before but may be limping into existence in comparison to the original timetable. The new tax treatment of termination payments has arrived but the changes to the employer's NIC position has been delayed a further 12 months to date. We move on to consider a few points with an international flavour covering both the rules on short term business visitors and those around creating a permanent establishment. Both can accidentally cost an employer more than necessary and so planning ahead and taking advice is a wise move where international aspects are in point.

We also have our colleague Michael Lapham's comments on the pensions lifetime allowance changes. Key reading for all those who are finding their way through the endless changes on pension rules. We are lucky enough to have a team at Mercer & Hole who can work through the complexity to find a clear answer!

Finally a few miscellaneous points and our rates and allowances update as we head into the new tax year. Please contact me or any of my fellow authors if you need advice in any of the aspects covered in the articles or if there is a related point you require help with.

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Meet our Corporate and Business Tax Team

In this issue

Mercer & Hole

Staff welfare costs

Taking care of your employees' welfare is an effective way to boost staff morale and productivity, as well as building their loyalty towards your business. However, expenditure on staff welfare is not automatically exempt from employment taxes, and conditions are attached to the exemptions that do exist. Care is therefore needed to ensure you get things right and do not find yourself with an unexpected tax bill or penalty from HMRC.

Staff welfare costs could include buying birthday gifts; taking a team out to celebrate their performance; providing access to counselling services; buying in lunch during a busy period; or hosting the Christmas party.

Whichever costs you incur, the following steps will help you successfully manage the tax consequences:

- Plan ahead: decide on the types of staff welfare you want to provide and make sure you are clear on the tax treatment of each. If necessary, set spending limits to keep the costs within the available tax exemptions. Document this and keep it updated if things change.
- Review documentation: certain small value items are covered by a tax exemption for "trivial benefits", but this will be blocked if you have written an entitlement to those items into your employment policies or contracts or if they relate to employment.
- Provide training: staff with responsibility for authorising expenditure or maintaining accounting records need to be able to accurately identify staff welfare costs, their tax treatment, and the level of information to be retained.
- Update software: set up staff welfare nominal ledger codes on your accounting software for the various categories of expenditure you incur, e.g. annual events, trivial benefits, or taxable benefits. This will make it easier to calculate any tax due and save time later.
- Track expenditure: monitor your spending limits, and make sure your records show the cost of each staff welfare item, exactly what was provided, and the names of the employees who benefitted from each.
- Pay the tax! Applying for a PAYE Settlement Agreement on eligible costs will allow you to settle the full tax bill so employees will not have to pay tax on items you've provided for their welfare. Otherwise, the benefits will have to go through the payroll or be reported on forms P11D.

Just to give you an idea of the complexity of the position would be, here are a few examples:

- Buying a birthday gift - potentially exempt under trivial benefits.
- Taking a team out to lunch to celebrate their performance – taxable.
- Access to counselling services – should be exempt.
- Buying in lunch during a busy period – taxable unless via a staff canteen open to all staff.
- Hosting a Christmas party – exempt provided the cost is not more than £150 per attendee (including VAT), otherwise taxable in full.

If you incur staff welfare costs and would like advice on their tax treatment or the systems you have in place, please get in touch.

By Jacqui Gudgion, Tax Director

Annual events

The work Christmas or summer party is a regular fixture on many employees' calendars and most staff would be aghast at the suggestion it might be a taxable benefit for them. However, unless you make sure you have met the conditions for the annual event exemption somebody will be paying tax on that party, even if it is not your staff.

So, whether you throw a Christmas party, put on a Summer Ball, or take your staff go-karting each year, these are the conditions you need to meet to benefit from the tax exemption:

- The primary purpose must be to entertain your staff, not customers or other contacts.
- The event must be annual, even if you do something different each year. A one-off special event is not covered by the exemption.
- It must be open to all staff. If you have multiple locations or want to run separate events for each department, all staff must be invited to at least one event. An event cannot be only for directors, unless all your employees are directors.
- The cost per head must be under £150. All attendees, including non-employees, should be factored into your headcount for this calculation.

There are a few problems commonly encountered with the cost calculations for this exemption:

- The £150 exemption is a limit, not an allowance. If the cost exceeds £150 then the full amount is taxable.
- Transport and overnight accommodations costs must be included in the cost.
- The cost is always calculated as the VAT-inclusive amount, even if the business is VAT-registered.
- If multiple annual events take place, the £150 limit is applied to the combined cost of all events. If the limit is breached, consider whether any combination of events is under the limit and then tax the full cost of any remaining events.

For instance, if you host three events costing £110, £30 and £60 per head, then the combined cost of the first two would fall under the limit at £140 and only the £60 event would be taxable.

If you would like to discuss the taxation of your annual events, please get in touch.

By David Hadley, Tax Director

Trivial benefits exemption – problems and pitfalls

The tax exemption introduced for trivial benefits offers a valuable tax relief, but brings with it a fresh set of potential pitfalls for employers. Our last Employer Newsletter outlined the conditions for this exemption. Some of the main difficulties being encountered by employers include:

- Record keeping: if you do not have records of the benefits provided that detail who has received which benefit and how much it cost per employee then you will be unable to verify that the exemption applies and you will have to treat it as taxable.
- Monitoring directors' benefits: directors of close companies can only receive a maximum of £300 worth of trivial benefits each year. A close company is essentially one controlled by five or fewer shareholders or any number of director-shareholders, but if you are uncertain as to whether this applies to your company please contact us for advice.
- Contractual benefits: any benefits that are written into your employment policies or contracts, or guaranteed elsewhere cannot benefit from this relief.
- Rewards for work: the trivial benefits exemption is intended to cover staff welfare and goodwill costs only and does not apply to anything that is a reward for work, such as performance rewards or leaving parties. Any such item will be taxable regardless of whether the cost is less than £50 or not.
- Working lunches: if staff are required to work through their lunch but are provided with a meal in exchange this is considered to be a reward for work and therefore ineligible for the trivial benefits exemption.
- Overlap with other reliefs: there may already be another exemption available for the type of expenditure you are incurring. Some of these are more generous, for instance, there is a £150 limit on the exemption for annual events.

If you require further advice on trivial benefits, please contact me.

By Cathy Corns, Tax Partner

Taxation of termination payments – a reminder of the new rules

Payments in Lieu of Notice (PILONs)

Since 6 April 2018, employers need to pay Income Tax and Class 1 National Insurance contributions (NICs) on PILONs whether or not they are contractual payments.

All employees need to pay Income Tax and Class 1 NICs on the amount of basic pay that they would have received if they had worked their notice in full, even if the payment is not described as a contractual PILON.

The balance of the termination payment and any statutory redundancy payment may be eligible for the £30,000 tax exemption and full NIC exemption. However, it is proposed that from 6 April 2020 (previously intended from 6 April 2019) the employer's NIC exemption will be limited to the first £30,000 though the employee NIC exemption will remain.

Foreign Service Relief

Prior to 6 April 2018 it was possible an individual could receive a compensation payment that related partly or wholly to a period of working abroad. The salary, etc. for such a period may have been outside the scope of UK tax and as such, the financial package was in some circumstances wholly exempt from tax and in other cases was subject to a reduced tax charge.

From 6 April 2018, where the date of termination of employment is on or after 6 April 2018, and the payment, or other benefit, is received after 13 September 2017, foreign service relief will only be available if the individual is not UK resident in the tax year when the termination is made. There are special rules for seafarers.

If you would like to discuss how the new rules impact on your business, please contact me for further advice.

By Jacqui Gudgion, Tax Director

Apprenticeship Levy/costs

The apprenticeship levy applies as from 6 April 2017 at a rate of 0.5% of payroll cost, offset by a £15,000 'levy allowance'. This means that, in effect, it applies only to employers with an annual payroll cost of £3 million or more.

Employers can access the levy to finance their qualifying apprenticeships. To access the levy, employers are required to accept an agreement with the Skills Funding Agency. Once the agreement is accepted, employers can use the funding in their account to pay for training offered by one of the apprenticeship training providers certified by the government. It can be used towards training any eligible learner, whether a school leaver or an existing employee. It can be used to pay for accredited apprenticeship training schemes as well as the costs of any assessments or certification. It cannot be used to cover the wages paid to apprentices.

Small business that do not actually pay the apprenticeship levy can also access the fund though they have to contribute 10% of the costs. In last year's Budget the Chancellor announced that this was to be reduced to 5% of the costs. This change was published in the 2018 Autumn Budget and the change came into force on 1 April 2019.

If you require further advice or assistance, please do get in touch.

By David Hadley, Tax Director

Short Term Business Visitors (STBV)

Where employees of an overseas branch or an overseas group company come to work in the UK then the starting point is that they need to be paid through the payroll and, be subject to PAYE, even if they are here for a short period.

This though is not necessary if they fall within the conditions of 'EP appendix 4 criteria for short term business visitors'. This arrangement must only be applied where individuals are:

- Resident in a country with which the UK has a Double Taxation Agreement under which the Dependent Personal Services / Income from Employment
- There is an appropriate double tax treaty with the relevant non UK jurisdiction
- Coming to work in the UK for a UK company or the UK branch of an overseas company, or are;
- Legally employed by a UK resident employer, but economically employed by a separate non-resident entity; and
- Expected to stay in the UK for 183 days or less in any twelve month period.

The provisions rely on the company demonstrating that for specifically named employees whose presence in the UK is 60 days or more, the UK Company or branch will not in fact ultimately bear the remuneration specified. For those whose presence in the UK is 59 days or less, it is only necessary to show that the employees were paid via a non-resident employer's payroll.

Where agreement is reached with HMRC that this applies and in all other aspects the employee falls within the guidelines, then that part of the remuneration not ultimately borne by the UK Company or branch can fall within this arrangement and PAYE disregarded.

This arrangement, unfortunately, does not apply to STBVs from overseas branches of UK companies and for those individuals who are not residents of a country with an appropriate tax treaty.

STBVs from overseas branches of UK companies, or from countries which do not have a Double Tax Treaty with the UK, can be included in a Special Annual PAYE Scheme. It does not though apply to non-resident directors of UK companies. This allows the UK employer (or host employer) to make a single annual payroll report shortly after the end of the tax year, rather than making payroll reports on a monthly real-time basis. However, Special Annual PAYE Schemes can currently apply only to individuals who have 30 or fewer UK workdays during a UK tax year.

It is proposed that from 6 April 2020:

- The UK work day limit will extend from 30 to 60 days; and
- The reporting and payment deadline will move back from 19 April to 31 May following the end of the tax year.

Both of these changes should be beneficial to employers.

If you would like any further advice on the PAYE arrangements for employees coming to work in the UK, please contact me.

By Cathy Corns, Tax Partner

Special Annual PAYE Schemes can currently only apply to individuals who have 30 or fewer UK work days during a UK tax year

Creating a permanent establishment by accident

Creating a permanent establishment without planning (or even intention) is surprisingly easy to do but can give rise to significant tax complications and possibly costs.

Any activity carried out by a business in an overseas country that results in revenue being generated or value created is likely to be deemed by local tax authorities as a permanent establishment (PE). As a result the business will be liable for local taxes on the deemed revenue arising in that country.

In any given country whether or not a PE exists is determined by the local laws and any relevant double tax treaties. The determination of a PE is very much a grey area, but some tests are commonly used by tax authorities worldwide:

- The organisation operates out of a fixed place of business in the other country. This may include not only a formal office but also in some situations an employee's home office;
- An employee based in that other country receives sales-related remuneration;
- An employee's job title or description indicates activities related to revenue generation or sales, and that employee operates in the host country for a prolonged period;
- Sales are made to local customers under contracts negotiated by a locally-based employee, even if such sales are ratified by the main employer.

The above is quite wide ranging so here are some examples of situations that could give rise to a PE:

- You send a technician to another country to conduct software installation and maintenance services over a prolonged period to service a new client;
- You issue local payslips to an employee whose job title includes the word 'sales'.

A PE will generally not be deemed to exist where the activities performed are preparatory or auxiliary in nature, in other words they do not form an essential part of the business as a whole.

If a PE is created you will appreciate there is the possibility of a higher rate of tax being paid; although the overseas tax can normally be offset in the UK, the higher of the two rates will normally be applicable. There may, of course, be issues regarding employment taxes and VAT equivalent. It is always better therefore to check the position early on so you can make sure that local taxes are avoided or, at least, ascertained and planned for.

If you require further advice or assistance, please do get in touch.

By Jacqui Gudgion, Tax Director

Employment vs self-employment vs worker

Confusion abounds following the upholding of an earlier judgment by the Court of Appeal that two former Uber drivers should have been treated as permanent staff and were entitled to receive national minimum wage and holiday pay.

The Court of Appeal ruling means that the drivers were workers, employed by Uber London Ltd; and so had the right to national minimum wage and holiday pay. It also means that Uber could face increased employment tax bills in the UK if all drivers stop being classed as self-employed.

The Court of Appeal considered whether Uber contracts with passengers to provide driving services, which the drivers perform for it; or whether, as Uber argued, it acted only as an intermediary, providing booking and payment services and the drivers drive the passengers as independent contracts. The Court concluded that the written contract terms say the latter; but do not reflect the practical reality of the relationship and can therefore be disregarded.

This has thrown up warning lights on contracts for the future.

If you require advice or employment status, please contact me.

By Cathy Corns, Tax Partner

Loan scheme charge - April 2019

HMRC is taking action against certain loan arrangements ('disguised remuneration' schemes) that were designed to avoid tax, leaving many people with significant tax to pay. HMRC states that it appreciates not everyone entered into these arrangements knowingly to avoid tax. Indeed, some agency workers may have had little choice but to participate in such schemes, if they wanted to work.

Most loan schemes sought to reward an individual in the form of an interest free, non-repayable loan that was not subject to income tax or National Insurance contributions (NICs). HMRC call this 'disguised remuneration'. In 2011, the law was changed to try and stop people using such methods to avoid tax. However, there were various loopholes in the law, which meant that these types of schemes continued to be offered.

Additionally, loans made before the change in law remained in place untaxed unless or until the loan was varied in some way.

HMRC's powers now permit it to impose a second taxing point for historical schemes, in the form of the April 2019 loan charge. This charge will basically affect anyone who used one of these loan schemes and who has not yet paid PAYE thereon.

The loan charge broadly means individuals will be treated as if they had received a notional amount of employment income on 5 April 2019 equal to the value of all the tax-free loans received since 6 April 1999 unless income tax and NICs have already been properly accounted for.

HMRC has wide information gathering powers and is aware of most loan activity already; but as part of the loan charge rules, you will be required to self-assess any tax in 2018/19 and provide as much information as you can about the loans you have received, to make sure they are all captured in the loan charge.

The amounts taken as tax-free loans over the years will be put together and taxed as employment income all in one year – 2018/19 – at your marginal tax rate. As the amount is assessed as one lump sum amount, it will benefit from only one year's worth of allowances and tax bands, despite the fact it may have arisen over a number of years. While, in theory, the charge falls on the employer to pay, if the tax is uncollectable for any reason the likelihood is that the charge is going to be payable by the individual in line with the normal self-assessment tax return process. This means any income tax due will need to be paid by 31 January 2020. Provided any tax is paid by this date, there will be no interest or penalties.

If you have chosen to settle you should be able to negotiate with HMRC as to what you owe and agree a payment plan to pay your tax liability over time. There is no defined minimum and maximum time periods for payment arrangements and, indeed, HMRC has recently said that people with income under £50,000 can automatically get a payment plan of up to 5 years as long as they are no longer involved in tax avoidance. If you need longer to pay, this will be considered based on your individual circumstances.

If you are unclear about the possible impact for you or would like any assistance in calculating liabilities and liaising with HMRC, please do not hesitate to get in touch.

By David Hadley, Tax Director

Rates and allowances

National living wage

The hourly rate for minimum wage depends on your age and whether or not you are an apprentice.
For the 2018/19 and 2019/20 tax years, the following rates apply:

Year	25 and over	21-24	18-20	Under 18	Apprentice
2018/2019	£7.83	£7.38	£5.90	£4.20	£3.70
2019/2020	£8.21	£7.70	£6.15	£4.35	£3.90

In order to receive the national minimum wage, you must be at least 16 years of age. Those who are entitled to receive the national minimum wage, include, part-time workers, apprentices, disabled workers and offshore workers. Those who are not entitled to receive minimum wage, include, self-employed individuals, company directors, volunteers, workers on a government employment programme, members of the armed forces, workers younger than 16 and, people living and working in a religious community.

To receive the national living wage, you need to be at least 25 years of age.

Personal Allowances rates and thresholds

For the current tax year the personal allowance is £11,850. (This may be increased if you also claim marriage allowance or blind person's allowance.) Where income is over £100,000, the personal allowance is reduced by £1 for every £2 over this threshold, and where the income exceeds £123,700, your personal allowance is reduced to nil. The basic rate for the current tax year is between £11,851 (the personal allowance) to £46,350. Any income which falls within this rate is taxed at 20%. Income between £46,351 to £150,000 is taxed at the higher rate of 40%. Any income over £150,000 is taxed at the additional rate of 45%.

The personal allowance for the 2019/20 tax year will be increased to £12,500, with the following tax rates:

- The basic rate of 20% being between £12,501 to £50,000.
- Any income from £50,001 to £150,000 will be taxed at 40%.
- Any income over £150,000 will be taxed at 45%.

National Insurance rates and thresholds

The rate for National Insurance contributions for the 2018/19 tax year are as follows:

Class 1 National Insurance thresholds:

- LEL (Lower Earnings Limit) - £116 p/w, £503 p/m, £6,032 p/y.
- Primary Threshold (PT) - £162 p/w, £702 p/m, £8,424 p/y.
- Secondary Threshold (ST) - £162 p/w, £702 p/m, £8,424 p/y.
- Upper Secondary Threshold (Under 21) - £892 p/w, £3,863 p/m, £46,350 p/y.
- Apprentice Upper Secondary Threshold (apprentice under 25) (AUST) – £892 p/w, £3,863 p/m, £46,350 p/y.
- Upper Earnings Limit (UEL) - £892 p/w, £3,863 p/m, £46,350 p/y.

Class 1 National Insurance rates for 2018/19 (employee primary contribution rates)

National Insurance Category Letter	Earnings at or above LEL up to and including PT	Earnings above the PT up to and including UEL	Balance of earnings above UEL
A	0%	12%	2%
B	0%	5.85%	2%
C	Nil	Nil	Nil
H – Apprentice Under 25	0%	12%	2%
J	0%	2%	2%
M (Under 21)	0%	12%	2%
Z (Under 21-deferment)	0%	2%	2%

Employer (secondary) contribution rates

National Insurance Category Letter	Earnings at or above LEL up to and including PT	Earnings above the PT up to and including UEL/UST/AUST	Balance of earnings above UEL/UST/AUST
A	0%	13.80%	13.80%
B	0%	13.80%	13.80%
C	0%	13.80%	13.80%
H – Apprentice Under 25	0%	0%	13.80%
J	0%	13.80%	13.80%
M (Under 21)	0%	0%	13.80%
Z (Under 21-deferment)	0%	0%	13.80%

National Insurance rates and thresholds for 2019/20

Class 1 National Insurance thresholds:

- LEL - £118 p/w, £512 p/m, £6,136 p/y
- Primary threshold - £116 p/w, £719 p/m, £8,632 p/y
- Secondary threshold - £166 p/w, £719 p/m, £8,632 p/y
- Upper secondary threshold (under 21) - £962 p/w, £4,167 p/m, £50,000 p/y
- Apprentice upper secondary threshold (apprentice under 25, AUST) – £962 p/w, £4,167 p/m, £50,000 p/y
- Upper earnings limit – £962 p/w, £4,167 p/m, £50,000 p/y The employee primary contributions, and employer secondary contribution rates remain the same for 2019/20.

If you require any clarification on rates and allowances in relation to your circumstances, please get in touch.

By Jacqui Gudgion, Tax Director

Student loan repayment thresholds

The amount of the repayment is dependent upon which plan the employee is on.

If they are on plan 1, the following rates apply for 2018/19:

- £18,330 p/y, £1,527.50 p/m, £352.50 p/w

If they are on plan 2, the following rates apply:

- £25,000 p/y, £2,083.33 p/m, £480.76 p/w

The deduction is 9%, irrespective of which plan you are on.

For 2019/20, the following rates will apply for those on plan 1:

- £18,935 p/y, £1,577.94 p/m, £364.13 p/w

For those on plan 2, the following rates will apply:

- £25,725 p/y, £2,143.75 p/m, £494.71 p/w

The deduction remains at 9%. For postgraduates, the following rate will apply:

- £21,000 p/y, £1,750 p/m, £403.84 p/w.

The rate for deduction on postgraduate loans is 6%.

If you require any advice on student loan repayment, please contact me.

By David Hadley, Tax Director

Salary sacrifice

Salary sacrifice or Optional Remuneration Arrangements apply to any employee who in their employment contract is offered the alternative of cash or a benefit in kind.

Under the rules the taxable benefit is determined to be the higher of the cash sum sacrificed or the level of benefit in kind arising, for example on the company car. This can mean that the taxable sum on the benefit is significantly increased over the amount that has historically been the case.

For example, if an employee is offered a cash alternative to a company car of £6,000 per year, or a particular company car on which the benefit in kind is say £2,000 they will, under the optional remuneration arrangement, be taxed on the greater of £6,000 (the cash allowance) or £2,000 (the benefit in kind on the company car they are provided with). That particular employee would face an unwelcome increase in the tax they will pay if they have exercised the option to take the car rather than the cash.

The rules have been generally in force only since April 2018 so this is the first year for reporting such arrangements on forms P11D. Employers need to ensure they have the additional information they will need for the forms P11D and will need to alert those employees who are impacted.

If you would like further clarification on this matter, please get in touch.

By David Hadley, Tax Director

Employment allowance

This allows businesses and/or charities to claim up to £3,000 per year off your National Insurance bill, provided you are an employer. The allowance will reduce your employers' secondary Class 1 National Insurance, each time you payroll until £3,000 has gone or the tax year ends, whichever occurs sooner. You can only claim against Class 1 National Insurance you've paid, up to a maximum of £3,000 per year. You can still claim the allowance if you have paid less than £3,000. If you are part of a group, only one of the companies within the group can make the claim. The allowance aims to support smaller businesses with the cost of taking on more staff.

If you need any further support on claiming the employment allowance, please get in touch.

By Cathy Corns, Tax Partner

The changes to pension limits and allowances

Auto enrolment

The second of the planned increments to minimum contribution levels under auto enrolment came into force as of 6 April 2019. At that time the minimums will increase from 5% to 8%, at least 3% of which has to be paid by the employer.

This means that many employers' pension contribution costs will increase by 50%, from 2% to 3%. In addition, many employees will see their contribution levels increased from 3% to 5%, although many employers are choosing to 'match' their employees' contributions, so each party pays half, i.e. 4%.

It is worth remembering however, that the minimum percentages are based on the employee's earnings, which are those between the lower and upper earnings limits for National Insurance calculation purposes. So for the 2018/19 tax year, this would mean earnings between £6,032 and £46,350. So the minimum requirement would be the same for individuals earning £46,350 and £100,000 for example.

It should also be noted that the term 'earnings' potentially includes far more than just salary. Commission, bonuses, overtime, statutory maternity pay and some P11D benefits are just some of the components that need to be included.

Lifetime allowance

Auto enrolment minimum contribution levels are not the only changes to pensions to come into effect in the new tax year.

Having been brought down from £1.25 million to £1 million in 2016, it was set to rise with increases in the Consumer Prices Index (CPI) every year thereafter.

As a result it will increase from the current £1.03 million to £1.055 million from 6 April.

Individuals with pension funds in excess of this limit face a potential Lifetime Allowance tax charge on the excess when drawing from (crystallising) their pots, in addition to any income tax payable.

However, the opportunity for some to protect their pension funds from a Lifetime Allowance tax charge is still available, in the form of Fixed and/or Individual Protection 2016. Details of how to apply can be found at: https://www.gov.uk/guidance/pension-schemes-protect-your-lifetime-allowance

Annual allowance

Fortunately, rules relating to maximum that can be paid into an individual's pension per tax year are not changing in April. For most people, total contributions from all sources (e.g. personal and employer contributions and those who receive contributions for a third party) remain limited to the lower of the individual's relevant earnings and £40,000. However, there are a number of scenarios where an individual's Annual Allowance is actually much less than this.

It should also be noted that 5 April 2019 represents the last day on which carrying forward unused allowance from the 2015/16 tax year was possible.

If you would like to discuss auto enrolment or any aspect of pension planning, please do get in touch.

By Michael Lapham, Chartered Financial Planner

For most people, total contributions from all sources remain limited to the lower of the individual's relevant earnings and £40,000

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