



**Oury Clark**

Oury Clark Presents

# Mitigate the Madness

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Jemma Lalwani and Simon Walsh

Episode

# Mitigating the Madness

## How It Works

- We are Oury Clark.
- A multidiscipline professional firm in London and in the South East of England.
- That basically means Lawyers and Accountants in one firm.
- We also have a Medical GP service, Financial Services, People, Recruitment, Insolvency and other professionals.
- We are trying to provide some guidance to clients through the crisis.
- Some slides are more detailed than others so you can refer back.
- We will deal with questions at the end, but please raise any through the 'raise hand' button at any time.

# Mitigating the Madness

## Previous Episodes

Check our [YouTube Channel](#) for Oury Clark if you want to watch the previous episodes... which for the most part are still relevant.

This is being recorded, and we will put it on YouTube. We will share the slides to all that registered. Both webinars today are live, so they will have slight different content.

Number 1

# Rishi's Winter Warmers Economy Plan

A Package of Measures.

By Simon Walsh

# Mitigating the Madness

## Tax Cuts and Deferrals

As part of the package, the government announced it will extend the temporary 15% VAT cut for the tourism and hospitality sectors to the end of March next year.

But boy it's been confusing finding out what businesses are eligible.

This will continue to apply to suppliers of food and non-alcoholic drinks from restaurants, pubs, bars, cafés and similar premises, supplies of accommodation and admission to attractions across the UK.

Yes it can apply to deposits already taken – *“Currently, there are no plans for anti-forestalling legislation to be implemented.”*

## Mitigating the Madness

### Self-Employed Get More Support

12-month extension from HMRC on the “Time to Pay” self-service facility, meaning payments deferred from July 2020, and those due in January 2021, can now be deferred further under a formal Time To Pay arrangement.

The tax due must be paid by 12 monthly instalments from February 2021– January 2022.

If the tax deferred is £30,000 or less, there will be an online facility to request the Time To Pay arrangements.

Where tax deferred is > £30,000 a phone call will need to be made to HMRC to agree the arrangement.

# Mitigating the Madness

## Loan Schemes

ALL of the government's coronavirus loan schemes are extended until the end of November.

All means the Coronavirus Business Interruption Loan Scheme, the Coronavirus Large Business Interruption Loan Scheme, the Bounce Back Loan Scheme and the Future Fund.

Bounce Back Loan relaxation of repayment terms. This will provide flexibility for firms repaying a Bounce Back Loan. This includes extending the length of the loan from six years to ten, which will cut monthly repayments by nearly half.

Can also extend the length of CBILS from a maximum of six years to ten years, if it will help the business repay.

# Mitigating the Madness

## Investment in Public Services

£68.7 billion of additional funding has been approved by the Treasury, including £24.3 billion since the Summer Economic Update in July.

HS2 going ahead.

There is some sense that we may be looking at a Franklin D Roosevelt NEW DEAL approach of public services providing employment.

Number 2

# Job Support Scheme & Returning to Work

By Ross Meadows &  
Cacy-Leigh Neilson

# Mitigating the Madness

## Job Support Scheme

### What is it?

- Government grant for businesses – will run from 1 November 2020 – 30 April 2021.
- Designed to protect “viable” jobs and keep employees “attached” to the workforce.
- The employer pays for time worked.
- Cost of hours not worked will be split the government and the employer.
- Government pay 1/3 of hours not worked subject to a cap of £697.92 per month.
  - Employer pays 1/3 of hours not worked.
  - Employee has to agree to a wage reduction for the remaining 1/3 of hours not worked (unless the employer decided to pay for the 2/3 not worked) so the employee keeps their job.

# Mitigating the Madness

## Who Is Eligible?

### Employees:

- Must be on employers PAYE payroll on or before 23 September 2020 and need to have submitted Real Time Information to HMRC on or before 23 September.
- First three months of the scheme, must work at least 33% of their usual hours. (after 3 months the government may increase the minimum hours threshold.
- Each grant claim must cover a minimum period of seven days.

# Mitigating the Madness

## Who Is Eligible?

### Employers:

- Need a UK bank account and UK PAYE scheme.
- Targets SME's.
- Financial Assessment Test – Larger businesses could be allowed to participate if they can show their turnover is lower now than before experiencing difficulties from COVID-19 – Financial Assessment Test (expected to not be making capital distributions, such as dividend payments or share buybacks, whilst accessing the grant.
- Although initial guidance states “Our expectation is that employers cannot top up their employees’ wages above the two-thirds contribution to hours not worked at their own expense”, our view (other guidance appears to confirm this) is that employers will have to agree in writing the reduction in hours with the employee and a reduction in pay so that the employer does not have to pay the remaining 1/3 of the unworked hours or make additional contributions because of the government cap (see later).

### What Does the Grant Cover?

- For the unworked hours the government and employer will pay 1/3 each of the unworked hours subject to the government contribution being capped at £697.92 a month.
- The grant will not cover Class 1 employer NICs or pension contributions.
- These contributions will remain payable by the employer.
- Unlike furlough, the grant will not cover periods where the employee has been made redundant or put on notice of redundancy.

# Mitigating the Madness

## How to Claim?

- Will claim through Gov.uk portal by December 2020.
- Grants will be payable in arrears meaning that a claim can only be submitted in respect of a given pay period, after payment to the employee has been made and that payment has been reported to HMRC via an RTI return.

## HMRC Checks

- As with furlough, HMRC will check claims.
- Do not abuse!

# Mitigating the Madness

## Example – Boris Jansen

Boris normally works 5 days a week and earns £350 a week. His company is suffering reduced sales due to coronavirus.

Rather than making Boris redundant, the company puts Boris on the Job Support Scheme, working 2 days a week (40% of his usual hours).

His employer pays Boris £140 for the days he works.

And for the time he is not working (3 days or 60%, worth £210), he will also earn 2/3, or £140, bringing his total earnings to £280, 80% of his normal wage.

The Government will give a grant worth £70 (1/3 of hours not worked, equivalent to 20% of his normal

wages) to Boris' employer to support them in keeping Boris' job.

Hours Employee Worked	33%	40%	50%	60%	70%
Hours Employee Not Working	67%	60%	50%	40%	30%
Employee Earnings (% of normal wages)	78%	80%	83%	87%	90%
Gov't Grant (% of normal wages)	22%	20%	17%	13%	10%
Employer Cost (% of normal wages)	55%	60%	67%	73%	80%

# Mitigating the Madness

## Return to Work...

**But don't if you are able to work from home... but come in to the office if you can't. How should employers even begin to prepare?**

### **22 September guidance:**

- Office workers who can work effectively from home should do so over the winter.
- Where an employer, in consultation with their employee, judges that an employee can carry out their normal duties from home they should do so.
- Anyone who cannot work from home should go to their place of work.

- Employees who are in the clinically extremely vulnerable category can go to work if it is Covid-Secure, but should carry on working from home wherever possible.

### **Must employers stop their return to office plans?**

- No. The current guidance is “clear” – office workers who can work from home effectively should do so and anyone else who cannot work from home should go to their place of work.

# Mitigating the Madness

## Return to Work...

### How do I approach this with my staff?

- Remember a one-size fits all approach does not work.
- You need to consult with all staff. Ask them questions and assess their home working, living situation, as well as their general health and well-being.

# Mitigating the Madness

## Return to Work...

### Ask questions such as:

- Do you have space at home where you can work effectively without distraction?
- Are you happy with your home working environment?
- Please take pictures of your home set-up where you work at home including your table, chair and computer.
- Please give a clear overview of your working environment.
- Please test your internet speed by using this [link](#) and enter the download speed you have.
- Given the nature of your role, do you believe you work more effectively from the office?
- Does your role require you to access any documents or equipment from the office?
- Do you think coming in to the workplace on occasions would be beneficial to you?
- Are you “at risk” or are you “shielding”?
- Are you living with anyone “at risk” or who are “shielding”?
- Ensure your office is COVID Secure – the Health and Safety Executive provides great guidance and advice on how to get your workplace ready to welcome employees back safely and securely – [hse.gov.uk](https://www.hse.gov.uk)
- Long-term contingency plans.

Number 3

# Brexit

Goods/Companies (VAT/DUTY).

By Andrew Oury & Juliet Oury



## Mitigating the Madness

# Brexit Is Happening

It really is.

Looks like we are aiming for

“Singapore on Steroids”.

But it initially it maybe more like

“Banana Republic on life support...

With no bananas”.



# Mitigating the Madness

## Brexit Is Happening

**When:** 1st January 2021.

**Good News:** It's impact is fairly minor from a technical point of view.

Apart from companies who buy or sell physical goods. Particularly if you are B2C. This is because of VAT and the (now legendary) "Customs Union". That means the area of Europe that is in effect for customs and import – considered a single Territory.

**Bad News:** The Government is still negotiating, and seems to be better at breaking things, than fixing them.

**Mitigation:** This is what you need to know, and the action you need to take:

# Mitigating the Madness

## If Selling B2B Services

In short – you are fine.

No changes, you can continue to provide services cross border from anywhere in the world, to anywhere in Europe (including the UK) and essentially there is no change.

# Mitigating the Madness

## If Selling B2C Services

Well, currently you may be relying on distance selling thresholds.

Distance Selling Thresholds allow you to register in one European Country (currently the UK?) to sell to consumers across Europe up to 35,000 Euros, or in some places (e.g. Germany) 100,000 Euros, and charge UK VAT to your customers, and not have to register there unless you breach the local thresholds.

**NO LONGER ALLOWED** from 1st January 2021.

If services supplied from the UK, you need to register for VAT in Europe in the country you are supplying services.

There is a single registration point however for supplying digital services across Europe, call a MOSS.

However – For digital services, if your business currently completes a Union-MOSS for B2C supplies then this will need to be switched to a non-Union MOSS scheme.

Non-Union – as the UK is no longer in the European Union.

Also watch out – services are connected to a location, like a Hotel Room, or Advertising, re “use or benefit” rules. But if these apply to you – you are already required to have registrations in Europe to manage these.

# Mitigating the Madness

## Financial Services?

If the UK leaves without a deal you will no longer be able to use the ‘passporting’ regime. Meaning you will no longer be able to access the EEA from the UK, or the EEA access the UK.

### **Temporary permissions regime**

The temporary permissions regime (TPR) will enable relevant firms and funds which passport into the UK to continue operating in the UK when the passporting regime falls away at the end of the transition period.

The window for firms and fund managers to notify us that they want to use the TPR is currently closed.

They re-opened the notifications window yesterday.

## Mitigating the Madness

# If Selling B2C goods across Europe with Stock held in the UK

Okay this is the big bananas... From 1st January – **NO MORE DISTANCE SELLING THRESHOLDS.**

So, you can no longer rely on the 35000 - 100,000 Euro allowances per European Country if shipping from the UK.

So, you will need a registration for VAT in Europe so you can IMPORT the goods into Europe.

Then from there you can import into that country – and then on sell across Europe using the Distance Selling Thresholds.

Because you are going to SHIP your goods there, and that is how you will “Enter” Europe.

You don't have to get a company (unless you are putting people or an office there, then you need to consider) – you just register for VAT There, and SHIP THROUGH that country.



# Mitigating the Madness

## Fiscal VAT Representation

BUT Note more countries require a “FISCAL” Vat representative.

Meaning you have to pay for someone locally to be liable.

The UK, Ireland, Germany, Czech, France and Malta do not require fiscal VAT reps – but almost everywhere else does.

But all it means in practice is you have to pay more to register, and to file VAT returns.

Most popular Port to ship is Rotterdam in Holland.

BUT

1. Forming companies is a nightmare (you all have to fly in and get married to a notary),
2. They have silly taxes for foreign companies (Google what's going on with Unilever who are moving lock stock to London), and
3. Require Fiscal VAT REPRESENTATION.

If you want to do Holland – probably get an IRISH Company (Much easier to form) and use that to register in Holland.

# Mitigating the Madness

## Importing Goods From Europe

Well that's okay.

But you do need an EU VAT EORI number to EXPORT from EUROPE TO THE UK,  
OR TO IMPORT INTO EUROPE.

You need a UK ONE TO IMPORT INTO THE UK, OR EXPORT OUT OF THE UK.

So you will need TWO EORI NUMBERS IF YOU MOVE GOODS BACK AND FORWARD.

(UK EORI NUMBER IS your VAT number GB 123 234 454 with 000 on the end. You can [check it here](#).)

## Mitigating the Madness

### For Goods Companies

From 1st JULY ACROSS THE EU (MAYBE DELAYED).

#### **NEW OSS and NEW THRESHOLDS.**

We can't access them from 1st January because of Brexit, but the EU is abolishing all current EU distance sales thresholds from 1 July 2021.

Instead, it is introducing an EU-wide threshold of €10k.

Rather than having to register in every EU country your consumer is based, the EU is introducing a simplification measure known as one-stop-shop (OSS).

If you are VAT registered in one EU Member State, then you can register for a Union-OSS and account for VAT on goods and services you sell to all other EU countries.

A UK company can therefore register for VAT in say Germany, and then register for an Union OSS.

# Mitigating the Madness

## For Goods Companies

Postponed VAT Accounting for Imports.

From 1 January 2021, the UK is introducing a system of Postponed Accounting for Import VAT – meaning you pay the VAT on import through your VAT return, not at the port (like Holland).

Businesses importing goods from the EU – 3 phase plan.

**PHASE 1** – starting on 1 January 2021.

Customs declarations can be deferred for up to six months for imports of all standard goods (not alcohol or tobacco) from the EU until 1 July 2021.

**PHASE 2** – starts on 1 April 2021 and requires that if you are importing products of animal origin or

regulated plants that you pre-notify the regulatory body and provide relevant health documentations.

**PHASE 3** – starts from July 2021 when all imports from the EU will require full customs declarations at the point of importation and you will have to pay the relevant tariffs on the imported goods. Full Safety and Security declarations will also be required, while Sanitary and Phytosanitary (SPS) commodities will see an increase in physical checks.

Imports of goods in consignments of value below £135. For imported goods (excluding excise goods and gifts) in a consignment not exceeding a value of £135, import VAT will no longer be due at the border.

# Mitigating the Madness

## EU VAT Refunds

EU Directive 2008/09 (8th Directive) will no longer apply to UK businesses, which means a VAT refund claim cannot be submitted using the HMRC's online portal.

Instead UK businesses will have to switch to the paper-based '13th Directive' claim system that non-EU businesses use today. This takes considerably longer time to complete and includes paper copies of invoices.

If you have an EU refund claim to make please note that the last 8th Directive claim for UK businesses will cover the 4th quarter of 2020, and it will need to be submitted by 11pm on 31 March 2021. It is recommended that if you have any EU VAT to claim that the return is submitted as early as possible to ensure proper processing.

## Brexit – People (Visa's) – Juliet Oury

### Headlines

- If you employ EU nationals or are considering employing them, please bring them into the UK before 31 December 2020.
- Please ensure all your EU national employees have applied for settlement or pre settled status. It is a free online system.
- If you rely on EU nationals as part of your workforce then please apply for a Sponsor Licence now!
- Please ensure you check ALL employees passports and visas to ensure they have a right to work in the UK – up to £20,000 fine per illegal worker found.

# Mitigating the Madness

## Brexit – People (Visa's)

### Details

The UK left the EU on 31 Jan 2020. Until 31 December 2020 we are in a transition phase. Negotiations are ongoing for a new trade deal.

From 1 January 2021 EU national arriving to live and work in the UK will need a work visa. The most common way to employ an EU national after 31 December 2020 will be via a Sponsor Licence.

A Sponsor Licence can take 3-4 months to get. Only after the employer has a licence can it sponsor workers.

EU nationals who arrive in the UK up to 31 December 2020 have the right to live and work in the UK visa free provided they apply for Settled/Pre settled status. The deadline for applying is 30 June 2021. It is free to apply for this status known as EU Settlement Status.

If an EU national working in the UK does not get EU settled status by 30 June 2021, they will not have the right to work unless they have a different visa. Employment must be terminated.

Ensure you are undertaking right to work checks and regularly reviewing those who's right to work is time limited.

# Other Technical Effects – Andrew Oury

### Other Brexit Effects

**Dividend payments:** The Parent-Subsidiary Directive allows an exemption of withholding tax at source on dividends distributed between EU companies. It also exempts the dividends received from taxation at the level of the parent company if the equity interest in the subsidiary is at least 10% over a minimum period of 1 year. **MAY BE GOING.**

UK HAS NO WITHHOLDING TAXES STANDARD, OR TAXES ON RECEIVED DIVIDENDS – but if you have an EU GROUP be aware.

**Interest and Royalties:** The European Interest and Royalties Directive provides for a withholding tax exemption on royalties and interest if the shareholding (direct or indirect) is minimum 25%

and a minimum period of 1 year.

### **MIGHT BE GOING, but NOT IN THE UK.**

The British withholding tax exemption will remain applicable for interest and royalty payments by a British to a EU company on condition that the current conversion of these directives in the United Kingdom's national legislation remains unchanged.

**Reorganisations:** The Merger Directive provides for common taxation regulations for mergers, demergers (including partial demergers), transfers of assets and exchanges of shares.

Brexit may bugger this up – but in all honesty it's not very useful.

### Other Technical Effects (Continued)

Other relevant tax items.

- If no longer subject to the state aid rules, the UK might (re)introduce favourable tax regimes;

Could be good – various restrictions on UK to not do various things that might be a bit “Singapore on steroids”.

- If the UK is not prevented from discriminating EU companies, it might favour domestic industries;

We can worry about our industries... not France's.

- In order to keep the tax system attractive to foreign investors, the UK might consider reducing its corporate income tax rate;

Singapore on Steroids.

- The UK will fall out the envisaged harmonisation of corporate taxation in Europe (via the Anti Avoidance Tax Directive and the Common Consolidated Tax Base) and keeps control of its corporate tax system.

Basically, we do what we want when it comes to tax rate.

# Mitigating the Madness

## Other Legislation Unchanged

ALMOST ALL OUR LAW is... well LAW.

European Law does have preference over our own, but almost all of it is in British Law, and all double tax treaties remain in force – as they are country to country. Not EU to EU.

Honestly the above is it.

Might sound a lot.

But it's basically about VAT.

Number 4

# Property Changes

Stamp Duty Exemption, 30  
Day Tax Return on Property.

By Ian Phipps &  
Jemma Lalwani



# Mitigating the Madness

## Commercial Property

- Changes to use classes – no longer need planning permission to change between business use classes. New use class E replaces previous use classes for retail, restaurants, offices and leisure.
  - Means you can use the same premises as an office during the day and a restaurant during the evening, without needing planning permission.
  - Must check terms of existing planning permissions and terms of lease for any restrictions regarding permitted use.
- The Business and Planning Bill 2019-21 has introduced temporary measures making pavement licences cheaper, easier and quicker to obtain. A welcomed change to help businesses serving food and drink to seat and serve customers outdoors.
- Extension to forfeiture moratorium until end of this year.

## Residential Property

### SDLT on residential properties

- Temporary reduction in SDLT rates until 1 April 2021. No SDLT is paid at all on up to £500,000 of the purchase price for residential property. Significantly, it also benefits buyers caught by the 3% Higher Rate on Additional Dwellings, as such buyers now only pay SDLT at 3% on the first £500,000.
- Draft legislation has been published for an additional 2% SDLT surcharge on non-residents purchasing residential property in the UK from 1 April 2021.
- Most non-residents (and certain rental sector investors in particular) should therefore aim to complete any pending residential property purchases before 1 April 2021, given the double benefit of both the temporary SDLT holiday and the 2% surcharge not yet applying.

### All UK property – Capital Gains Tax

- Both UK and non-UK residents must report and pay CGT within 30 days of a disposal of any UK residential, commercial or mixed-use property.
- Must be reported even if there's no tax to pay or you've made a loss.
- Penalty of up to £600 or 5% of tax due (whichever is greater).
- Changes to PPR. Tax exemption on sale of your own home. Please be careful.
- Final period exemption now 9 months (not 2 years).
- Many will no longer get lettings relief on let property.
- Property rich companies – share sales.

Number 5

# Key Points for Those With Audited Companies

By Rachel Lockwood



# Mitigating the Madness

## Key Points for Audited Companies

Audits are required by any company or its group on a WORLDWIDE BASIS where 2 of the following applies :-

- Turnover of the group more than £10.2million;
- Gross assets of the group must be more than £5.1 million;
- Employees of the group must be more than 50.

Or specific other requirements due to being regulated or listed, etc.

## Key Points for Audited Companies

The guidance that the ICAEW has issued in the UK is much more stringent than most countries.

### **Significant additional work is required in respect of evaluating going concern, this:**

- Takes longer.
- Costs more.
- Needs to be planned for to ensure no delays.
- Is more likely to end up with some form of audit report modification.

Audit modifications will generally be more common in respect of going concern and are not the thing to be so determined to avoid as historically.

### **Types of audit report impact regarding going concern:**

- Emphasis of matter – light touch.
- Material uncertainty with respect to going concern.
- Disagreement.

# Mitigating the Madness

## Key Points for Audited Companies

Information to have ready to allow the auditors to assess and evaluate going concern appropriately:

- Forecasts.
- Sensitivity analysis.
- Cash flow forecasts.
- Support for the numbers in the forecasts.
- Support for funding.

If the company we are auditing is dependent on support from a parent company we will need to see this information for that entity and understand the impact of Covid 19 on them as well.

# Mitigating the Madness

## Conclusion

- Consider your cashflow and going concern position now, and in depth (you are very likely doing this already to work out how to survive).
- Understand the very high demands on the auditor to consider this, so you need to share more detail on this.
- Emphasis of matter is not the end of the world, and all companies are huge uncertainty at the moment. Work with your auditor to get the best result.

Number 6

# 6. Private Affairs

What you should know on  
Wills, Family Tax Planning,  
Pensions & Insurance.

By Andrew Thomas &  
Jemma Lalwani



# Mitigating the Madness

## Overview;

Nearly 2/3 of people in the UK have not made any provisions for later life such as preparing a Will or creating a Lasting Power of Attorney. The coronavirus pandemic has unfortunately highlighted the importance of having these in place.

# Mitigating the Madness

## Wills

Do you have one in place for your UK assets and if so, has it recently been reviewed to ensure it reflects your current wishes?

- Instructions can be taken over a video call.
- Video witnessing of wills is now permitted.

If you don't have a Will in place on death, intestacy rules will apply.

- If you leave a spouse and children, spouse will be entitled to your personal possessions, the first £270,000 of your estate and half of the rest of your estate. Your children will be entitled to the other half of the remainder of your estate when they reach 18.

- The law decides who inherits, not you, if you die intestate, so your siblings / nieces / nephews etc. may inherit nothing even though you would like them to.
- Likely to result in more IHT being payable than would otherwise be the case if IHT planning had taken place.
- No provision for unmarried partners / stepchildren.

Wills tend to be jurisdiction specific, and so even if you already have a will in place in another country, it may not necessarily cover your assets in the UK.

# Mitigating the Madness

## Lasting Powers of Attorney

Allow someone you trust to make financial and medical decisions on your behalf if you lose capacity. Important to have in place at the moment.

- People often assume that if they lack capacity to make their own health or financial decisions that their next of kin could make those decisions. However, unless you have a valid LPA in place, your next of kin does not have a legal right to make financial / health decisions or to act on your behalf if you lose capacity.
- Cannot be witnessed by way of a video call, must be witnessed in person.

# Mitigating the Madness

## Family Tax Planning

A will can be used to ensure you make provision for those that need it, whilst protecting assets for other beneficiaries. For example, married couples can set their wills up to protect a share of their home from being used to pay for care fees. Equally, for couples who each have children from previous relationships, a trust can be used to ring fence a part of the estate for those children. Otherwise, the intestacy rules may result in all the marital assets being passed down to the surviving spouse, with the children of the first spouse getting nothing.

## Mitigating the Madness

# Financial Planning – Covering the 'What Ifs'

- Life cover .
  - In trust?
  - Could you get your business to fund the premiums?
  - Are your liabilities covered? Family / IHT / Business loans etc.
- Critical illness & income protection.
- Pension Death benefits.
  - Expression of wish up to date?
  - Pension assets likely to free IHT – defer drawing?
  - Top up the account sooner rather than later.

Number 7

# Other News and Changes to the UK Tax System

...And Their Impact on You.

By Ian Phipps

## Mitigating the Madness

### Other News & Changes

1. HMRC being awkward on share for share clearances.
2. Change in Stamp Duty where shares are issued as consideration in a connected company transfer – new market value rule.
3. Working from home:

#### **Beware creating a Permanent Establishment.**

- Care if employees working overseas particularly if in management, sales, or listing any address in that country.
- Possible PAYE responsibility in new country.

#### **Expenses.**

- HMRC have finally clarified – if employee HAS TO work from home can claim. If not, then cannot claim.
- Basically gas/electricity/water and phone calls.

### Other News & Changes

4. Statutory Residence test.
  - “Exceptional circumstances” 60 days.
  - Covid counts as “exceptional” but:
  - Any days > 60 counts as a day of presence for the SRT.
5. DAC6 reporting requirements imminent.
  - Major tax compliance will be applying to accountants and lawyers to clarify international tax structuring advice that has any tax benefit.
  - Covers transactions from as long ago as 2018.
6. Entrepreneur’s Relief:
  - Now called Business Asset Disposal Relief.
  - Now limited to £1m over lifetime, and now requires 2 year of ownership.
  - Careful if no voting rights – recent case.

## Mitigating the Madness

### Other News & Changes

7. Off payroll rules coming in from 6 April 2021. If you are a “large” company, review relationships with contractors.
  - If relationship is one of employer/employee then a large company will be responsible for operating PAYE.
  - If there is an intermediary e.g. agency provider of contract workers, they may be responsible if they are “large”.
  - A simplified definition of “Large” is 2 out of 3 of:
    - Revenue > £36m.
    - Total assets > £18m.
    - >250 employees.
  - Overseas clients.
    - Wholly overseas clients are excluded from the off-payroll working rules.
    - No UK connection in the form of either being UK resident or having a UK permanent establishment.

**That's It... Good Luck Friends  
We're here – if you need us.**

Crisis council? Give us a shout, and lets get a team together, discuss, brain storm...  
and Innovate.

## Mitigating the Madness

# Questions & Answers...