



NEWS UPDATE

Something Taxing

Now is the time for a gentle reminder about the new Annual Investment Allowance for small businesses. For capital expenditure after 5th April 2008 and up to £50,000 per annum there will be a 100% allowance. Planning points are therefore a) If you are considering such expenditure in about February/March 2008, then consider whether it may be advantageous to delay this until April and b) If your expenditure on an individual item is going to be say £80,000, then consider whether the purchase could be split over 2 tax years (e.g. £45,000 in year 1 and £35,000 in year 2) in order to obtain relief of 100% on all of the expenditure.

As the festive season will soon be upon us again it is perhaps timely that we should remind you about the rules for subsistence claims (this is nothing to do with the Xmas party!). Allowable subsistence costs include the “reasonable level of refreshment (both alcoholic and non-alcoholic)”. The words “on a reasonable scale” are very important. Elaborate menus, fine wines and cigars are disqualified! However, when away on business, a pre-dinner drink and half a bottle of wine with dinner would be accepted. Beware not to use the “in room bar” as any such drinks will be disallowed.

Finally a couple of reminders. Firstly, those businesses who reimburse mileage using the Fixed Profit Car Scheme (i.e. at 40p per mile) then you must have petrol bills to cover the fuel element of the claim otherwise you could be denied an input VAT claim. Secondly, remember the tax free capital gains tax exemption of £9,200. That means that the first £9,200 of capital gains (net of losses) will not be taxed. This is a useful allowance for those with investments and is often overlooked.

Wicked Wisdom!

Tax avoidance – the only intellectual pursuit that still carries any reward.

Teenagers – God’s punishment for having sex.

Television – An invention that permits you to be entertained in your living room by people you wouldn’t want to have in your home.

2007 Roundup

2007 has been a pretty momentous year for Thomas Cox & Co, the highlight being our tenth anniversary. We have thoroughly enjoyed the various events that we have shared with our customers, including most recently our reception at the very lavish and impressive Luton Hoo Hotel Golf & Spa. Peter’s ‘girls’ are now looking forward to him treating us to a spa day there (hint, hint) - and hopefully we won’t have to wait until our 20th anniversary to enjoy it....!!!!

Finally..... we enclose our calendar with our compliments. The pictures, as usual, were all taken by Peter on his travels. Not sure where he is off to in 2008, but no doubt all will be revealed in next year’s publication!

The Thomas Cox team extend our very best wishes for the festive season to all of you and look forward to another exciting, busy and successful year in 2008.

Peter

4 Home Farm, Luton Hoo Estate, Beds LU1 3TD. Phone 01582 482224.

1st December, 2007

BUSINESS IS GREAT AND WE ARE READY FOR MORE. PLEASE DO REFER US TO YOUR BUSINESS ASSOCIATES.