NEWS UPDATE

Good News!

The government has now tabled the necessary regulations concerning the audit exemption applicable to companies with a turnover of less than £5.6 million. These come into effect on 30th March, which we interpret to mean that companies with 31 March year ends will be able to take advantage of the new regulations.

Disappointing News!

There are controversial government plans to clamp down on the tax affairs of small companies. Section 5.91 of the Chancellor's pre-budget report stated that the government "will bring forward specific proposals for action in Budget 2004, to ensure the right amount of tax is paid by owner managers of small incorporated businesses". There are no details about what this all means, but there are strong suggestions that NIC will be imposed on company dividends!!

Something light hearted

Letter from the Inland Revenue allegedly reprinted in the Guardian 27/09/03

Dear Mr Addison, I am writing to you to express our thanks for your more than prompt reply to our latest communication, and also to answer some of the points you raise. I will address them, as ever, in order. Firstly, I must take issue with your description of our latest communication as a "begging letter". It might perhaps more properly be referred to as a "tax demand". This is how we, at the Inland Revenue have always, for reasons of accuracy, traditionally referred to such documents.

Secondly, your frustration at our adding to the "endless stream of crapulent whining and panhandling vomited daily through the letterbox on to the doormat" has been noted. However, whilst I have naturally not seen the other letters to which you refer I would cautiously suggest that their being from "pauper councils, Lombardy pirate banking houses and puissant gas-mongers" might indicate your decision to "file them next to the toilet in case of emergencies is at best a little ill-advised. In common with my own business, it is unlikely that the senders of these letters do see you as a "lackwit bumpkin or, come to that, a "sodding charity". More likely they see you as a citizen of Great Britain, with a responsibility to contribute to the upkeep of the nation as a whole. Which brings me to my next point. Whilst there may be some spirit of truth in your assertion that the taxes you pay "go to shore up the canker-blighted, toppling folly that is the Public Services", a moment's rudimentary calculation ought to disabuse you of the notion that that the government in any way expects you to "stump up for the whole damned party" yourself. The estimates you provide for the Chancellor's disbursement of the funds levied by taxation, whilst colourful, are, in fairness, a little off the mark. Less than you seem to imagine is spent on "junkets for Bunterish lickspittles" and "dancing whores" whilst far more than you have accounted for is allocated to, for example, "that box-ticking facade of a university system".

A couple of technical points arising from direct queries: (1) The reason we don't simply write "Muggins" on the envelope has to do with the vagaries of the postal system; (2) You can rest assured that "sucking the very marrows of those with nothing else to give" has never been considered as a practice because even if the Personal Allowance didn't render it irrelevant, the sheer medical logistics involved would make it financially unviable. I trust this has helped. In the meantime, whilst I would not in any way wish to influence your decision one way or the other, I ought to point out that even if you did choose to "give the whole foul jamboree up and go and live in India" you would still owe us the money. Please forward it by Friday.

Yours sincerely

H Lee
Customer Relations

Happy New Year to all of you!

Peter

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