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One million firms comply with auto-enrolment

The number of employers that have complied with auto-enrolment passed one million for the first time in January 2018.

Data released by The Pensions Regulator showed the total number of employers to have completed their declaration of compliance stood at 1,032,567 in the first month of 2018.

More than 600,000 employers complied with their duties in the last 12 months, although around 150,000 have until the June 2018 deadline to enrol their staff.

Guy Opperman, minister for pensions and financial inclusion, said:

"With one million employers enrolling their staff into a workplace pension, we are creating a nation of responsible employers who are reassuring their workforce that with their support, they will have a secure retirement.

"Clearly this would not have been possible without the hard work and continued support of employers across the UK."

The first workers were automatically enrolled in October 2012, with staging dates bringing businesses and their employees into workplace pension schemes for the first time.

More than nine million workers aged 22 or over and earning more than £10,000 a year have benefitted from minimum employer contributions of 1% towards their workplace pension.

From April 2018, employers will need to contribute a minimum of 2% (up from 1%) while the employee will pay at least 3%.

In April 2019, the minimum contribution rates for employers will increase again to 3%, with the worker paying 5%.

Talk to us about your business.

Food and drink firms bring in record £22bn in exports

Food and drink businesses raised £22 billion from exports in 2017, a record high according to government figures.

UK food and drink firms are now exporting products to 217 countries around the world, with whisky proving the most popular – bringing in £4.5 billion last year.

This was followed by sales of salmon (£720 million), chocolate (£680 million) and cheese (£623 million).

Sales of milk and cream also rose by 61%, salmon by 23% and pork by 14%.

The top five destinations for UK food and drink exports were:

- Irish Republic (£3.7 billion)
- France (£2.3 billion)
- USA (£2.3 billion)
- Netherlands (£1.5 billion)
- Germany (£1.4 billion).

The announcement follows the creation of a new Food and Drink Sector Council, which had its first meeting on 29 January 2018.

The council aims to boost productivity, and make the sector more sustainable and competitive ahead of the UK's planned exit from the EU on 29 March 2019.

Priorities agreed in the first meeting include boosting skills, agricultural productivity, improving nutrition and establishing a sector deal.

Ian Wright, director-general at the Food and Drink Federation, said:

"UK food and drink is known across the globe for its provenance and quality. We are a proud home to many of the world's most beloved brands.

"We must now build on this platform in order to take advantage of new opportunities and the growing global appetite for great British and Northern Irish manufacturing as we leave the EU."

Contact us to discuss your exports strategy.

Taxpayers reclaim £493m from HMRC

HMRC has had to return nearly half-a-billion pounds to taxpayers since April 2015, claims analysis of government statistics.

Royal London reports the Revenue is overcharging on two areas of the tax system, and has had to refund £493 million as a result.

Savers using the new pension freedoms are among the hardest hit, as income tax on pension withdrawals is taken on an emergency tax basis.

Taxpayers have had to claim back £262 million since the pension freedoms were introduced in April 2015.

The freedoms allow over-55s to take their entire pension pot as a lump sum, with the first 25% tax-free and the rest taxed as if it were income.

The other area highlighted by the analysis was extra stamp duty charged on 'second homes', which turn out not to be second homes.

This applies to people who have completed the purchase of a house before selling their current home, incurring an extra 3% stamp duty charge on the transaction.

Since April 2016, a total of £231 million has been refunded to homeowners who were overtaxed in this way.

Helen Morrissey, personal finance specialist at Royal London, said:

"Taxes like the second home stamp duty were designed to clamp down on buy-to-let landlords, not people whose house sale took longer than they expected.

"Moving house is already a stressful enough activity without having to pay thousands in extra tax to HMRC and then have to claim it back.

"And these figures do not even include the people who are overtaxed without realising it and never claim a refund."

Steve Webb, director of policy at Royal London, believes the Revenue is "out of control" and suggested the government is "enjoying some extra interest until the money is claimed back".

Former pensions minister Webb added:

"HMRC operates a system of tax first, ask questions later. It is time to speak up for ordinary citizens who are forced to pay excessive amounts of tax and then go through the hassle of claiming it back."

We can help with your tax issues.

One in 15 face fines after missing tax return deadline

A total of 745,588 people run the risk of being fined by HMRC after missing the deadline to submit their self-assessment tax return.

About one in 15 taxpayers failed to beat the midnight deadline on 31 January 2018 to file their annual returns relating to the 2016/17 financial year.

Late payers can expect an initial £100 fixed penalty for late filing during the first three months after the deadline.

Thereafter, additional penalties of £10 per day can be demanded – up to a maximum of £900 – followed by extra charges six and 12 months after the deadline in the worst cases.

Angela MacDonald, director-general for customer services at HMRC, said:

"If you're one of the small number [of taxpayers] that missed the deadline, please submit your return now to avoid further penalties.

"We really don't want penalties, we just want tax returns."

Around 11.4 million people, predominantly made up of the self-employed and people with second incomes, were required to submit tax returns for 2016/17.

93.5% – or 10,687,761 taxpayers – submitted their returns on time, but 4.8 million of those left it late by submitting their returns less than a month before the final deadline.

HMRC received almost 1.3 million returns on 30 and 31 January 2018, accounting for 27% of the 4.8 million self-assessment tax returns submitted since the turn of the year.

Some 60,595 returns, or 17 submissions per second, were recorded between 4pm and 5pm on 31 January 2018, which saw 389,849 payments transactions processed on this day.

The Revenue received 771,331 returns ahead of the deadline for paper returns on 31 October 2017, accounting for just 7.5% of all tax returns as online submissions proved overwhelmingly popular.

MacDonald added:

"It's really fantastic to see that each year, more and more self-assessment customers are submitting their tax return before the 31 January deadline.

"But we're not complacent, we want the number missing the deadline to be zero."

Get in touch to talk about self-assessment.