

Budget 2021 Key Updates



In the Budget, Chancellor Rishi Sunak pledged once again to do ‘whatever it takes’ to protect jobs and livelihoods through the pandemic. And start to fix the public finances and begin building the future economy – a tall order given the damage caused by COVID-19! Then there are also the effects of Brexit to consider.

Key measures are below but for greater detail [READ OUR FULL BUDGET 2021 REPORT HERE.](#)

Budget – Highlights for businesses

- **Extension of the Coronavirus Job Retention Scheme (CJRS) aka ‘furlough scheme’ until 30 September.**
- **4th and 5th Self-Employment Income Support Scheme (SEISS) grants**, claimable from late April and late July 2021 respectively. Claims can be made by the self-employed who filed their tax return for 2019/20 by midnight on 2 March 2021, which should include the newly self-employed from 6 April 2019 - provided they have filed their 2019/20 tax return on time.
- **Extension of stamp duty holiday until 30 September.** The stamp duty nil rate band on residential properties in England up to £500,000 will continue until the end of June. It will taper to £250,000 until the end of September, and then return to the usual level of £125,000 from 1 October.
- **£5 billion restart grants to boost businesses after lockdown ends.** Non-essential retail businesses re-opening first will be eligible for up to £6,000. The leisure and hospitality sectors will re-open later, and will be eligible for up to £18,000. Hospitality and leisure businesses will also pay no business rates for the next three months, then rates will be discounted for the remaining nine months of the year.
- **Corporation tax set to rise to 25% in April 2023** for companies with profits over £250,000, whilst a Small Profits Rate of 19% for companies with profits of £50,000 or less will be retained.

- **Eight locations named for Freeports in England:** these are special economic zones with favourable tariffs and lower taxes to make it easier and cheaper to do business.
- **A Super-Deduction providing allowances of 130% on most new plant and machinery,** to encourage businesses to invest.
- **Personal tax and income tax rates frozen until 2025-26.**
- **Duties – alcohol and fuel taxes have been frozen.**
- **Green initiatives: the first ever UK Infrastructure Bank,** which will open in Leeds with £12 billion capitalisation from the government. It will offer a green retail savings product.

How we can help

Please get in touch if you would like any additional guidance on these issues.

Best wishes

The Wise & Co Team

Last updated in March 2021.