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NASDA warns dentists to braces themselves for tax increases

The Chancellor has delivered one of the most significant Budgets in years, on the eve of a general election and against a backdrop of unemployment, soaring government borrowing and quite possibly the hardest hitting recession since the Second World War.

Peter Howard, a NASDA founder member and a partner in Booth Ainsworth LLP, Chartered Accountants, which has a dedicated tax division, summarised the key points that may affect the dental profession:

- The increase from £50,000 p.a. to £100,000 of the Annual Investment Allowance which should benefit practices investing in practice extension or refurbishment. The 50% rate applicable to taxable income over £150,000 and the withdrawal of personal allowances at £100,000
- Capital Gains tax remains at 18% with the effective 10% Entrepreneurs Relief rate on business gains extended from £1 million to £2 million.
- Tax relief on pension contributions restricted for those with incomes over £130,000
- A one year temporary cut in business rates will benefit over half a million businesses and mean 345,000 small businesses will pay no business rates at all
- Pre announced increases in income tax rates were unchanged

For more information, contact Peter Howard on 0161 475 3920 or to find a NASDA member in your area go to www.nasda.org.uk