'Just a Trim' from George as Tax Cuts Keep Savers and Housebuyers Happy

Wednesday 3 December, 2014

Related Sectors:

Construction & Property ::

Scan Me:

- Chancellor announces income tax adjustments and inheritance changes
- Stamp Duty reform a huge boon for homebuyers and sellers
- ISA changes and pension reforms make inheritance more tax efficient

Following the Autumn Statement, **Sean McCann, chartered financial planner at NFU Mutual** reviews George Osborne's statement and highlights some of the announcements on tax and pensions that will impact people and businesses.

"Trimming income tax bills, cutting death taxes and adjusting the layers of Stamp Duty are more than just cosmetic changes but George Osborne will be waiting for next year's Budget before revealing his pre-election makeover.

"This was a stylish performance from the Chancellor who, according to some, hasn't had much to work with. However, time will tell if there are some bald patches underneath all of the detail."

Income tax

There was double delight for taxpayers in today's Statement. Not only will the tax free allowance be increased to £10,600 from next April but the higher rate of income tax won't be paid by anyone with income less than £42,385.

ISAs

Boosting the New ISA limit to £15,240 will be welcome news for savers and investors but for married couples there is now an extra perk to tax-efficient saving. Spouses and civil partners will be able to inherit an ISA with its tax benefits intact. Currently, tax benefits are lost on death.

Pensions

The announcements on pensions have already been widely publicised and will make saving into a pension much more attractive.

From April next year, up to age 75, unused pension pots will be able to be inherited tax free. In similar circumstances, joint life and guaranteed term annuities will also be free from income tax for the beneficiary.

Stamp Duty

For homebuyers, immediate changes to Stamp Duty Land Tax will mean that many people buying homes costing less than £937,500 will face lower charges. It is aimed to smooth out the big jumps in duty payable as house prices rise. It should be good news for people looking to sell property as well, particularly for those whose property is valued just above the current tax thresholds.

Inheritance tax

Like many people, we had hoped the Chancellor would announce a significant change to Inheritance Tax. We were disappointed today, but hold out hopes that something significant may be being held back for his key March Budget speech.

Fuel Duty

Lower oil prices have been a godsend for people living and working in the countryside. There were fears that the Chancellor, facing lower tax revenues on petrol and diesel sales could have increased fuel duty. Thankfully, he left rates unchanged.

---Ends---

Further Information:

Will Howell

Media Relations Executive

01789 202709

Will_howell@nfumutual.co.uk

Tim Price

Media Relations Executive

01789 202233

Tim_price@nfumutual.co.uk

About NFU Mutual

NFU Mutual offers a wide range of products, including general insurance, life, pensions and investments. These products and services are delivered through the agency network, as well as through a direct sales and service centre. NFU Mutual Financial Advisers advise on NFU Mutual products and selected products from specialist providers. We'll explain the advice services we offer and our charges.

With over 300 offices located in rural towns and villages throughout the UK, NFU Mutual has become part of the fabric of rural life and remains committed to serving the needs of people who visit, live or work in the countryside.

NFU Mutual is The National Farmers Union Mutual Insurance Society Limited (No. 111982). Registered in England. Registered Office: Tiddington Road, Stratford upon Avon, Warwickshire CV37 7BJ. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. A member of the Association of British Insurers. For security and training purposes, telephone calls may be recorded and monitored.

Company Contact:

_

Pressat Wire

E. support[@]pressat.co.uk

View Online

Newsroom: Visit our Newsroom for all the latest stories:
https://www.wire.pressat.co.uk