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Chancellor announces Spring Statement date

Chancellor Philip Hammond has announced that this year's Spring Statement will be delivered on Wednesday 13 March.

The 2019 Spring Statement will be the second of its kind: in the 2016 Autumn Statement, the Chancellor announced a major shake-up of the government's fiscal timetable. This saw the abolition of the Autumn Statement, in favour of an Autumn Budget and a Spring Statement.

This year's Statement will be delivered just 17 days before so-called 'Brexit Day' – the day that the UK is set to leave the EU. Many expect Mr Hammond to deliver an emergency Budget if the UK leaves the EU without a Brexit deal.

The Spring Statement is used by the Chancellor as a way of responding to new economic forecasts produced by the Office for Budget Responsibility (OBR), and to discuss long-term issues ahead of the 2019 Autumn Budget.

The government retains the right to make changes to fiscal policy during the Spring Statement, 'should the economic circumstances require them'.

HMRC confirms Brexit will not affect roll-out of MTD for VAT

HMRC has confirmed that Brexit will not affect the introduction of Making Tax Digital for VAT (MTD for VAT).

MTD for VAT is set to come into effect from 1 April 2019 for businesses which have a taxable turnover above the current VAT registration threshold of £85,000. As part of the initiative, firms must keep some records digitally, and must submit their VAT returns via an Application Programming Interface (API).

Experts previously suggested that HMRC would have to delay the introduction of MTD for VAT if the UK was to leave the EU without a Brexit deal. However, in a recent letter, Jim Harra, Deputy Chief Executive of HMRC, wrote: 'Our system is already live and by the end of February we'll have written to every affected business, encouraging them to join the thousands of others who have registered.'

In 2018, the British Chambers of Commerce (BCC) called for HMRC to postpone the introduction of MTD for VAT until April 2020, citing a 'lack of awareness' of the scheme and its requirements amongst UK firms.

The BCC stated that a delay of a year would 'provide extra headroom' to HMRC, allowing it to support businesses with MTD-related issues.

Taxpayers urge HMRC to delete biometric data

Thousands of taxpayers have urged HMRC to delete the biometric data it stored during phone calls made to its Voice ID system.

HMRC has gathered millions of callers' biometric data since launching its Voice ID system in 2017. However, non-profit organisation Big Brother Watch stated that people have been 'railroaded into a mass ID scheme by the back door'.

HMRC's Voice ID system allows taxpayers to say a key phrase when calling its helpline, which is used in place of a conventional password in order to grant access to accounts. The Revenue now permits individuals to opt out of using the Voice ID scheme, and delete any data captured. However, millions of Voice ID records have been stored in a third-party database.

Big Brother Watch said that it has reported HMRC to the Information Commissioner's Office (ICO), on the grounds that it has 'broken data protection laws'.

Figures show that there are seven million taxpayers currently enrolled in HMRC's Voice ID database. According to a Freedom of Information request, 162,185 individuals have opted out of the Voice ID scheme and have had their biometric data deleted by HMRC.

A spokesperson for HMRC said: 'Our Voice ID system is very popular with millions of customers as it gives a quick route to access accounts by phone.

'All our data is stored securely, and customers can opt out of Voice ID or delete their records any time they want.'

CBI outlines next stage of apprenticeship reform

The Confederation of British Industry (CBI) has published a report outlining the next steps that must be taken in order to successfully reform the UK's apprenticeship system.

The report suggests that the government should give the Institute for Apprenticeships (IfA), the principal body for vocational skills in England, the 'independence and clout it needs' in order to reform the UK's apprenticeship system.

According to the CBI, the IfA must 'speed up the apprenticeship standards approval process' so that businesses can start using them, and outline how T-levels and higher T-levels will fit in the skills system.

The business group has also called for the government to give employers 'longer to spend their money where apprenticeship standards remain in development'.

John Cope, Head of Education and Skills Policy at the CBI, commented: 'This business-backed blueprint needs to be taken seriously to make sure the English skills system supports, rather than frustrates, employers, offering a first step to people in their career.

'This must include giving the IfA the independence and clout it needs to create a world-class skills system in England.'

Treasury Committee launches business rates inquiry

The Treasury Committee has launched an inquiry into the UK's business rates system, in order to assess the impact of business rates on firms.

The Committee intends to examine how changes in government policy have altered the business rates system. It will also analyse 'how the current business rates system is operating'.

Additionally, the inquiry will assess the 'economic justification' for a property-based business tax, taking into account the impact of business rates on rental prices and property prices. The Treasury Committee also stated that it will consider alternatives to property-based business taxes, such as the proposed Digital Services Tax.

The Federation of Small Businesses (FSB) welcomed the inquiry. Mike Cherry, its National Chairman, said: 'The FSB has worked with the government to secure a set of reforms to business rates since 2016 – doubling small business rate relief, linking annual rises to CPI, transitional relief, and now a high streets discount.

'The tax, however, remains regressive, and not linked to ability to pay.

'We welcome the inquiry as the next step in building on the recent work to help, and sort out a modern tax system that balances the need to fund public services with protecting our vibrant 5.6 million-strong small business community.'

UK small firms spending 'significant amount' on tax and employment obligations

According to new research, UK small businesses are spending 15% more on tax and employment obligations when compared to 2011.

The Impact of Government Policy Index (IGPI), which was compiled jointly by the Federation of Small Businesses (FSB) and the Centre for Economics and Business Research (CEBR), found that the average UK small business spends £480,788 on complying with government policies, including business rates, auto-enrolment and Insurance Premium Tax (IPT).

The IGPI also revealed that small firms lose an average of £5,000 per year to tax administration and paperwork.

'Come the beginning of April, small firms will not only have Brexit Day to worry about, but also Making Tax Digital (MTD), a higher living wage, rising employer auto-enrolment contributions and further business rate hikes,' said Mike Cherry, National Chairman of the FSB.

'The competition to attract entrepreneurs to the UK is more intense than ever. With Brexit on the horizon, it's critical that the government at all levels does its utmost to help, rather than hinder, the UK small business owners who are being tempted to other shores.'