



Business Alert: May (2) 2007

Welcome to Scott-Moncrieff's Business Alert Service, designed to help you keep up-to-date with business and tax legislation. The service provides details of key changes, issues and opportunities, and includes suggested action and links to more information. If you need additional information or have any concerns regarding any of the areas below please contact a member of your client service team at Scott-Moncrieff who will be happy to discuss the implications for your business.

Prepare to Declare!

HMRC has issued guidance for travellers taking cash outside the EU or bringing it into the UK from outside the EU. From 15 June those travelling with more than €10,000 in cash, including travellers cheques and bankers orders – or the equivalent sum in any other currency – will have to declare the cash at their point of departure or arrival. There will be forms available at ports and airports to make the declarations on. Amounts in excess of £1,000 which officers of HMRC believe to relate to criminal activity are liable to be seized – this is an existing power. It can be held for up to 48 hours without a court order.

Charity Tax Changes Explained

The changes in the Finance Act 2006 mean that charities which incur non charitable expenditure (as defined) will be much more likely to incur a tax liability on their income as a result. Charity trustees and their advisers may find the extensive new guidance provided on HMRC's website helpful in understanding how the new rules work, and in particular what will happen if a charity is required to carry part of its non charitable expenditure back to earlier periods.

Time is short for P35's

Employers have until 19 May to file their PAYE end of year returns. All employers with more than 50 employees are required to file the return electronically. It is likely that HMRC's online systems will be busy in the next few days in the run up to the final deadline, and some employers may find that they will need to file outside of normal office hours to have a chance of success. Employers with less than 50 employees can earn a tax free bonus of £150 by filing their return online.

We believe the information in this Business Alert to be correct at the time it was sent, but cannot accept any responsibility for any loss occasioned to any person as a result of action or refraining from action as a result of any item herein.

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