

# Business Round-up

Addendum



## Chancellor reverses Mini Budget measures

Chancellor Jeremy Hunt has announced a reversal of most of the measures announced in the recent Mini Budget.

In his first statement as Chancellor, Mr Hunt announced a reversal of almost all of the tax measures set out at the Mini Budget that have not been legislated for in parliament.

He also signalled major changes to the government's energy support packages for businesses and households.

The Chancellor announced that the following tax policies will no longer be taken forward:

- Cutting the basic rate of income tax to 19% from April 2023. The basic rate of income tax will therefore remain at 20% indefinitely.
- Cutting dividends tax by 1.25 percentage points from April 2023. The 1.25 percentage points increase, which took effect in April 2022, will now remain in place.
- Repealing the 2017 and 2021 reforms to the off-payroll working rules (also known as IR35) from April 2023. The reforms will now remain in place.

The Chancellor also cancelled the VAT-free shopping scheme for non-UK visitors to Great Britain and the freezing of alcohol duty rates scheduled for next February.

Mr Hunt says that these measures will raise £32 billion for the government.

The changes follow previous decisions not to proceed with proposals to remove the additional rate of income tax and to cancel the planned rise in the corporation tax rate.

The Energy Price Guarantee and the Energy Bill Relief Scheme will continue as previously announced until April, they will be reviewed for beyond that date.

