



## A 'Steady as She Goes' Autumn Budget

### **The Chancellor's second Budget of 2017**

Mr Hammond will probably be pleased if commentators decide that his Autumn Budget was a steady-as-she-goes, broadly modest Budget. After the national insurance u-turn he was forced to make after his March Budget this year, that was probably his aim.

In any case, for a variety of economic and political reasons, the Chancellor announced a relatively modest net tax giveaway of just under £1.6 billion for the coming tax year.

His main attention-seeking move was to give first time buyers an exemption from stamp duty land tax on the first £300,000 of value for properties worth up to £500,000. Rumours – probably from the Treasury itself – had trailed changes along these lines, and the new relief represents more than a third of his net giveaway.

With income tax, the changes were much less dramatic – increasing both the personal allowance and the higher rate threshold by 3% – the standard inflation-linked increase. ISA investors saw their main ISA and lifetime ISA investment limits frozen and only children saw a small increase in their specialist ISAs.

The Chancellor decided against attacking pension tax reliefs, so there was better news for pension savers who enjoyed a £30,000 increase in the lifetime allowance and leaving the annual allowance unchanged, actually increasing the lifetime allowance next tax year from £1 million to £1.03 million in line with inflation.

Several measures were designed to introduce much more of a focus on risk investment for venture capital trusts, enterprise investment schemes and seed enterprise investment schemes. The main change is that from April next year, these schemes will have to focus on investments where capital is genuinely at risk, rather than being protected.

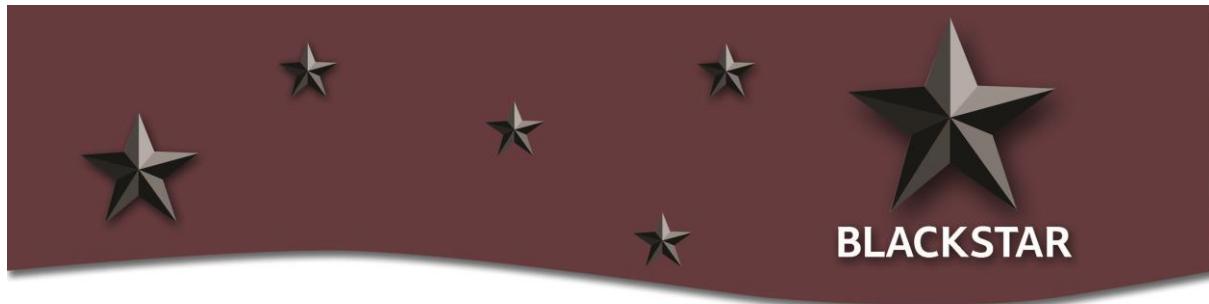
Among the changes to business rates, the so-called staircase tax for business premises on more than one floor will be 'dealt with', putting valuation principles back to the position before the decision in a legal case effectively changed the law.

As usual the government has introduced several provisions to counter both tax avoidance and evasion. Personal service companies – IR35 – are again in the Chancellor's sights, with a strong possibility that the tax rules recently applied to the public sector will be extended into the private sector.

Company cars have received some attention. There has been the normal uplift to charges for the coming tax year; and in addition, drivers of cars with diesel engines will generally have to pay even more.

**BlackStar Wealth Management**  
**17 Wrens Court, Lower Queen Street, Sutton Coldfield, West Midlands, B72 1RT**

BlackStar Wealth Management is authorised and regulated by the Financial Conduct Authority  
Registered in England and Wales Reg. No. 06697525



Most Chancellors tend to cram all the painful announcements into Budgets at the start of a Parliament; for a range of reasons, Mr Hammond decided that he did not need – or perhaps couldn't afford – to do this.

**BlackStar Wealth Management**  
**17 Wrens Court, Lower Queen Street, Sutton Coldfield, West Midlands, B72 1RT**

BlackStar Wealth Management is authorised and regulated by the Financial Conduct Authority  
Registered in England and Wales Reg. No. 06697525