

The AVA looks ahead to the Autumn Budget

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With the autumn budget now just weeks away, David Llewellyn, chief executive of [The Vending & Automated Retail Association](#) (AVA), shares what he will be looking to hear from the Chancellor of the Exchequer and how this may impact SMEs and the wider vending industry.

Here are the key areas for SMEs and what David wants to hear from the government.

1. Clarity on Capital Gains Tax (CGT) and Business Asset Disposal Relief (BADR)

SME's need stability right now to survive, so we expect the government to steady CGT and continue the BADR fund to help support entrepreneurs looking to sell or retire without losing businesses. The potential for increased CGT, or even the removal of BADR, is a cause for great concern for many business owners and will impact how they plan for the future, with current uncertainty already prompting business owners to accelerate plans to retire and sell their businesses. I would expect the government to maintain current CGT, however we may be seeing the end of BADR, causing disruption for many. Increases in CGT could lead to fewer businesses being sold and stunting further investments, causing more harm to the economy as a result.

2. Enhanced tax incentives for growth and innovation

We need bigger and better tax incentives for SMEs to encourage more investment. For business growth to continue, and improve in the current economic conditions, business leaders need reassurance from the government to hire new teams and invest in innovation such as new technologies. This includes keeping critical R&D reliefs in place, which have been a lifeline for many businesses over recent years. We are calling for the chancellor to announce new incentives, as well as recommendation that existing frameworks

remain in place for the current government's term to continue the required growth in this country. What I expect to see is a genuine understanding from the government that they need to create an environment for these investments. When the chancellor shares her roadmap to stability, I predict that the increased powers from HM Revenue and Customs will be enabled to crack down on fake claims and tax avoidance to raise more revenue. By doing so, good, well-managed businesses will not need to suffer financially while the government still creates the revenue it requires.

3. Access to low-interest financing

For businesses to continue expanding and creating new jobs, in what is been deemed a critical job market, more affordable, accessible, low-interest financing options are required from the government. Fuelling business development should be a number one priority, and this is the first step to helping this happen. We know the government is committing to capping corporation tax at 25% for the current government term, providing businesses with the confidence they need for long term planning. The other areas up in contention is Fuel Duty, having been frozen for the last 14 years. With the government refusing to rule out raising it, I predict that the chancellor will announce changes to Fuel Duty to help them raise revenue. This will significantly impact businesses that regularly travel and manage their own fleets.

For the future to remain prosperous for SMEs, one thing is clear: the government must be transparent in its communication on future tax changes or amendments. Sudden tax hikes make financial planning a lost cause. We need a future free from fear.