

2022 SPRING STATEMENT: SUMMARY OF POLICY ANNOUNCEMENTS



| <u>SUBJECT</u> | <u>MEASURE / ANNOUNCEMENT*</u> |
|-----------------------------------|--|
| Business Taxation | <ul style="list-style-type: none">• Two new business rates reliefs will be brought forward by a year to come into effect in April 2022: no business rates due on a range of green technology used to decarbonise buildings, including solar panels and batteries, whilst eligible heat networks will also receive 100% relief. [England only - devolved administrations will receive Barnett consequential funding]• R&D tax credits - From April 2023, for businesses, all cloud computing costs associated with R&D, including storage, will qualify for relief.• Commitment to cutting taxes on business investment in Autumn Budget - by reforming Capital Allowances and R&D tax reliefs. |
| Personal Taxation | <ul style="list-style-type: none">• The threshold at which people start paying National Insurance will rise to £12,570 from July 2022.• Basic rate of income tax to be cut from 20p to 19p from 2024. |
| Energy, environment, and net zero | <ul style="list-style-type: none">• VAT on the installation of energy saving materials in residential accommodation across Great Britain reduced from 5% to 0% for the next 5 years. Additional technologies such as wind and water turbines will also now be included in the time limited zero rate. [Not NI - The Northern Ireland Executive will receive a Barnett share of the value of this relief until it can be introduced UK-wide] |
| Transport | <ul style="list-style-type: none">• From 6pm on 23 March 2022, fuel duty will be cut on petrol and diesel by 5 pence per litre for 12 months. |
| Labour Market | <ul style="list-style-type: none">• Employment allowance to be increased by £1,000 to £5,000 from April 2022.• A review of tax and levy arrangements to see if they can be used to encourage businesses to invest in high quality adult technical skills. |

British Chambers of Commerce

23 March 2022.

*UK wide unless stated