



SOUTHERN LANDLORDS' ASSOCIATION

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Newsflash 09.12.09

Welcome to our new Newsflash service

We have recently decided to introduce an ad-hoc newsflash service as and when we believe information needs to be sent out without waiting for the next newsletter.

Government Pre-Budget Report

Alistair Darling, Chancellor of the Exchequer announced the **2009 Pre-Budget** earlier today.

The points below may be of greatest interest to landlords:

- **Stamp duty land tax (SDLT) holiday** was announced on 2 September 2008 for all houses costing up to £175,000. The stimulus offered by the SDLT holiday relies on it being temporary, so the holiday will end as planned on 31st December 2009. Stamp Duty threshold back to £125,000 except in certain areas.
- VAT reverts to 17.5% on 1st January 2010
- National Insurance increases by 0.5% from April 2011
- Planned Increases in Corporation Tax for small businesses postponed.
- 50p tax on business landline phones to fund fast broadband.

There was lots of "Green" news too. The Pre-Budget Report announces £400 million over the next two years (including funding reprioritised from other non-environmental programmes) to support green growth and the development of low-carbon technologies, building on the £1.4 billion package announced at Budget 2009. This will be part-funded through a £150 million increase to the Strategic Investment Fund for low-carbon projects.

The announced £400m will go towards:

- £50 million to fund the **greener boiler incentive** to encourage households to upgrade to more efficient heating systems. The Pre-Budget Report announces a £400 incentive to help up to 125,000 households upgrade their boiler, available to those who buy a new boiler or renewable heat unit to replace a working G-rated boiler. The Government will work with industry to launch the scheme at the earliest opportunity in 2010
- £150 million for **Warm Front**, which will help an additional 75,000 of the most vulnerable households in 2010-11.
- £40 million **support for low-carbon technologies**, including additional support for small scale and community level low-carbon generation (building on the support made available to these sectors at Budget 2009)
- **Feed-in tariffs**, worth on average £900 in 2010 for households, will provide a financial incentive to install renewable technologies, allowing homes to generate around half of their own electricity.
- £50 million to invest in the development of the **UK offshore wind industry**, including funding for new manufacturing and testing facilities
- An increase in the amount of help provided by energy companies from £150 million currently to £300 million a year by 2013-14. These resources could provide discounts for an additional one million households. The Government is bringing forward new legislation to mandate the provision of this support from the end of the current voluntary agreement in March 2011.
- Doubling to four the UK's commitment to fund **carbon capture and storage** demonstration projects via contributions from electricity suppliers

And finally..... Somewhat oddly, the duty on Bingo is being reduced from 23% to 20%!

Most details can be found in Chapter 7: http://www.hm-treasury.gov.uk/d/pbr09_chapter7.pdf

For all Pre-Budget 2009 details visit: http://www.hm-treasury.gov.uk/prebud_pbr09_repindex.htm

Regards

Ian
Editor