

## Other Matters

### Tax Simplification - review of reliefs

Based on recommendations made by the Office of Tax Simplification's review of tax reliefs, and continuing work by HMRC, the government intends to abolish 43 tax reliefs whose rationale is no longer valid. A minority (which are redundant) will be repealed in Finance Bill 2011. The other reliefs will be removed after consultation.

### VAT - Low Value Consignment Relief

Legislation will be introduced in Finance Bill 2011 to reduce the level at which the Low Value Consignment Relief applies from £18 to £15 from 1 November 2011. This is the threshold below which goods imported from outside the EU are VAT-free. The government will also explore options with the European Commission to limit the scope of the relief, including the possibility of seeking derogation from the relevant EU rules.

### Enterprise Zones

The government announced the location of ten new urban Enterprise Zones within the following Local Enterprise Partnership areas: Birmingham and Solihull; Leeds City Region; Sheffield City Region; Liverpool City Region; Greater Manchester; West of England; Tees Valley; North Eastern; the Black Country; and Derby, Derbyshire, Nottingham and Nottinghamshire. In addition, London will have an Enterprise Zone and be able to choose its site.

The government will make a range of policy tools available to all zones including:

- a 100% business rate discount worth up to £275,000 over a five year period for businesses that move into an Enterprise Zone during the course of this Parliament
- government and local authority help to develop radically simplified planning approaches in the zone.

It will consider, in a limited number of cases, the scope for introducing enhanced capital allowances.

### Business premises renovation allowance

The government has confirmed it will extend the business premises renovation allowance for a further five years from 2012.

### Anti-avoidance

The government has published 'Tackling Tax Avoidance', which:

- initiates reviews of legislation which have been subject to repeated attempts at tax avoidance
- outlines proposals to counter the continued use and marketing of artificial tax avoidance schemes.

The Budget also includes immediate measures which target specific avoidance schemes. These include:

- measures to address the abuse of stamp duty land tax rules
- amendments to the sale of lessors anti-avoidance legislation
- clarifying the degrouping charge rules affecting corporate gains.