



# Welcome to your April 2013 Key Messages

## The Budget

Find out more about how this may have affected your business with [HMRC](#).

## Simpler Income Tax – Cash Basis and Simplified Expenses

In the Budget statement on 20 March, the Government announced that two new measures - together called Simpler Income Tax – are being introduced to help small businesses to do their income tax.

For the 2013/14 tax year onwards, [unincorporated businesses](#) whose income does not exceed the VAT registration limit will be able to choose to work out their tax on the money that flows in and out of their business; this is what is meant by “cash basis”. Using this scheme will mean that these businesses will avoid the need to make year-end tax adjustments, required under current rules that were designed for more complex businesses.

In addition, all unincorporated businesses, no matter what their size, can also choose to use simpler schemes to claim some common business expenses; this is what is meant by “simplified expenses”.

Further guidance on eligibility and suitability etc will be published on the new Government website, [GOV.UK](#), from 6 April. [HMRC](#) will also offer guidance, a webinar and a YouTube video that will help businesses understand and use the new schemes. Look out for our special editorial with next month’s Key Messages, which will have a lot more detail.

## RTI (Real Time Information) starts now: are you ready?

Throughout March we published a number of [press releases](#) to help employers prepare for reporting PAYE in real time.

We also published an announcement on the [relaxation](#) of reporting arrangements for small businesses and the latest [employer update](#). Free help and advice for employers on RTI is available as HMRC starts a series of roadshows. Please call 0845 603 2691 or [book](#) online to reserve your place.

## Employers: How your employees should tell HMRC that they have changed address

If your employees change address, please ask them to let HMRC know by using the [HMRC address change email template](#). This is the quickest and most secure way of doing it and also means that any repayment due won’t go to an old address.

## VAT relief from bad debts

If you make supplies of goods or services to a customer but you are not paid, you may be able to claim relief from VAT on these [bad debts](#). Also, you may have to repay VAT you have claimed if you have received supplies of goods or services which you have not paid for.