



Issue 62. March 2018

TEAM NEWS

We are carrying out a major refurbishment to our Carnoustie office, which will be closed from Wednesday 7 March at 5.00 pm until Wednesday 4 April 2018 at 9.00 am.

We hope that the temporary closure won't cause you too much disruption. The Carnoustie team will relocate to the Walker Dunnett Dundee offices whilst the refurbishment takes place and business will continue as normal. The team will be in Dundee from Monday 12 March until Friday 30 March 2018.

We would like to thank you for your continued support whilst the changes take place and look forward to welcoming you to our lovely new and improved office in Carnoustie.

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TAX-FREE CHILDCARE ROLL OUT



Danie Van
Niekerk
Partner

The implementation of Tax-Free Childcare, the new government scheme to help working parents with the cost of childcare, is being rolled out to eligible parents in stages.

The scheme first made its debut in April 2017 and, although there have been initial systems problems, the scheme has now been open to all eligible parents since 14 February 2018. Application is made online through the Childcare Choices site www.childcarechoices.gov.uk and applications can be made for all eligible children at the same time.

Under Tax-Free Childcare, for every £8 the parent pays, the government provides a £2 top-up, to a maximum of £2,000 per child each year — with a higher limit of £4,000 for disabled children. This gives a total childcare pot of £10,000, or £20,000 for disabled children. To be eligible, parents must generally have minimum weekly earnings of at least £120 each. There is also an upper earnings limit of £100,000.

Compensation may be available in certain circumstances where a parent:

- is unable to complete an application for Tax-Free Childcare
- is unable to access their childcare account
- or doesn't get a decision about whether they are eligible, without explanation, for more than 20 days.

Those employing a nanny should be able to use the childcare account to pay their PAYE tax and National Insurance. Delays in getting this system working may also give grounds for compensation. Application is made online at www.gov.uk/childcare-service-compensation

If you have any queries regarding the above, please do not hesitate to contact:

Danie van Niekerk by phone on 01382 224221
or by e-mail at dvn@walkerdunnett.co.uk



GO FIGURE...

£15m

is the amount that councils in Tayside and Fife spend on ferrying children to school by taxi each year.

—

248

is the number of people aged 100, who still hold driving licenses.

Furthermore, over 100,000 people over 90 also hold licenses.

—

81.2

is the average number of years that babies born in Britain are expected to live. (Britain ranks 20th in the world, after Singapore, Australia, Israel, Malta and Ireland).

—

7.5 million

people in the USA own more than 140 guns.

—

91%

of people don't stick to their resolutions.

—

8%

of people decide to stop drinking altogether after taking part in dry January.

—

PFP — HOW TO KEEP IN TOUCH WITH YOUR FINANCES



Walker Dunnett & Co Financial Services has started to invite clients to register for our new Personal Finance Portal or PFP for short.

The Personal Finance Portal (PFP) is a revolutionary app that gives you access to view all your finances in one place 24/7 on any mobile or web device. PFP enables you to view your fund information and financial portfolio at the click of a button. So whether you are looking for an up-to-date valuation of your portfolio, want to assess how you are progressing against your goals or simply wish to get in touch, PFP has it covered.



This is a free online portal through which you can send and receive secure messages with your adviser as well as upload & store documents in a secure document vault, amongst other features.

The dashboard gives you summaries on the following areas of the PFP:

Messages — you can see your new secure messages and your most recently read messages, and open them straight from the dashboard. You can send and receive messages to and from your adviser, or view the secure message page. You can have peace of mind that this is completely secure.

Documents — you can see and open any new documents that your adviser has shared with you, along with your other most recent documents.

Profile — this shows you how much of your profile information has been completed and how up-to-date the information is.

Portfolio — you can see an overview of your net worth which illustrates the size of your assets and liabilities. You can tap to view a full breakdown by category. A convenient way to view finances at the tap of a button. See all your finances in one place.

For more information on our Personal Finance Portal and an invitation to register contact:

Ian Barr or Tony Rudol in our Carnoustie office on 01241 855688 or by e-mail at ibarr@walkerdunnett.co.uk or trudol@walkerdunnett.co.uk

SCOTTISH DRAFT BUDGET



Finance secretary Derek Mackay delivered the 2018/19 Scottish Draft Budget on Thursday 14 December 2017 setting out the Scottish government's financial and tax plans.

The Scottish government has the power to set the rates and bands of income tax (other than those for savings and dividend income) which apply to Scottish resident taxpayers.

Since 6 April 2016 the rates and bands of Scottish income tax have been frozen at 20% and the Scottish higher and Scottish additional rates at 40% and 45% respectively. For 2017/18 the higher rate threshold in Scotland is £43,000 whilst the threshold in the rest of the UK is £45,000. This means that a Scottish higher rate taxpayer will pay £400 more tax in 2017/18 than a UK higher rate taxpayer, being £2,000 at the marginal rate of 20%.

For 2018/19 the rates and tax bands applicable to Scottish taxpayers on non-savings and non-dividend income will be as follows (some rates were amended in January after consultation):

Over £11,850* — £13,850	Starter	19%
Over £13,850 — £24,000	Basic	20%
Over £24,000 — £43,430	Intermediate	21%
Over £43,430 — £150,000**	Higher	41%
Over £150,000**	Top	46%

* Assuming the individual is entitled to a full UK personal allowance.

** The personal allowance will be reduced if an individual's adjusted net income is above £100,000. The allowance is reduced by £1 for every £2 of income over £100,000.

The UK higher rate tax point for 2018/19 has been set at £46,350 (for those entitled to the full UK personal allowance) and the tax rates for non-savings and non-dividend income have been maintained at 20%, 40% and 45% respectively.

For 2018/19 Scottish taxpayers with employment income of £26,000 will pay the same amount of income tax as those with the similar income in the rest of the UK. For higher earners, with pay of £150,000, a Scottish taxpayer will pay an extra £1,770 of income tax than those on similar income in the rest of the UK.

We will keep you informed of any changes to the tax rules. Please also note that dividends are still a UK and not a Scottish tax. This means that thresholds are different for certain taxpayers than what it would be if you have purely salaried income.

If you have any queries regarding the above, please do not hesitate to contact:

Danie van Niekerk by phone on 01382 224221 or by e-mail at dvni@walkerdunnett.co.uk

NEW DATA PROTECTION RULES

The government is to introduce new data protection rules under the General Data Protection Regulation (GDPR) which takes effect from 25 May 2018.

Under the GDPR businesses will have increased obligations to safeguard the personal information of individuals which is stored by the business. These rules apply to the information of customers, suppliers or employees. Generally for those who are currently caught by the Data Protection Act it is likely that you will have to comply with the GDPR.

GDPR will apply to data 'controllers' and 'processors'. Processing is about the more technical end of operations, like storing, retrieving and erasing data, whilst controlling data involves its manipulation in terms of interpretation, or decision making based on the data. The data processor processes personal data on behalf of a data controller. Obligations for processors are a new requirement under the GDPR.

The GDPR applies to personal data which is wider than under the Data Protection Act (DPA).

One key change to the current DPA rules is that those affected will have to show how they have complied with the rules. Proof of staff training and reviewing HR policies are examples of compliance.

Under GDPR, higher standards are set for consent. Consent means offering people genuine choice and control over how their data is used. Positive consent needs to be received.

Regarding this positive consent we are making a few changes in-house as to how we deal with clients and consent. We are currently in the process of getting consent from our current subscribers, to allow us to comply with GDPR. We will also request positive opt-in for clients and contacts who want to receive further information from us. We are also in the process of adjusting our engagement letters/terms of engagement.

We will also be in contact with clients that use our payroll bureau. This will ask you to comply with some of the rules regarding providing us with personal details of your employees.

Overall, the aims of GDPR are to create a minimal data security risk environment, and to protect personal data to rigorous standards. For most organisations, this will entail time and energy getting up to speed with compliance procedures. Reviewing consent mechanisms already in place is likely to be a key priority. In practice, this means things like ensuring active opt-in, rather than offering pre-ticked opt-in boxes, which become invalid under the new rules.

The Information Commissioner's Office (ICO) has published some very useful information and a 12 step planning guide to help organisations get ready ahead of the May 2018 deadline. ico.org.uk/media/1624219/preparing-for-the-gdpr-12-steps.pdf

If you have any queries regarding the above, please do not hesitate to contact:

Danie van Niekerk by phone on 01382 224221 or by e-mail at dvni@walkerdunnett.co.uk



LAND AND BUILDINGS TRANSACTION TAX AND FIRST-TIME BUYERS RELIEF



The Scottish government announced that they will introduce a new Land and Buildings Transaction Tax (LBTT) relief for first-time buyers of properties up to £175,000. The relief will raise the zero tax threshold for first-time buyers from £145,000 to £175,000, and according to the Scottish government 80% of first-time buyers in Scotland will pay no LBTT at all. The Scottish government also announced that first-time buyers buying a property above £175,000 will also benefit from the relief on the portion of the price below the threshold.

The Scottish government announced that they will launch a consultation on the policy before introducing the first-time buyer relief in 2018/19. The relief for first-time buyers paying Stamp Duty Land Tax on first homes in the rest of the UK was introduced from 22 November 2017.

If you have any queries regarding the above, please do not hesitate to contact:

Andy Walker by phone on 01382 224221
or by e-mail at awalker@walkerdunnett.co.uk



MEET THE TEAM

Kylie Anderson — Accounts Assistant, Dundee Office

THE FIRST RECORD I EVER BOUGHT WAS

Two Become One by Spice Girls. I have no regrets.

THE LAST TIME I CRIED WAS

At an episode of *Grey's Anatomy* — it's impossible to watch that show and not end up in tears!

MY GREATEST WEAKNESS

Dundee United. I've been a season ticket holder since I was eight years old and follow them through thick and thin, no matter how bad they get!

MY FAVOURITE TV SHOW IS

I love American comedies such as *The Office*, *Parks and Recreation* and *Brooklyn 99*. I could watch them over and over again, and I do! My favourite show of all time is probably *Frasier*, it's a classic.

THE BEST DAY IN MY LIFE WAS

The day Dundee United won the Scottish Cup in 2010. It was the first trophy I had ever seen them win and my friend and I drank nothing but champagne all night. We celebrated in style!

MY FAVOURITE PLACE IN BRITAIN IS

Ceres in Fife. I grew up there and although I'm biased, it's the prettiest village in Scotland.

I'M CURRENTLY READING

The Magic Strings of Frankie Presto by Mitch Albom. He writes the most beautiful books. I first read his book, *The Five People You Meet in Heaven* years ago and have read every book he has written since.

CONTACT US

DUNDEE OFFICE

29 Commercial Street,
Dundee DD1 3DG

Tel: 01382 224221
Fax: 01382 206853

CARNOUSTIE OFFICE

(Financial Services)
24 High Street,
Carnoustie DD7 6AQ

Tel: 01241 855688
Fax: 01241 855952

admin@walkerdunnett.co.uk
www.walkerdunnett.co.uk



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