

Press Release

22 June 2010

Budget declares £8.7bn Tax War on Milton Keynes

Cranfield accountants Jonathan Vowles Chartered Accountants have advised local taxpayers and businesses to prepare themselves for a Tax War. Reacting to the Emergency Budget partner Jonathan Vowles said:

“This Budget will probably go down in the history books as the day a “Tax War” was unofficially declared on the people of Milton Keynes. It wasn’t obvious in the Chancellor’s speech, but we estimate that over the next few years the government will need to claw back £8.7bn from the region in the form of higher taxes and fewer public services.

That equates to £90,000 per average MK household. For above average households the amount will be many times that. And for some it will even run into the millions. So anyone who doesn’t prepare themselves for the onslaught will suffer really badly at the hands of much higher income tax, VAT, and capital gains tax rates, huge reductions in state benefits, the decimation of the tax incentives for business investment, a forecast increase in unemployment and the very real risk that the austerity measures here and abroad will lead to a double dip recession.

In the face of all those enormous financial challenges the question every tax payer in MK must now ask themselves every year is this: “Am I 100 percent certain that I am paying the legal minimum amount of tax?” Since to pay more than the legal minimum means you and your family will not be able to afford the standard of living you would otherwise be able to afford, will have to work longer to build up the same retirement fund, and won’t be able to pass as much on to your loved ones.

To have any chance in the Tax War, if you have an accountant, you must ask them to confirm every year that you are paying the legal minimum. And if you don’t have an accountant, or you want a second opinion, talk to tax specialist accountants like us who will carry out a free review to see what else you need to do to be sure of only paying the legal minimum.

In my experience there is always something more that can be done with the right advice. And I do mean 'always'. For example, we regularly see average households being thousands of pounds a year worse off than they should be, and above average households who lose tens of thousands a year by not getting the very best advice. So the best advice has to be don't sell your family short by paying more than you need to."

He also added:

"The Budget wasn't just about tax rises and spending cuts. Behind the headlines the Chancellor is also relying on economic recovery to get us out of the financial crisis. But, of course, that economic recovery and growth won't happen by accident. The region's job and wealth creating businesses need to stand up and be counted by taking urgent action to make it happen.

So we are re-launching our free Business Builder support initiative today to help Milton Keynes' businesses take the right sort of action. Using leading-edge software, systems and thinking, it will help local businesses discover new ways to create more jobs, profits and wealth in these difficult times. And we are very excited to be able to help in this way."

Readers who would like to use the free Business Builder support initiative to create more jobs, profits and wealth, or who want a free review of their tax affairs to make sure that they do not pay a single penny more than the legal minimum amount of tax, can do so by calling Jonathan or Aaron at Jonathan Vowles Chartered Accountants on 01908 616104.

Notes to editors:

- 1 A photograph of Jonathan Vowles is available on request.
- 2 Jonathan Vowles Chartered Accountants is an independent firm of accountants, tax advisors and business advisors. We act for a variety of individuals and businesses across a wide variety of industry sectors from our offices in Cranfield.

For further information contact:

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