



Media information

News from HURST Accountants
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HURST EXPANDS TAX TEAM TO PREPARE FOR 2010 TAX CRACKDOWN



North West accountants HURST has further expanded its specialist tax team to help its clients prepare for the tougher tax regime coming into force next year.

Headed up by partner Rachel Murphy, the six-strong tax team, based at HURST's Stockport and Manchester offices, is currently putting innovative tax planning initiatives into place to help its high net worth clients. This is necessary to help those

clients counter the burden of increased personal and business tax, and changes in pensions, being implemented from April 2010.

A key appointment within the tax team has been that of another partner, Lisa Dicken. Lisa has extensive private client experience working with high net worth individuals to mitigate UK tax.

Lisa will be utilising this experience to assist HURST's owner managed businesses to cope with the increasing tax burden. Lisa will also be providing transactional support to the HURST Corporate Finance team.

Said Rachel Murphy: "The new 50 per cent income tax rate means that high earning individuals may face the equivalent of a 60 per cent plus tax rate on their incomes in just a few months time.

"This, combined with punitive changes to the pension rules and a much tougher stance by the taxman, means the real income of many people is set to fall dramatically next April unless action is taken now. Because of the economic backdrop and the continuing and increasing pressures on the public finances this is unlikely to change, with many forecasting further tax increases across the board."

There are a range of measures which can be adopted to mitigate against the forthcoming tax increases and restrictions to pension reliefs for high earners. The straightforward measures include bringing forward

to before April 2010 the payment of dividends, bonuses (including reviewing which is the most tax efficient way to be paid) and exercising share options etc. For the self-employed and partnerships - think about incorporating or changing your accounting date to 31 March 2010. The more complex measures may include for example the use of Employee Benefit Trusts (EBTs) and Employer Funded Retirement Benefit Schemes (EFRBS).

Said Rachel: "We have been advising our clients on all these matters, but time is running out not least because the pre-Budget Report is due imminently and could introduce further tax increases and measure to prevent tax planning.

"Make the most of now is the message we are giving clients. The expansion of HURST's tax department, particularly given Lisa's private client and high net worth tax planning expertise, means we are well placed to help our clients weather the tax storm to come. We are also bucking the trend we have seen in recent times with larger accountancy practices actually slimming down their tax teams."

For further advice on the tax changes to come, contact Rachel Murphy (0161 477 2474; rachel.murphy@hurst.co.uk).

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