ISSUE 24 | Summer 2026

A Quarterly Newsletter from **Rustrick Accountants**

TAKING ACCOUNT

Welcome

Welcome to Rustrick Accountants Summer 2026 Newsletter

As we move into the Summer months and reach the halfway point of 2026, the recent warm weather and long summer days provide a welcome opportunity to reflect on the year so far and look ahead to the remainder of the year. Summer is often a busy and productive time for many businesses, making it the perfect moment to review plans, assess progress, and ensure everything remains on track.

With the new tax year now underway, this is an ideal time to review your financial position and ensure your records are up to date. It is also worth considering how upcoming changes under Making Tax Digital may affect you and your business. Whilst some clients are already familiar with digital record-keeping and reporting requirements, others may need to prepare for future changes, and we are here to help make that transition as smooth as possible.

As always, we continue to monitor developments in tax legislation and HMRC requirements, providing practical advice tailored to your individual circumstances. Recent announcements include the government's temporary reduction in VAT from 20% to

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Companies House Changes – What Small Businesses Need to Know

From April 2028, Companies House is introducing new filing rules that will affect all small companies. The biggest change is that every small company will need to file its full profit and loss account digitally. This information will be submitted to Companies House as part of the annual accounts.

However — and this is the part most clients will care about — you will be able to opt out of having your profit and loss account published on the public register. That means your turnover, margins, salaries and cost structure will not be visible to competitors, suppliers or anyone else unless you choose otherwise. For most ownermanaged businesses in Kent, opting out will be the obvious choice.

These reforms are mainly about improving data quality, tackling fraud and modernising the filing system. They are not designed to expose small businesses' commercial information. The optout exists specifically to protect normal companies like yours.

The exact process for making the optout election will be built into filing software, and we'll guide all clients through it well before the deadline. For now, there's nothing you need to do — just be aware that the rules are changing, and we'll keep you updated as more detail is released.

If you have any questions about how this affects your business, please get in touch.

Student Loans – Repayment Thresholds

If you have a student loan, it is important to let us know, particularly if you complete a Self Assessment tax return. Repayments are based on your income and the type of loan you hold, with different repayment thresholds applying to different plans. If your income exceeds the relevant threshold, repayments may be due through PAYE or Self Assessment. If you are unsure how your student loan affects your tax position, please get in touch.

What is IR35?

IR35 is a set of tax rules designed to ensure that individuals who work through their own limited company, but would otherwise be regarded as employees, pay broadly the same Income Tax and National Insurance as employees. The rules can apply to contractors and consultants providing services to clients through an intermediary, such as a personal service company. Getting your IR35 status wrong can lead to unexpected tax liabilities, so if you operate through a limited company or engage contractors, it is important to seek professional advice. Please contact us if you require any more information.

WFH Tax Relief to be Scrapped

From 6 April 2026, employees are no longer able to claim tax relief for homeworking expenses that have not been reimbursed by their employer. Previously, employees who were required to work from home could claim a flat-rate allowance of £6 per week without providing evidence of costs. The government decided to abolish this relief following concerns that many claims were being made by individuals who were not eligible. Employers will still be able to reimburse qualifying homeworking expenses tax-free where appropriate.

Mandatory Payrolling of Benefits in Kind Delayed

The government has announced that the introduction of mandatory payrolling of benefits in kind will now be phased in over two years. From 6 April 2027, only company cars, vans, fuel and medical benefits will be required to be payrolled, with most other benefits following from 6 April 2028. Payrolling means tax is collected through payroll during the year rather than after the tax year ends. While the revised timetable gives employers more time to prepare, businesses providing these benefits should start reviewing their processes ahead of the changes.

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5% on certain children's meals and family attraction admissions as part of its Great British Summer Savings Scheme, which may be of interest to businesses operating in the hospitality, leisure and entertainment sectors, or for all our clients who are looking to take some time off with their families over the summer break.

We hope you enjoy this Summer edition of our newsletter and find the articles useful and informative. Thank you for your continued support, and please remember that our team is always available if you would like to discuss any aspect of your tax or business affairs — the kettle is always on!

We wish you a successful and enjoyable Summer and look forward to continuing to support you throughout the rest of 2026.

Sean

Sean Rustrick, Director

Mileage Allowance has Increased to 55p Per Mile

For the first time in 15 years, HMRC has increased the approved mileage allowance for employees using their own cars for business journeys.

From 6 April 2026, the tax-free rate for the first 10,000 business miles has increased from 45p to 55p per mile. The rates for additional miles, motorcycles, bicycles and passenger payments remain unchanged for now.

The increase applies retrospectively, meaning it covers eligible business journeys made from 6 April 2026, even though the announcement came later. If you've already reimbursed employees at 45p per mile, you can choose to pay the additional 10p per mile, although you're not required to.

If your business pays less than the approved rate, employees can usually claim tax relief on the difference through HMRC.

The new 55p rate also applies to self-employed individuals who use HMRC's simplified expenses method to calculate business motoring costs.

Now is a good time to review your business mileage policy to ensure it reflects the latest HMRC rates. If you're unsure how the changes affect your business, Rustrick Accountants can help you out! Give us a call on 01622 738165 for a friendly chat today!

HMRC Compliance Activity & FeeProtection Insurance

Over the past few months we've seen a noticeable increase in HMRC compliance visits and enquiries across the profession. Historically, very few of our clients have taken up feeprotection insurance — largely because our work is thorough, and the likelihood of HMRC contact has always been low.

However, with HMRC now looking more closely at taxpayers and businesses, it's worth pausing to reconsider.

Feeprotection insurance covers our professional fees if HMRC open an enquiry into your tax return, accounts, VAT, PAYE or other filings. Even when everything is correct, responding to HMRC can take time — and this insurance is designed to remove the financial impact of that process.

We continue to prepare returns and accounts to a very high standard, but increased compliance activity means more clients are choosing to protect themselves against the cost of dealing with HMRC enquiries. Speak to us to find out more and discuss your options.

Staff spotlight

We are delighted to welcome Betty to the team as our new Admin Assistant. Betty brings many years of experience working in practice and joins us with a wealth of knowledge. We are sure you will all get to know her over the coming months.

A very warm welcome to the team, Betty!

New Tax Return Reporting Requirements for Company Directors

From the 2025/26 tax year, company directors who are required to submit a Self Assessment tax return will need to provide additional information to HMRC. As well as confirming whether they were a director during the tax year and whether the company is a close company, directors will now be required to disclose details such as their percentage shareholding and any dividend income received. HMRC has confirmed that this information must be reported on the SA102 employment pages, even where no salary, benefits or dividends have been received from the directorship, and a separate SA102 page must be completed for each directorship held. To help ensure your tax return is completed accurately, please let us know about any directorships you hold and any changes during the year.

Client Spotlight

IGS Interiors

With over 20 years of experience, IGS Interiors delivers high-quality commercial fit-out and refurbishment projects across London and the South of England. Their skilled in-house team provides a wide range of services, including air conditioning, electrical work, flooring, joinery, partitioning, plumbing and IT cabling, serving sectors such as offices, restaurants, warehouses, golf clubs and residential developments.

As a busy contracting business, IGS Interiors relies on Rustrick Accountants for ongoing support with management accounts, year-end compliance and financial planning. They value having an accountancy team that understands the construction sector and provides practical, responsive advice throughout the year. IGS Interiors describes the relationship as a true partnership and would happily recommend Rustrick Accountants to businesses seeking proactive and reliable accountancy support..

Want to find out more about IGS Interiors?

Visit **www.igsinteriors.uk** | Tel: **01252 961688** | **hello@igsinteriors.uk**