THIS TRANSCRIPT IS ISSUED ON THE UNDERSTANDING THAT IT IS TAKEN FROM A LIVE PROGRAMME AS IT WAS BROADCAST. THE NATURE OF LIVE BROADCASTING MEANS THAT NEITHER THE BBC NOR THE PARTICIPANTS IN THE PROGRAMME CAN GUARANTEE THE ACCURACY OF THE INFORMATION HERE.

MONEY BOX LIVE

Presenter: PAUL LEWIS

TRANSMISSION: 9th DECEMBER 2009 3.00-3.30 RADIO 4

LEWIS: Hello. Today's topic is tax, and of course what we knew about tax this morning is not quite the same as what we know this afternoon. Among the things we didn't fully expect, the rise in national insurance wasn't brought forward to April but when it starts in 2011 - as you heard in the news - it'll be twice as big as we expected - one percentage point on all rates. A scheme to scrap old, inefficient boilers starts next year. £400 to 125,000 lucky people. Tax allowances are frozen next year, and higher rate allowances again in 2012 - though, oddly, not in 2011. No big changes or no changes at all in capital gains tax; inheritance tax threshold frozen at £325,000. And New Year's Day will see VAT rise back to 17.5%, and the end of the stamp duty holiday for properties, going up again - going down, I should say - from £175,000 to start at £125,001. But we'll be covering tax queries old and new today. And of course, given that we've had the detailed papers for just an hour or so, there may well be things that even the experts I have with me don't know. They are Anita Monteith, who is Technical Manager with the Tax Faculty at the Institute of Chartered Accountants in England and Wales; Ian Johnson, a tax partner with accountants Grant Thornton; and Leonie Kerswill, a tax partner with PricewaterhouseCoopers. I hate to think what you'd pay per hour for their advice collectively. But it's free if you call Money Box Live now - 03700 100 444 - with your tax questions. And our first question is from Angela in Surbiton. Angela, your question?

ANGELA: Hello. I'm asking about the boiler exchange. When is the payment likely to come into effect and how can I apply for it please, Paul?

LEWIS: *(laughs)* We’ve been trying to find this out, Angela. I should probably answer that one. We’ve had several conversations with the relevant department. It’s starting as soon as practicable in the New Year, so we don’t quite know. It will be £400 and it will go to the first 125,000 people. But more than that, we really don’t know. Well the other thing we *do* know is that you can only get it if your boiler is rated ‘G’ on the energy efficiency scale, and you will have to obviously install …

ANGELA: Oh!

LEWIS: … instead an ‘A’ rated boiler. So if you’ve got a B, D, E, C, D or F boiler, I’m afraid I don’t think it will apply to you.

ANGELA: Oh well I’ll have a look. I hope ours is ’G’. Thanks very much, Paul.

LEWIS: Well it probably doesn’t say because the ratings may well have been done long after some of those elderly boilers were installed. But, anyway, those are the rules as far as we know them. And I have to say now and about many things we talk about, we won’t know the full answers today possibly, but we hope to have more for you on Money Box on Saturday at noon. But anyway, Angela, that’s as much as we can tell you and I’m sure lots of other people. That starts in the New Year. Details to be announced. Going to Devon now to Laurie Phillips. Laurie, your question?

LAURIE: Yes, good afternoon. I have two. First of all, it was confirmed today that the basic state pension would go up by 2.5%, but no mention was made of SERPS or graduated pensions. And also will the tax allowances, you know the level we start paying tax - is that going to be increased for us over 65?

LEWIS: Well let’s start with tax allowances because that’ll enable my expert panel to talk to us. Who wants to start on tax allowances because we did get some news, didn’t we? Leonie?

KERSWILL: Most of the announcements have actually already been made. I haven’t got the detailed papers in front of me, but there were no changes today to what’s been pre-announced on the allowances.

LAURIE: Right.

LEWIS: So the allowances are going to be the same in 2010/11 as they are in the present year, as far as I understood it. Ian?

JOHNSON: That's absolutely right. So for age 65 up to 74, the personal allowance is £9,490 for both the current tax year and also the tax year to come.

LAURIE: Okay.

LEWIS: Right. And it's also the same I think for all personal allowances. Is this the one for people under 65 as well?

JOHNSON: *(over)* It is indeed. That's absolutely right. You should make that clear, as Leonie said. There are no changes in the allowances that have already been announced.

LAURIE: Right.

LEWIS: And one effect …

LAURIE: Because I … Excuse me. Because I remember the Chancellor two or three years ago said that for the over-65s the allowances were going to go up till about 2011/ 2012.

LEWIS: Well what he actually said in 2007, because I looked this up because I thought it might come up - he did say that the allowance for people over 75 by 2011/12 would be £10,000.

LAURIE: Right.

LEWIS: But we're not at 2011/12 yet. But for this year, for this coming tax year, we now know that, as far as we know, all tax allowances will be frozen.

LAURIE: Remain the same.

LEWIS: And Anita Monteith, that means also of course that people will start paying higher rate tax at the same level as they are now.

MONTEITH: Yes, it does. And that coupled with, in the future, more national insurance is going to be quite expensive for people.

LEWIS: Yes that's 2011, the national insurance. I'm sure we'll come onto that.

MONTEITH: Yes, yeah.

LEWIS: As for your question on pensions, Laurie, the state pension is going up by 2.5%. Again many details are awaited. As far as we know, benefits that were linked to the Retail Prices Index - which is indeed SERPS and graduated retirement pension - will go up by 1.5%, but that's not been confirmed for those benefits. And other benefits, means tested benefits are going up by 1.8% and pension credit by 2%. But I'm told we'll have a detailed statement on all of that tomorrow. So all I can say again is listen on Saturday and we'll no doubt have more information. Thank you very much for your call Laurie. Stuart from Chesterfield, your question?

STUART: Yeah, hello. I'm 63, self-employed, and a question about NI. Among other things, I pay class 2, class 4 NI. What I'm wondering is I've checked online. I've now paid enough NI for a full pension. Why am I still paying it? Do I still have to pay it? If I work beyond 65, do I carry on paying class 2, class 4?

LEWIS: Okay, Anita, Anita Monteith?

MONTEITH: Unfortunately you do have to keep paying until you're 65. Although you have paid enough to get you personally full benefits, I’m afraid you’re paying into a pot which is paying out pensions to people who are already claiming their pensions. It doesn’t work like a sort of personal bank account where you’re paying in for yourself for the future, unfortunately.

STUART: Fine.

LEWIS: And I suppose this is going to get worse, isn’t it, when the qualifying years come down to 30, which starts from it?

MONTEITH: Yes.

LEWIS: People who reach 65 from April indeed, including Stuart, will only need 30 years. So Stuart probably paid enough a good 15 years ago. *(laughs)* Leonie, is that going to be a problem?

KERSWILL: Well of course it’s not just the pension that your national insurance contributions are actually buying. But you know now that everything’s online and people can look at it, I think it does bring into focus more sharply what you’ve paid in and what it’s sort of brought you.

STUART: And what … Sorry, do carry on.

KERSWILL: No, no, go on.

STUART: And what happens then if I’m now 65 and I carry on working and I’m drawing pension? What happens now to class 2 and class 4?

KERSWILL: You don’t have to pay any more after 65.

STUART: Right.

LEWIS: Yes, class 2, the weekly one, stops in the week *before* you reach 65.

STUART: Yuh.

LEWIS: And class 4 carries on for the whole tax year. But it’s the following tax year, I think. Is that right, Ian?

JOHNSON: Yes, that’s right. Yeah, that’s my understanding.

LEWIS: And I suppose the good news on national insurance is that it too is being frozen, so the class 2 and the class 3 rates are being kept as they are this year for next year, and of course the bands where they start are also all being kept where they are this year. So it’ll be a strange tax junction, won’t it, when everything stays much the same?

MONTEITH: And I think you’re right. I do think people are going to be very confused about that in future years when they say well you know I’ve been working for 30 years. Why do I have to keep on?

LEWIS: Well people have got to realise national insurance is a tax.

KERSWILL: Yeah.

MONTEITH: They have.

LEWIS: It’s a tax like any other.

KERSWILL: Going into the big pot.

MONTEITH: And if they’re all listening this afternoon, they’ll all know. All the people who *don’t* listen, won’t.

LEWIS: Well the listeners to Money Box Live are always better informed than the rest of the population on financial matters.

MONTEITH: Of course, yes.

LEWIS: Stuart, thanks very much for your call. I'm sure lots of people will be wondering about that. We're going to Hampshire now to talk to Jonathan. Jonathan McGill in Hampshire?

JONATHAN: Hello. Hi. I was made redundant earlier this financial year. I have a tax liability for the year. I'm now seeking employment. I'm incurring a lot of costs travelling to interviews, etcetera. Can I offset these costs against my current tax liability for this year?

LEWIS: Jonathan, I can see shaking heads. Who wants to take that? Anita? You were shaking the most vigorously.

MONTEITH: *(laughs)* Jonathan, no, I'm afraid you can't. But then I pulled up short when you said "against my tax liability for this year." Sorry, what other income do you have this year?

JONATHAN: Well in so much as I was employed for part of the year …

MONTEITH: Oh I see. Right.

JONATHAN: … so I have a tax liability for the year.

MONTEITH: No, the answer is no then, I'm afraid.

LEWIS: So you can't offset costs for looking for work against your tax?

MONTEITH: No, you can't.

LEWIS: That's just something you have to pay?

MONTEITH: Nor can you get tax relief for things like training, if you want to re-train, which I always think is very unfair.

LEWIS: Anything else that you can think that Jonathan might be able to claim? We've got three high-powered tax brains here and poor old Jonathan paying tax on money he doesn't really have.

JONATHAN: Surely I'm a sole trader looking for work?

MONTEITH: *(laughter)* Well I'm not sure there is a trade of looking for work.

LEWIS: It's interesting though, isn't it, because if Jonathan was going round looking for business and incurring expenses doing that, he could count those against his business?

JOHNSON: Yeah, I mean certain …

LEWIS: If he was looking for new clients, for example.

JOHNSON: Certain pre-trading expenditure. You know if you're going to engage in a trade, Jonathan, then preliminary costs that you could incur, that if you'd incurred them whilst you were up and running and trading, then you can claim relief for those. So I think, as Anita says, you know if you end up in paid employment again, you know it's unfortunate but there will be no relief. But you know if you ended up running your own business, then possibly, depending upon the sort of costs that you've incurred and what they've been incurred for.

MONTEITH: One thing you could look at, Jonathan … It's not getting costs relieved, but if you've already paid tax for the early part of this year, you might want to look at getting your tax return for this year in very smartly to get the repayment.

LEWIS: Yes because your tax is deducted on the assumption you'll be working all year, and of course Jonathan hasn’t been.

MONTEITH: Yes.

LEWIS: So that’s a good tip for anybody who stops work in the middle … well at any time in the tax year. Jonathan, I’m sorry, we can’t think of anything more than that. It does seem a little bit unfair, but it doesn’t look as if you can charge those against your tax. I’m going to take an email now. This is from Louise. She says, ‘My husband and I are self-employed. We earn between £400 and £500 a day’ - either each or between, I don’t know. ‘Should we operate as a limited company and, if so, how much should we expect to save?’ Who’s an expert in this? Leonie?

KERSWILL: I think there’s a few things to consider. It’s the type of business you’re running. I think you need to think about that before deciding how you’re going to structure it. And the other thing is do you need all of the £400 or £500 a day to live on or can you afford maybe to leave some in the company to accumulate if the company’s going to be paying 21%? So I think with anything like this, it comes down to doing some numbers and just having a look and seeing what the final answer is.

LEWIS: And where can you get help with that? Can any accountant help you, or are there particular accountants that specialise in that?

KERSWILL: Any accountant should be able to help.

MONTEITH: *(simultaneously)* Any accountant.

JOHNSON: *(simultaneously)* Any accountant should be able to help you with that.

LEWIS: Any accountant, they all said confidently. *(laughter)* So we’ll see what emails we get later. Ian?

JOHNSON: I think making a decision about the form in which you operate a business shouldn't just be confined to tax reasons. I think you've got to think about you know the costs that go with running a company; the fact that you will have to you know file accounts publicly, etcetera, so that there will be some trading in terms of privacy and that sort of thing. So it's a broader decision than just purely tax.

LEWIS: And does the dreaded section 35 … It's not section 35. Is it section 35? IR35 …

KERSWILL: IR35.

LEWIS: … come into this where people … Because we can't talk to Louise because it's an email, but from what she says it doesn't say they're in business. She says they're self-employed. It sounds as if they're hiring out professional services, so they could be caught by IR35.

MONTEITH: If they are genuinely self-employed, then …

LEWIS: With numerous clients?

MONTEITH: With numerous clients and they are in business on their own account, they aren't in a sort of disguised employment relationship with the engager - then, no, it won't be a problem at all.

LEWIS: But if you've just got one person that you're working for for say 6 months or a year and then another one and then another one, that's when IR35 … you're sort of both self-employed and employed as far as the taxman's concerned?

MONTEITH: It is more likely that it could be a problem. But just having serial engagements doesn't on its own mean that you are an IR35 candidate.

LEWIS: Right. I think there's even a little thing you can do on the HMRC website, isn't there? You can fill in your details and it says you are or you aren't.

MONTEITH: *(over)* There is. And it pops the answer, yes.

LEWIS: Or, in many cases - we're not sure, see an accountant. *(laughs)*

MONTEITH: The employment status indicator tool - if you just put it in and do a search, it'll pull it up. And HMRC do say that if you've gone through that process and answered the questions correctly that they'll stand by the result.

LEWIS: Oh right, well that's very interesting. So the employment status indicator tool …

MONTEITH: Yes. *(laughs)*

LEWIS: … at the HMRC website. Brilliant! Okay, well thanks for your email, Louise. It sounds as if you've got a little bit of research to do on that, and perhaps even pay an accountant something to give you a bit of a hand. Diana now from King's Lynn has a very different question. Diana?

DIANA: Hello. I purchased a property in August 98 under my name. My husband and I shared it, but we separated in 2002. When we divorced last year, the settlement was that the property be sold. I don't own any other properties, but I believe I now have to pay capital gains on the property. Is that correct?

LEWIS: You don't live in it? Does your ex-husband live in it?

DIANA: No. The ex-husband lives in it, but I haven't lived in it for 7 years.

LEWIS: Right. Okay, who wants to take the capital gains one. Leonie?

LEONIE: Shall I start?

LEWIS: Yes.

LEONIE: Yes, Diana you bought it solely in your name, did you, or is it …?

DIANA: Yes, I did.

LEONIE: Okay, it's in your name but your husband lived in it. And paid rent?

DIANA: No. No, I paid the mortgage and he stayed there.

LEONIE: Okay. *(laughter)* Okay.

DIANA: I know, poor man!

KERSWILL: But you only finally got divorced …

DIANA: Last year.

KERSWILL: Okay. I think you're not going to get the entire gain tax free. You're going to have to look at the period up until 2002 and then the last 3 years of ownership. Has it ever been rented out?

DIANA: No, not at all.

KERSWILL: Okay, because there's an extra relief I wondered if you were entitled to.

LEWIS: So what's this 3 year rule that you get? Explain that to us.

KERSWILL: Well that's if the property has ever been your main residence or your only residence, but you don't live in it for the entire period of ownership, then the last 3 years is always treated as if you had lived in it for capital gains purposes.

DIANA: Right, okay.

LEWIS: Right. And that's not to do with the divorce. That's couples who aren't married, couples who are married. It's all the same.

KERSWILL: Yes, that applies to anyone.

LEWIS: Okay. So it sounds, Diana, as if you're going to have to pay some capital gains tax. I always find … I'm sure you three don't, but I always find capital gains tax hideously difficult to understand or calculate. Is there anywhere people can go for help? Again is it just any high street accountant should be able to help them?

KERSWILL: Yes.

MONTEITH: Yes, definitely. And capital gains tax isn't nearly as nasty as it used to be. It's very much what they call a flat rate tax now. So proceeds less cost, and then just time apportion it.

LEWIS: But it's worth going to an accountant just to make sure you're claiming the reliefs you can and the expenses that you can?

MONTEITH: Yes, I would - yeah.

JOHNSON: I think we should point out as well it's only going to be a taxable gain in excess of £10,100.

LEWIS: Because that's your allowance each year.

JOHNSON: That's your tax free allowance. And at the moment capital gains tax is 18%.

LEWIS: And the way the property market's been going recently …

JOHNSON: It may not be that substantial a gain.

LEWIS: It may not be that substantial. So worth getting someone to do a bit of arithmetic, Diana, and seeing what you might be liable for. I'm just going to read an email now that's just come in from Pat, which I think … No, no, Pat from … sorry Pat from Frodsham. 'As I will be 65 on 13th April 2010, will my personal tax allowance be £9,4... Is it £9,490 for 2010/11, or do I have to wait until 2011?'

MONTEITH: Yes, it will. It's the year in which you get to 65. So when was the birthday?

LEWIS: 13th April 2010, so …

MONTEITH: Alright, so it's 2010/11.

LEWIS: Right. So even someone who was 65 on 5th April 2011 would be able to get it for the whole year?

MONTEITH: Yes they would, yes.

LEWIS: But am I right that the Revenue don't always give it that year; that they wait a year to see how things are going and you actually have to ask for it?

MONTEITH: It should come through automatically because you do put your date of birth on the tax return.

LEWIS: But it's well worth checking up.

MONTEITH: Do check, yes.

LEWIS: Okay, well good news for Pat. You get your higher tax allowance next year. Same as it was this year - but I suppose if it's the first time, you won't notice that. Mary is calling us from Cumbria. Mary, your question?

MARY: Hello. Yes, I've been considering for some time going kind of eco - I don't know whether solar panels or hot water or something. And I listened to the Budget very carefully. He did say something, I think it might have been about £10 million, but I had no idea where he was directing it or *how* he was directing it.

LEWIS: No. Well apart from these boiler subsidies that we talked about earlier, but of course that doesn't affect you or at least it may not affect you. You're thinking of solar panels. Now there is something very complicated that starts in April and I'm looking round hopefully …

MONTEITH: Is that the windmills one?

KERSWILL: It's wind turbines.

MONTEITH: He mentioned wind turbines.

LEWIS: It's called the feed-in tariff, isn't it?

KERSWILL: Yes. So if you produce surplus electricity, which you sell back to the national grid, then you get up to £900 tax free.

JOHNSON: *(simultaneously)* Tax free.

LEWIS: Right, it was that that he announced?

KERSWILL: Yes.

LEWIS: And there's going to be a higher … You'll be able to sell it back at a profit, and any profit will not be taxed. It will be tax free.

KERSWILL: Up to £900.

LEWIS: Up to £900 a year?

KERSWILL: Yeah.

JOHNSON: That's right.

MARY: Yes, but I'm worried because you see at the moment I'm on a guaranteed pension type of thing and would that take me over because that helps with things like the dentist, the doctor's and prescriptions, all kinds of things?

LEWIS: Ah, you're saying is it not only tax free, but is it free as far as means tested benefits are concerned? I don't know the answer to that, but I suspect it's not. I suspect this was a tax measure, Mary. That's a very interesting question and we will try and find out. If you would email us, moneybox@bbc.co.uk, I'll try and reply to you in the next few days. Not everybody who might email, but Mary from Cumbria. *(laughs)* No, you can email us through our website, bbc.co.uk/moneybox, and as I say we will be returning to some of these things on Saturday in Money Box. But certainly that does mean that if you do put solar panels or windmill on your house and you sell electricity back to the grid, the money you make will be tax free up to £900 a year. So that is quite a concession. Raj is calling us from somewhere called Mobile. Raj? What's your question?

RAJ: Oh hi. If I was a bank and I was to pay my staff in share options that weren't exercisable for a year, would it get round the windfall tax that was announced today?

LEWIS: Right. If you *were* a bank. You're not a bank though, are you? Or are you?

RAJ: No, I'm not. *(Lewis laughs)* It just strikes me as a peculiar law that banks will do whatever they can to get round.

LEWIS: Okay. And we've also had an email on this from Katherine who says does the banker bonus tax affect any institutions that are *not* banks? How is bank defined? I think it was defined in the papers, wasn't it? But who wants to answer Raj and Katherine. Ian?

JOHNSON: Well I'll start. I don't think the fact that you pay in shares will help because the new bank payroll tax seems to catch what they call money's worth as well as actual money. So they would be looking to put a value on you know whatever the benefit that you're going to pay. So I think the fact that the shares wouldn't be capable of being exercised for a year or what have you will not get you outside of this new payroll tax, which seems to catch you know all discretionary and contractual bonuses between today and 5th April 2010. Anita, have you got the definition of a bank there to hand?

MONTEITH: I'm just looking at that. It talks about …

LEWIS: It does include building societies. I know that.

MONTEITH: It doesn't define a bank. No. Financial businesses and holding companies in banking groups - building societies, financial businesses, blah-blah-blah-blah-blah.

LEWIS: I know you were all worried earlier whether it included accountants, but we don't think it does. *(laughter)*

MONTEITH: What it is though …

KERSWILL: *(over)* It's authorised to banking employees.

MONTEITH: But what it does say is that a technical note and draft legislation and explanatory notes are being published, which means that it's going to be horribly complicated.

KERSWILL: With lots of anti-avoidance.

MONTEITH: Lots of anti-avoidance.

LEWIS: So I think, Raj, the way of avoiding it is probably not the one you suggest, and also banks are going to be closely defined and there will be pages and pages of explanatory notes that no doubt accountants will be poring over the next few days. But just to clarify one thing, Ian. You said it would be bonuses paid between now and 5th April 2010, so it's actually on quite a narrow window of bonuses.

JOHNSON: It is and the tax itself will be payable very shortly after that. It's payable 31st August 2010.

LEWIS: Right.

JOHNSON: Whether this is something that will be continued in the future or whether it will … We'll have to see the fine print, I think, basically.

LEWIS: Yes, they're hoping to raise £550 million from it, so we'll see. We'll see, won't we? I've got two or three queries about VAT here that I'll just take as emails, just so we can go through what's happening to VAT. One of them says, 'What does the Pre-Budget report say about the VAT threshold?' Chris asks that. And Declan asks, 'Will VAT for blind equipment … zero rated VAT for blind disabled people's equipment continue?' And we did have a sort of overall arching statement on VAT, Anita, didn't we?

MONTEITH: We did and it doesn't appear to be changing at all.

LEWIS: No. So no change in VAT, except what happens on 1st January?

MONTEITH: Oh goes back up again. 17.5% comes back.

KERSWILL: Happy New Year! *(laughter)*

LEWIS: But not if you're in a bar that's been open all evening because it doesn't happen till 6 o'clock.

MONTEITH: No, we were just discussing that.

KERSWILL: We might not notice then.

LEWIS: But of course people are concerned - and we did this on the programme on Money Box the other week - that if you've got something that you're paying for over the period that starts this year and ends next year, that's subject to what rules? Ian?

JOHNSON: Well the liability will be based upon when the tax point is, which you know usually is when the invoice is raised or the cash is paid.

LEWIS: So if you pay in advance, it'll be this year's rate. If you pay at the end of the job, it'll be next year's rates?

JOHNSON: Yeah, there is certain what they call anti-forestalling provisions. So I think if there were arrangements whereby you had a very long time to pay and you artificially brought forward the tax point, then you would be caught by those provisions. But you know if you're going to be paying for something up front or you're getting something invoiced up front, then that's fair enough.

LEWIS: In the normal course of business …

JOHNSON: Correct.

LEWIS: … as long as you're not trying to avoid anything. Okay, we're going to Hannah now in London who has a question about corporation tax. Hannah?

HANNAH: Hello. My partner and I run an architectural practice and last year we did reasonably well and had a fairly hefty corporation tax payment. This year we've done very poorly and have actually made significant losses sort of with income not covering rent or salaries. And I was wondering if there's any way in which you're able to claim corporation tax back for a really bad year?

LEWIS: Right. Yes, I think there's …

MONTEITH: Yes, absolutely.

KERSWILL: Yeah, you should be able to.

LEWIS: Hopeful nods around the room. Explain how it works to Hannah.

KERSWILL: It's a claim on the corporation tax return, and actually I think up to £50,000 you can go back 3 years.

JOHNSON: 3 years, yeah.

KERSWILL: So if the loss this year isn't all sort of used last year, you can - provided you're under £50,000 - go back another 2 years to use it all up.

HANNAH: Right. And is the best way to go about that to go through our accountant?

KERSWILL: Absolutely. The person who does your tax return, well the company's tax return, because the claim is on the tax return.

HANNAH: Okay. And we actually pay ourselves a small salary and the rest in dividends. We couldn't take any kind of dividends out of that, if that makes sense?

KERSWILL: They're two different things. You've got you and you've got the company, but you can't offset anything that happens in the company against anything that happens to you.

JOHNSON: And only the salary that you've paid yourselves is deductible in computing the loss.

HANNAH: That's what I meant. You can't actually take a dividend off as a loss?

JOHNSON: No, that's right. The dividends come after the tax position as it were.

HANNAH: Okay, right. Okay, that's very helpful.

LEWIS: Okay, thanks, and I hope your accountant can help you with that. That's what they're there for and that's what you pay them for, I always think. Now we're going to go … In fact we're not going to go to Amos because we haven't got … Well, Amos, what is your question very briefly and we'll try and answer it?

AMOS: I'm a blind person and I just wonder if the personal allowance for blind people has altered? I know the ordinary ones are frozen. Is that frozen as well?

LEWIS: Well I've got the list in front of me.

MONTEITH: Yes it is. Yes is the answer.

LEWIS: It is. So it's £1,890 in 2010/11.

AMOS: It remains the same?

LEWIS: Just about everything stays the same, looking down the list. That's a sort of sweeping statement, but I can't see anything that's changing. So it's going to be quite a dull April for all of us here because nothing's changing at all. And just in the last ten seconds, anything else in the Pre-Budget that you think is … A quick note. Capital gains tax we mentioned. That's not changing.

KERSWILL: That's unchanged, yes, although there was a lot of speculation because of the difference. National insurance …

MONTEITH: National insurance. I think we can't say enough about national insurance.

KERSWILL: But at least from 2011.

LEWIS: From 2011.

MONTEITH: And we haven't mentioned employers' national insurance as well. It's not just employees who are going up by 1%. Employers will be too.

LEWIS: Also going up. But that's 2011, so many more Money Boxes to talk about. That's all we do have time for. Thanks to Anita Monteith from the Institute of Chartered Accountants England and Wales; Ian Johnson of Grant Thornton; Leonie Kerswill, PricewaterhouseCoopers. Thanks to you. Lots about the Pre-Budget Report. Links on our website, bbc.co.uk/moneybox. Listen again, download a copy. In a couple of days, read a transcript. I'm back at noon on Saturday with Money Box, returning to tax and the Pre-Budget among several other fascinating things. And I'm back to take more of your calls on Money Box Live next Wednesday afternoon. Subject: credit and borrowing.