

Robin Hood Budget Taking from the Rich to Give to the Poor

BUDGET MARCH 2010: Overview from BDO LLP in Southampton

In today's (24 March 2010) Budget, the Chancellor announced a number of "Robin Hood" measures, effectively taking from the rich to give to the poor.

These measures included abolishing (from midnight tonight) Stamp Duty Land Tax (SDLT) for first time buyers on homes priced £250,000 or less, and then increasing SDLT from 4 per cent to 5 per cent on properties over £1 million.

In a one off move, the Chancellor also told us that the £2 billion raised from the bank bonus tax will go towards a £2.5 billion growth package for small businesses.

Stuart Lisle, Tax Partner at BDO LLP in Southampton commented: One of the Chancellor's key themes in today's Budget was very clearly fairness. He has introduced several measures that will help those less well off, and heaped the pressure on those better off. The Chancellor's change to CGT was an unexpected but a welcome change. The £2 billion raised from the bank bonus tax could have been used to pay off some of the country's deficit but instead he has ploughed it, and more, into a growth package for smaller companies.

Cynics might say these moves were pre-Election giveaways to the many, others will accept them as necessary targeted measures against the rich to stimulate future economic growth.

The Central South Report published last week by BDO in Southampton offered cause for cautious optimism for business growth in the region, and today's announcements may support businesses as they seek to emerge stronger from the recession. For a copy of the report please email Emma Wareham at BDO in Southampton: emma.wareham@bdo.co.uk or visit the website at www.bdo.co.uk/centralsouthreport

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