



Budget 2024
HTA webinar – 2 Dec 2024

Items we will cover...

- Competition statement
- Budget 2024: Key announcements
- HTA action
- View from the experts:
 - Johnston Carmichael on Agri & Business Property Taxes
 - Turner Morum on Business Rates update & discussion paper
- Further information & contact details

Budget 2024 (1/5)



National Insurance

- Employers NICs up from 13.8% to 15% April '25
- Reduced threshold for paying £9.1k to £5k
- Increased employment allowance: All employers will be able to claim it (rather than just employers who have incurred an employer NICs liability of less than £100,000 in the tax year prior) and the amount each employer can save will rise from £5,000 to £10,500.

Budget 2024 (2/5)



National Living Wage

- From April 2025, the NLW will increase from £11.44 to £12.21 an hour (18-20 yr olds from £8.60 to £10)

Capital gains tax

- The lower rate will rise from 10% to 18%, and the higher rate will go up from 20% to 24%. Residential rates maintained.

Budget 2024 (3/5)



Inheritance tax....

- From April 2026, inheritance tax relief for business and for agricultural assets will be capped at £1mn, with a new reduced rate of 20% being charged above that (rather than the standard inheritance tax rate of 40%). The tax would be payable in instalments over 10 years interest free.

Budget 2024 (4/5)



Business Rates

- For 2025-26, the small business multiplier in England will be frozen at 49.9p. The standard multiplier will be updated by the September 2024 CPI rate to 55.5p.
- The government intends to introduce permanently lower multipliers for Retail, Hospitality and Leisure (RHL) properties from 2026-27, paid for by a higher multiplier for properties with Rateable Values above £500,000.
- Business rates reform – A discussion paper has been published.

Budget (5/5)

Other announcements

- Plastic Packaging Tax rates increased
- CBAM
- Double cab pick-up tax treatment
- Retail crime support
- Skills Levy reform

HTA Briefings: <https://hta.org.uk/policy/member-briefings>

HTA survey (1/2)

Open to all members, opened 11 November, 124 responses:

- Total cost to HTA (incl. APL) members of the NMW & NIC increases: 134m
- -3% reduction in net profit margins foreseen for next year

Proportion of HTA members who report that they will definitely take the following measures in response to the NMW & NIC increases	% HTA members
Increase prices	67%
Recruitment freeze	54%
Not replacing staff who resign or retire	44%
Reduce or postpone capital investment	43%
Reduce or postpone staff training	30%
Reduce the hours of staff	25%
Make staff redundant	14%

HTA survey (2/2)

- Garden centres and ornamentals growers substantially family owned and unconsolidated
- Substantial part of grower and garden centre balance sheet strength is in land and property in comparison with most other sectors
- With HTA member typical net profit margins post NIC & NMW changes forecast at 8%, costs of IHT and loss of reliefs would be a significant further blow to profitability
- Potentially substantial impacts to industry structure could fall out of the changes

HTA action to date



-*Manifesto, NLW, consultations*
- *Sept:* Submission to Chancellor & key departments
- *Oct:* Response to Budget Statement, Member briefings
- *Nov:* Lobbying at HTA Plants in Parliament event
- *Nov:* Member survey, member case studies/feedback, member Budget Impacts template letter & MP visit hosting, MP briefing
- *Nov:* Meeting and/or joint work with BRC (joint letter), FSB, Family Business Asscn



- *Nov:* Chancellor letter, Press Release, Media coverage incl. radio
- *Nov:* EHG Report Parliamentary Launch
- *Dec:* Webinar, Govt engagement
- ...Member support ongoing...

Expert voices

- Alex Docherty from Johnson Carmichael
- Peter Marshall from Turner Morum

Poll



Q&A



Further information & action

- policy@hta.org.uk
- Briefings, template letters etc:
<https://hta.org.uk/policy/member-briefings>
- HM Treasury
<https://www.gov.uk/government/organisations/hm-treasury>
- HTA Advice Lines: <https://hta.org.uk/develop-your-business/business-support-services/advice-lines?pageIndex=2>
- Speaker details to be circulated



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Thank you

