



Holywell Park Conference Centre

Dear BSOA Members,

Welcome to this edition of the Society's Newsletter.

As we continue to live with the aftermath and tail end of COVID-19, the unfortunate ravages of war at our doorstep play constantly on the mind. Reflected in daily life. The resultant waiting lists increase pressure on all of us.

Unfortunately, a recent conversation with a patient made me acutely aware that the a large percentage of the population believe that; "Anaesthetists must have had a great rest as there were no operations happening"

We all know that this could not be further from the truth.

It reminds us that we really largely have only family and fellow professionals to rely on for understanding and support.

I am glad to report that our hybrid meeting which was supported by the Aesculap Academia at the end of March went well. Thank you for participating in that meeting.

Our face-to-face Annual meeting will make a restart, after a 2 year hiatus, on the 1st & 2nd December 2022 In Loughborough.

The format will be a two-day meeting with workshops and a handful of talks on the first day, followed by talks in the second day with an exhibition.

Finally, the new website is functional with the same address.

Look forward to seeing you in December.

Very best wishes

Dr EJ da Silva
President of the BSOA



Tax Advice for Doctors by Andrew Fenton CTA

ATT IIT (Dip), AF Tax Solutions LTD

Personal Tax

There is set to be a temporary increase in the rates of National Insurance by 1.25% from April 2022 for Class 1 (employee & employer), Class 1A & 1B as well as Class 4 (self-employed) NIC's. From April 2023 onwards, the NIC rates will decrease back to 2021/22 levels and will be replaced by a new 1.25% Health and Social Care Levy.

Dividend Tax Rates

Dividend tax rates will increase by 1.25% across the board from April 2022. The dividend allowance remains the same for the tax years 2021/22 & 2022/23 at £2,000 (taxed at 0%!).

Dividends are treated as the top slice of income, and the dividend allowance uses up part of the tax band into which it falls. To the extent that dividends are not covered by the personal allowance or the dividend allowance, they are taxed at the dividend ordinary rate to the extent that they fall within the basic rate band, at the dividend upper rate to the extent that they fall in the higher rate band, and at the dividend additional rate where they fall in the additional rate band.

Before April 2022:

- Basic Rate – 7.5%
- Higher Rate – 32.5%
- Additional Rate – 38.1%

From April 2022:

- Basic Rate – 8.75%
- Higher Rate – 33.75%
- Additional Rate – 39.35%

It may therefore be beneficial for doctors paying further dividends before 6 April 22 to take advantage of the lower dividends rates. It may also be worthwhile paying additional dividends to family members to further benefit from 2021/22 rates.

Tax Rates - 60% is still the hidden top tax rate!

Whilst the headline 'top rate' of income tax is 45%, the fact remains that for some taxpayers the current top marginal rate is actually 60%.

This effective rate of 60% applies to those with a taxable income for 2021/22 of between £100,001 and £125,140, who lose £1 of personal allowance for every £2 by which their adjusted net income exceeds £100,000 – giving an effective 60% tax rate on up to £25,140 of their income, which is well below the £150,000 threshold at which the official top rate begins to bite.

If you find yourself in this position, you should talk to us, as there are two key routes to avoid this 60% tax charge: reducing your taxable income or increasing allowances.

We can discuss your options, which may include delaying income to the next tax year, transferring assets to your spouse, or increasing your pension contributions or Gift Aid donations, in order to take your 2021/22 income out of the 'invisible' 60% tax band.

It is also possible to make Gift Aid donations next year and carry them back one year.

Capital Allowances

From the 1st April 2021 to the 31st March 2023, the government is implementing a new rule to capital allowances titled 'Super-deduction'.

Companies can claim 130% tax relief on qualifying plant & machinery.

This super-deduction will mean that companies who invest in qualifying assets will be able to reduce their tax bill by £1.25 for every £1 invested for qualifying assets. Assets included in the super-deduction rule include items such as computer equipment & servers, office chairs, office desks, tools & equipment.

Exit Strategy

For those doctors expecting to liquidate their companies in the next few years, profits might be left in the company to be drawn as capital. Current rules normally allow retained profits distributed on liquidation to be subject to capital gains tax, with a potential tax rate as low as 10% if Business Asset Disposal Relief (previously Entrepreneurs' Relief) is available.

However, caution is advised as high cash reserves held without a clear business purpose or substantial investments can jeopardise Business Asset Disposal Relief or IHT Business Property Relief.

Capital Gains Tax - Property

Capital Gains Tax (CGT) on the sale of UK residential property is now required to be submitted and paid within 60 days of the sale, with penalties issued for late payments.

For most doctors the higher rates of CGT for sales of UK residential property. These gains attract a tax rate of 28% (after deducting the annual exemption of £12,300 (21/22)).

Gifting Property

In family scenarios, gifting properties are becoming an increasing regular occurrence and it is important to understand the capital gains tax rules on gifts of property.

The basic "CGT" rule is that a gift will be ignored and market value will be substituted. The only time a gift is allowed to stand for "CGT" purposes is on a gift to a spouse or civil partner (so a no gain no loss basis).

Capital Gains Tax – Cryptocurrency

Individuals who invest in cryptoassets will be subject to Capital Gains Tax. All individuals who receive crypto from their employer as a form of non-cash payment or from mining, transaction confirmation or airdrops will be liable to paying Income Tax and National Insurance Contributions on these assets.

Individuals who hold cryptoassets as a personal investment will be taxed as a capital gain at the standard tax rates. The capital gain is charged upon the sale of the tokens, exchange of tokens for a different cryptoasset, using the tokens to pay for goods and services or give away tokens to another person. This gain does not apply if the tokens are given away to a spouse or civil partner.

There are certain allowable costs that can be deducted from the gain including a proportion of the pooled cost of your tokens. When calculating the pool of tokens, it is required that each crypto type is pooled individually. Capital losses can also be used to reduce the gain if reported to HMRC. When calculating the gain, it is important to only include relevant costs.

Allowable costs:

- Transaction fees paid before the transaction is added to a blockchain

- Advertising for a buyer or seller
- Drawing up a contract for the transaction
- Making a valuation so you can work out your gain for that transaction

The records kept for cryptoassets must contain the appropriate information.

Required information:

- Type of tokens
- Date of disposal
- Number of tokens disposed of
- Number of tokens remaining
- Value of the token in GBP
- Bank statements and wallet addresses
- A record of the pooled costs before and after the disposal

For further information or to discuss your tax affairs please contact Andrew Fenton (AF Tax Solutions Ltd) on 07775 503475 or email andrew@aftax.co.uk.

Andrew is a Chartered Tax Adviser (and a former Inspector of Taxes with HMRC) and has many years of experience in dealing with the tax affairs of medical

MEMBER BENEFITS

- ✓ Reduced registration fees for BSOA meetings
- ✓ Access to free webinars
- ✓ BSOA e-newsletters and the opportunity to publish articles in future issues
- ✓ Participation and voting rights at upcoming Executive Committee elections as well as eligibility to nominate and be nominated to the Executive Committee
- ✓ Participation and voting rights at the Annual General Meeting
- ✓ Access to the members-only area on our website including documents Library to search documents and Member Forum to join discussions and/or search topics

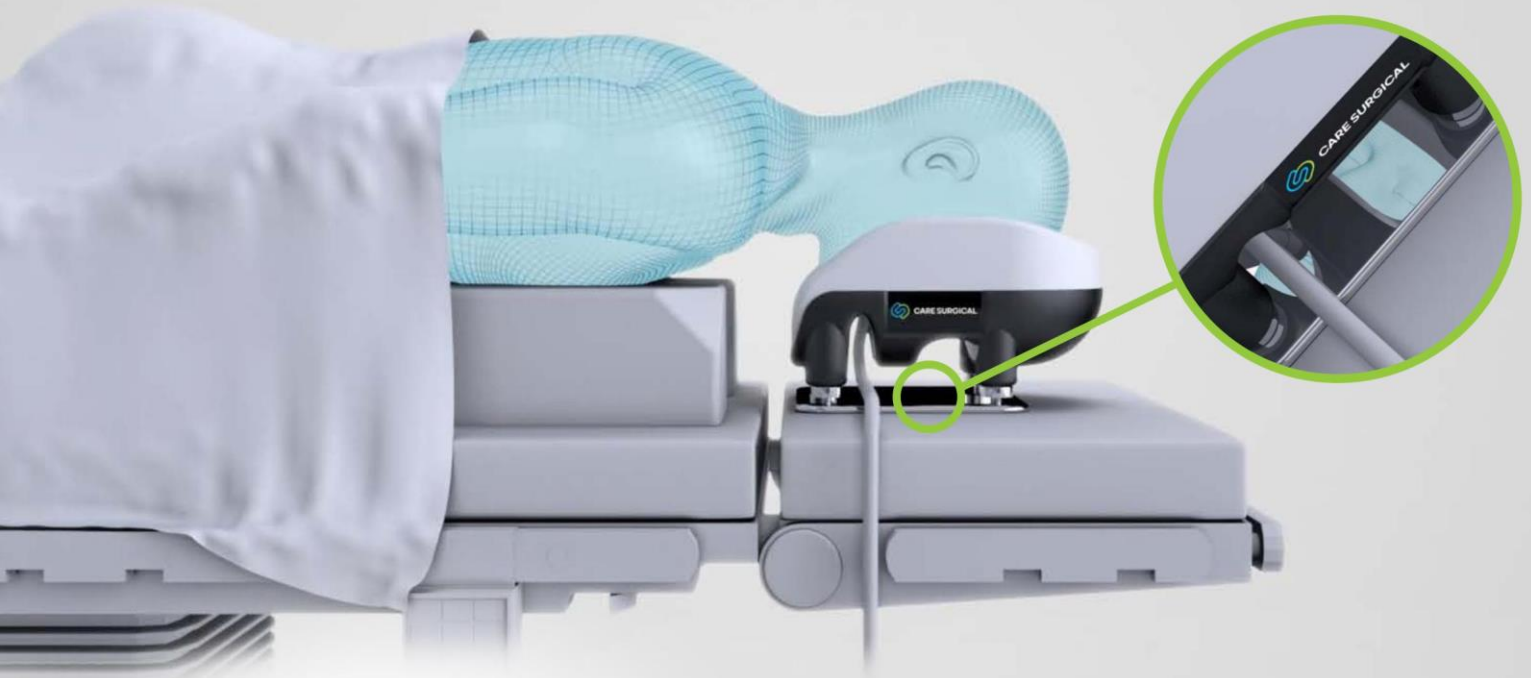
Questions? Comments? Suggestions? Email us anytime: info@bsoa.org.uk

Dr EJ da Silva

Editor and President, BSOA Executive Committee

The CS Prone Head Support System

The Prone Head Support System and Face Cushion's open-chin design allows for rotation of the patient without the need to disconnect anaesthetic tubing.



- + Turn patients without disconnecting tubing
- + Remove pressure from the chin without compromising support
- + Distribute pressure evenly to reduce risk of pressure-related injury
- + Maintain clear view of the patients face and neutral neckline

CS Prone Head Support System
with CS Prone Face Cushion
Product Code: CSM-2560 with CSM-2510

Contact us to arrange a free evaluation

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