

[View this email in your browser](#)



Here we go again! Just as we thought the vaccination programme was going to allow us to enjoy a relatively normal Christmas this year, Omicron comes along and places everything in doubt once again. With Professor Chris Whitty's advice to limit interactions with others in the run-up to Christmas, many people are already cancelling their office Christmas parties.

We had our MBKB Christmas party last night. I know, on a school night! For the second year running we had an online Christmas party, but please don't think that limited the fun. Most of us dressed in our sparkliest outfits or Christmas jumpers, and shared a tippie, but it was the playing of Drag Queen Bingo, with the amazing **Charlie Hides**, that made last night's party so entertaining, proving that life's what you make it and I enjoyed last night's party just as much as those I've attended in person, more so in some cases!

And so it's only left for me to wish you a safe, happy and healthy Christmas from everyone here at MBKB, and let's hope that 2022 finally brings us the return to normality that we've been craving for the last two years.

Take 60 seconds to update your contact preferences

To make sure that you only receive the communications from us that you want to receive, please can you take 60 seconds to update your preferences using the button below

[Update Now](#)

No tax exemption for flu vaccinations

There doesn't appear to be much Christmas spirit when it comes to flu vaccinations. There has been a lot of encouragement for people to get a flu vaccination this winter with the NHS website advising that if you get flu and COVID-19 at the same time, you are more likely to be seriously ill. The vaccine is free on the NHS to certain qualifying individuals (for example to people aged 50 and over, those with certain health conditions, pregnant women, etc) with many COVID vaccination centres offering to deliver a flu vaccine at the same time as the COVID booster. But if employers want to offer flu vaccinations to their employees, they need to be careful how they do this, as in certain circumstances it is considered to be a taxable benefit. There is no tax charge if the employer arranges for vaccinations in the workplace or provides a voucher for staff to obtain a vaccine at a pharmacy. In these instances the vaccination is considered to be a trivial benefit which is not taxable. But if the employee arranges and pays for their own flu vaccination, which the employer later reimburses, this is not covered by the trivial benefit rules meaning that the payment is subject to income tax and Class 1 NIC. Employers can instead use a PAYE settlement agreement (PSA) to meet the tax and NIC costs. Although this does not normally extend to cash reimbursements, HMRC has confirmed that where vaccination voucher schemes are not available, employers can use a PSA to meet the tax and NIC liability for their employees.

Scottish income tax thresholds for 2022-23

The Scottish Budget took place on 9 December and the income tax rates, bands and thresholds for 2022-23 were announced. The income tax rates themselves remain unchanged, as do the Higher and Additional Rate thresholds, however the Starter and Basic Rate thresholds will increase by inflation. The following rates and thresholds will apply for tax year 2022-23.

	2021-2022		2022-2023	
Starter Rate	19%	£ 1 - £ 2,097	19%	£ 1 - £ 2,162
Basic Rate	20%	£ 2,098 - £ 12,726	20%	£ 2,163 - £ 13,118
Intermediate Rate	21%	£12,727 - £31,092	21%	£13,119 - £31,092
Higher Rate	41%	£ 31,093 - £ 150,000	41%	£ 31,093 - £ 150,000
Additional Rate	46%	Over £ 150,000	46%	Over £ 150,000

Advisory Fuel Rates from 1 December 2021

HMRC has published the latest Advisory Fuel Rates (AFRs) for Company Cars which apply from 1 December 2021. AFRs are reviewed every quarter, and usually there's very little change with only one or two rates affected, but with fuel prices zooming up there have been significant changes this time. I've been doing this job a long, long time and I can't ever remember a time when every single AFR rate increased. Employers can use the previously published rates for up to one month after the rates change if they wish. The mileage rates for fully electric cars continue to be 4p per mile. Hybrid cars use either the diesel or petrol rates as appropriate. The new rates are below (previous rates are in brackets):

Engine size	Petrol	LPG
1400cc or less	13p (12p)	9p (7p)
1401cc to 2000cc	15p (14p)	10p (8p)
Over 2000cc	22p (20p)	15p (12p)
Engine size	Diesel	
1600cc or less	11p (10p)	
1601cc to 2000cc	13p (12p)	
Over 2000cc	16p (15p)	

Payment date to be reported if paying early for Christmas

Lets' get back into the festive spirit with a reminder that if you pay early over the Christmas period, you should report your normal, or contractual, payday as the payment date on your FPS and ensure that the FPS is submitted on or before this date. For example, if you pay on Friday 17 December 2021 but the usual or contractual pay date would be Friday 31 December 2021, you should report the payment date on the FPS as 31 December and ensure the submission is sent on or before 31 December 2021. Doing this will help to protect your employees' eligibility for Universal Credit, as reporting the payday as the actual payment date may affect current and future entitlements.

PayrockPayroll Update

The MBKB offices will close at 4pm on 21 December and re-open at 9am on Tuesday 4 January. To end this newsletter I would like to thank you for working with us, particularly through what has been another very difficult year, we truly value our relationship with you all. The whole of the MBKB team would like to wish you a holiday season which is full of peace, joy, and happiness. Take care, stay safe and see you next year.

