



NEWS RELEASE

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BUSINESS WANTS A 'FIT NOTE'

Ahead of next week's budget, North Hampshire Enterprise, the Chamber of Commerce for North Hampshire, sets out the measures it wants to see in next week's Budget. The Chamber opposes any major increase in the Capital Gains Tax for businesses and entrepreneurs and any employer NIC rises, which would stifle long-term investment in business.

The Chancellor should introduce an immediate two-year freeze on the total public sector wage bill; commit to a full reversal of the employer National Insurance rise and avoid potentially damaging increases in Capital Gains Tax.

North Hampshire Enterprise urges the Coalition Government to listen to businesses and the key points they want in the Emergency Budget include:

- Introduce an immediate two-year freeze on the total public sector wage bill
- Avoid deep cuts to capital investment, which supports growth of the productive economy
- Fully abolish the April 2011 employer NICs rise, paid for by using a portion of any increases in VAT
- Proceed with the simplification of Corporation Tax but only after a careful study of how the elimination of allowances could affect business investment
- Do not raise CGT to near-income-tax levels. If a rise is unavoidable, clear and concrete exemptions and reliefs for business activity must be detailed, along with taper relief and indexation.



Commenting, Gill Edinburgh, Deputy Chief Executive of North Hampshire Enterprise, said:

“The Chancellor faces a difficult balancing act next week. The right choices would put business growth at the very heart of Government policy and the Budget is an opportunity for it to write a ‘fit note’ for the economy.

“The Government must avoid punishing new taxes that negatively affect private sector growth. Any short-term revenue gains would be outweighed by longer-term economic consequences, from reduced business investment to lower rates of job creation.

“We will watch closely next week’s Budget and its impact on business.”

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Notes to Editors:

1. North Hampshire Enterprise is the chamber of commerce for **the Basingstoke and Deane, Hart, Rushmoor, Winchester and Test Valley areas**. Accredited by the British Chambers of Commerce it exists to help Hampshire businesses prosper and develop by providing expert business help and advice. As a membership organization it is owned by and accountable to the local business community. Visit www.northhampshireenterprise.co.uk
2. North Hampshire Enterprise is monitoring the new Government against the British Chambers of Commerce’s 90 day plan for business growth which calls for a credible plan to reduce the budget deficit and restore growth; freeze public sector wage bill and reform public pensions; avoid deep cuts to infrastructure projects that support business growth and cancel the planned employer NICs rise.

See the 90 day plan here -

<http://www.britishchambers.org.uk/6798219243715799179/BCC%2090%20Day%20Plan.pdf>