

PRESS RELEASE

FROM: Fiona Bruce MP for Congleton Constituency

DATE: 23rd March 2011



Fiona Bruce MP: a Budget for growth, jobs and families

Fiona Bruce MP welcomed the Government's Budget with its plan to reform the economy to support jobs and growth, and to take steps to help families with the cost of living – including an immediate cut in fuel duty.

Key measures in the Budget to boost growth include:

- **Tax cuts for businesses and entrepreneurs**
- **Scrapping burdensome regulations**
- **Radical reform of the planning system**
- **New investment in science and innovation; and**
- **More support for young people with additional apprenticeships and work experience places.**

To help families facing the rising cost of living, the Budget also will:

- **Immediately cut fuel duty by 1 pence per litre and delay April's inflation rise in duty to next January. This means fuel duty is 6 pence lower than it would be under Labour.**
- **Introduce a Fair Fuel Stabiliser to tax oil companies more to stop above inflation rises in fuel duty**
- **Increase the Personal Allowance from by a further £630 from April 2012. That's another real increase of £48 extra per year, or £126 in cash terms. Together with this year's rise, that means a total of £326 extra each year for those working hard to support their families. And it means, just ten months into office, this coalition Government has taken 1.1 million low paid people out of tax altogether.**

Welcoming the Budget, Fiona Bruce MP said:

"Representing the Congleton Constituency, in which so many people put so much hard work into local business, I am delighted that the Chancellor has focused on supporting business and families.

This Budget set out plans to stimulate business start-ups, development, apprenticeships, support manufacturing, green enterprise and reduce the burden of tax and regulation on business.

We want to ensure Britain is the best place to do business in Europe and that Britain's businesses have the best educated and skilled workforce to equip them to do so.

By cutting fuel duty immediately and cutting income tax for millions, the Chancellor has done what he can to help families now.

I am also very pleased that the Chancellor has recognised the valuable contribution which voluntary organisations make and is supporting them through this Budget.

This Budget has put fuel into the tank of our economy.”

ENDS

Notes to Editors:

Measures announced in the Budget to promote growth include:

- An extra 1 per cent cut in corporation tax from April 2011, taking corporation tax from 28 per cent to 26 per cent. We have already announced future cuts which will take corporation tax to 23 per cent by 2014. To offset this for banks, the Bank Levy will be increased in January 2012. In every year of this Parliament our permanent Bank Levy raises more than Labour's one-off bankers' payroll tax of the last Parliament.
- Sweeping changes to the generosity, simplicity and reach of the Enterprise Investment Scheme, with an increase in the income tax relief available from 20 per cent to 30 per cent; plus a doubling the size of the Entrepreneurs Relief to £10 million.
- An extension of the small business rate relief holiday until October 2012 – over half a million eligible businesses will continue to benefit from reductions in their bills, with approximately 330,000 businesses paying no rates at all.
- Support for innovation and manufacturing with an additional £100 million this year for new science facilities, and an increase in the SME rate of Research and Development Tax Credit to 200 per cent from April 2011, and 225 per cent from April 2012.
- 21 new Enterprise Zones with up to 100 per cent business rate discount, new superfast broadband and the potential to use enhanced capital allowances for zones with a strong focus on manufacturing
- A new £250 million shared equity scheme, First Buy, in England this will help 10,000 first time buyers get on the housing ladder for the first time.
- 50,000 additional apprenticeships, bringing the total funded by this Government to 250,000 over the next four years; 100,000 work placements for young people; and a doubling of the University Technical Colleges programme to create at least 24 new colleges

Measures to help families and make our tax, pensions and benefit system fairer include:

- 1 penny per litre cut in fuel duty from 6pm tonight, abolition of Labour's fuel duty escalator and replacing it with a fair fuel stabiliser that increases tax on North Sea oil when production prices are high, and delaying inflation increases this year and next
- A further increase in the personal allowance of £630 in April 2012, taking 260,000 more people out income tax and reducing the tax paid by 25 million people by an average of £48, without creating any more higher rate taxpayers. Together with the £1,000 rise happening this April, it means an extra £326 a year for hard working families, while over 1.1 low paid people have been taken out of tax altogether.
- A crackdown on tax avoidance to raise an extra £1 billion a year by closing down schemes which disguise remuneration, and avoid corporation tax, VAT and stamp duty
- An HMRC led investigation into how much revenue is raised by the 50 pence rate of income tax – which the Chancellor regards as a temporary measure
- A 10 per cent cut in inheritance tax for estates leaving 10 per cent or more to charity. No beneficiaries will be better off, but we expect charities to gain £300 million.
- Introduction of a new scheme where Gift Aid can be claimed on small donations, up to a total of £5,000 a year, without the need for donors to fill in any forms.