The 2012 Budget did more than impose a granny tax and increase the price of Cornish pasties. Here is a list of all the changes announced in the 2012 Budget.

**Income tax**
- Personal allowance rises from £7,475 in 2011/12 to £8,105 in 2012/13 to £9,205 in 2013/14
- Reduction in threshold for 40% rate from £34,370 in 2012/13 to £32,245 in 2013/14
- Phasing out age allowances from 6 April 2013
- Additional rate of tax reduces from 50% to 45% from 6 April 2013
- Dividend additional rate reduces from 42.5% to 37.5% from 6 April 2013
- Rate applicable to trusts reduces from 50% to 45% from 6 April 2013
- New tax charge to withdraw child benefit for those with incomes over £50,000
- New 25% limit on uncapped income tax reliefs
- Introducing a cash basis for businesses with turnover up to VAT limit
- Abolition of ordinary residence from 6 April 2013, but keeping overseas workday relief
- Consultation on allowing standardised expenses for unincorporated businesses
- Abolition of life assurance relief from 1 April 2015

**Payroll**
- Company car tax appropriate percentages published for years 2014/15 to 2016/17
- Increasing car fuel benefit charge multiplier from £18,800 to £20.200 from 6 April 2012
- Appropriate percentages extended from 35% to 37% from 6 April 2015
- Removal of additional 3 percentage points for diesel cars from 6 April 2016
- End of the zero percentage for cars and vans with zero emissions from April 2015
- Car fuel benefit charge multiplier to increase by RPI + 2% from 6 April 2013
- Van benefit charge frozen at £3,000 for 2012/13
- Van fuel benefit charge frozen at £550 for 2012/13, increased by RPI from 6 April 2013
- Security enhancements excluded from list price of company cars from 6 April 2011
- SP 1/09 on non-resident but ordinarily resident employees to be made statutory
- Provisions relevant only to MPs, devolved assembly members, and the armed forces
- More than doubling Enterprise Management Incentive limit to £250,000
- Tax and NI relief for luncheon vouchers ends on 1 April 2013
- Requiring all officer holders and controlling persons in an organisation to be on the payroll
- New regulations to facilitate Real Time Information

**Pensions**
- Technical amendments to lifetime and annual allowances for pension contributions
• Restrictions on employer providing pension for employee’s spouse or family
• Further changes to legislation on asset-backed pension contributions
• Changes to rules for bridging pensions to align with revised state retirement ages
• Greater reporting requirements for Qualifying Recognised Overseas Pension Schemes

Investments
• From April 2012, the EIS investment limit for individuals increases to £1 million
• The EIS investment company employee limit increases from 50 employees to 250
• Gross assets limit for EIS company increased to £15m before investment, £16m after
• Annual investment limit per EIS company is increased to £5m
• Removal of some restrictions for type of share and investor in venture capital trusts
• Introduction of Seed Enterprise Investment Scheme
• Relaxation of some restrictions for Community Investment Tax Relief
• Various improvements in competitiveness and transparency of ISAs
• Consultation later in 2012 on reform of taxation of interest on investments
• Income tax to be deducted at source from interest paid on qualifying time deposits
• Consultation on changes to real estate investment trusts

Charities
• Technical amendments for Gift Aid donations to Community Amateur Sports Clubs
• Investigation of ways to simplify Gift Aid for charity shops

Corporation tax
• Main rate reduced from 26% to 24% from 1 April 2013. Marginal rate is 25%
• Small profits rate remains at 20%. No change to thresholds for rates
• New corporation tax relief for video games and similar from April 2013
• Introduction of above-the-line R&D tax credit of minimum 9.1% from April 2013
• Package of measures to encourage oil and gas exploration in deeper waters
• Plans for patent box, increased R&D credits and controlled foreign companies remain
• Consultation on plans to amend lease premium relief for long leases treated as short leases
• Changes so group status is unaffected when a company issues loan notes for non-group co
• Introduction of tax transparent fund vehicle during summer 2012
• Introduction of contractual entitlement to tax relief on decommissioning oil and gas rigs
• Consultation on introducing a new disincorporation relief
• Removal of tax relief for incidental expenses of deeply discounted securities from 1 April 2015
• Amendment to corporation tax rules on loan relationships between connected companies
• Closure of avoidance scheme using authorised investment funds

Capital allowances
• Introduction of enterprise zone with enhanced capital allowances at London Royal Docks
• Enhanced capital allowances available from 1 April 2012 in identified enterprise zones
• Extension of 100% first year allowance period for gas refuelling equipment to 31 March 2015
• Extension of 100% first year allowance period for low-emission cars to 31 March 2015
• Reduction in CO₂ emissions for first year allowance from 110g/km to 95
• CO₂ emissions threshold for cars reduced from 160g/km to 130g/km from April 2013
• Scope of enhanced capital allowances for environmental plant to be revised in summer 2012
• From April 2013, first-year tax credits for environmental plant that makes a loss for 5 years

**Capital gains tax**
• All rates and exemptions unchanged from 2011/12 to 2012/13
• From 6 April 2013, increases in annual exempt amount to be linked to CPI, not RPI
• Extension of tax regime to disposal of UK residential property by non-resident companies
• CGT liability to be removed from withdrawals from foreign currency bank accounts
• Allowing funds to be transferred tax-free between heritage maintenance funds
• Preservation of rollover relief for farmers under new EU single payment scheme
• Two new anti-avoidance provisions in relation to companies transferring assets abroad

**Inheritance tax**
• Increasing the £55,000 limit to a non-domiciled spouse. Date and amount not stated
• Possible simplification of ten-yearly charge for assets held in relevant property trust
• As announced, reduction in rate from 40% to 36% when 10% of estate left to charity
• Confirmation that nil rate band and rates remain frozen until 2015

**Stamp duties**
• New 7% rate for properties costing more than £2 million, from 22 March 2012
• New 15% rate for properties costing more than £2 million bought by a company
• Consultation of reforms to simplify rules for non-standard leases
• Ending of zero stamp duty land tax for zero-carbon homes on 30 September 2012
• Closure of any new SDLT avoidance schemes with retrospective effect from 21 March 2012
• New rule to make clear that granting or assigning an option does not meet the sub-sales rule

**Value added tax**
• Increasing VAT threshold from £73,000 to £77,000; deregistration from £71,000 to £75,000
• Publication of new table for road fuel scale charges effective from 1 May 2012
• Bringing VAT concessions on road fuel scale charges into law
• Formalising arrangements whereby supplies of freight services outside UK are not taxed
• Extending VAT to hot pasties and all food taken away hot except bread from 1 October 2012
• Clarifying that standard-rated catering applies to food consumed next to supplier’s premises
• Extending VAT to holiday caravans from 1 October 2012
• Charging VAT on all self-storage facilities from 1 October 2012
• Extending VAT to all sports and energy drinks from 1 October 2012
• Charging VAT on all supplies of a chair to a hairdresser at a salon from 1 October 2012
• Extending VAT to alterations to listed buildings from 1 October 2012
• Extending the Listed Places of Worship scheme to mitigate new VAT charge
• Providing VAT relief to European Research Infrastructure Consortia
• Amendments to invoicing rules to comply with EU Invoicing Directive
• Review of VAT as it applies to educational establishments
• Removing charitable buildings from the scope of reduced rate energy-saving materials
• Introduction of voluntary scheme for car and boat dealers to report sales of adapted vehicles
• Rate of VAT is reduced from 20% to 5% for rides in cable cars
• New system for checking that VAT has been paid on imported vehicles from 15 April 2013
• Introduction of a new VAT cost-sharing exemption for shared facilities by exempt bodies
• Clarification of the VAT position for public bodies
• Introduction of on-line registration, deregistration and amendments from 31 October 2012
• Various changes in provisions for the health service as a consequence of new laws
• Changes to VAT as a consequence of introducing universal benefit in 2013

**Excise duties**
• Alcohol duties increase by 2% above RPI from 26 March 2012
• Government considering requiring fiscal marks for beer
• Possible introduction of laws for alcohol supply chains and wholesalers
• Tobacco duties increase by 5% above RPI from 6pm on 21 March 2012
• Herbal smoking products to become subject to tobacco duty
• Fair fuel stabiliser to be introduced in 2012, but 3p a litre rise in petrol still goes ahead
• Red diesel to be allowed for pleasure craft in UK waters from 1 April 2012
• Amusement machine duty replaced by machine games duty from 1 February 2013
• Amusement machine duty rates increased by RPI from 4pm on 23 March 2013
• Introduction of double taxation relief for general betting duty from 1 April 2012
• Relaxation of bingo duty for combined bingo involving non-resident participants
• Gaming duty bands increased by RPI for accounting periods from 1 April 2012
• Moving the basis of assessing gambling taxes to where the customer is based
• Vehicle excise duty increased by inflation, but heavy goods vehicles VED is frozen
• Introduction of system whereby VED can be paid in installments by direct debit
• Further consideration of whether VED rates need to be reviewed
• Extension to 14 days of period of grace for non-display of a renewed tax disc
• For car leasing businesses, extension of date-to-end-month scheme for VED exempt licences

**Other taxes**
• Bank levy increases from 0.088% to 0.105% from January 2013
• Amendment to bank levy in relation to joint ventures
• Amendments to reflect tax treatment of regulatory capital instruments under Basel III
• Simplification or replacement of proposed Carbon Reduction Commitment
• Possible new annual charge on non-residents owning UK property worth over £2 million
• Air passenger duty rates increased from April 2012, to be indexed in future years
• Air passenger duty extended to flights on business jets from April 2013
• Right to set air passenger duty rates in Northern Ireland is devolved to Assembly
• Climate change levy rates increased by RPI from 1 April 2013
• Climate change agreements to be extended to 2023
• Climate change levy discount for agreements is to be increased to 90%
• Climate change levy rate reduced to 20% of main rate for metal recycling
• Climate change levy exemption removed for combined heat and power from 1 April 2013
• Landfill tax rate rise from £64 a tonne to £72 from 1 April 2013. Lower rate is frozen
• Landfill communities fund cap on operators’ contributions amended to 5.6%
• Correction of error in relation to Scottish landfill sites with effect from 2000
• Modernisation of Customs law in relation to seizure of goods and penalties for smuggling

Welfare
• An additional but unspecified further £10 billion a year reduction in welfare spending
• Housing benefit frozen for one year from April 2012-03-29
• From April 2013, housing benefit limited for under-occupied properties
• Additional £30 million per year for Discretionary Housing Payments from April 2013
• Various amendments to household benefit cap from April 2012
• Abandoning plans to remove mobility component of benefits paid to people in care
• Introducing enterprise loans to help young people start businesses
• Cap of £2.5 billion additional costs of introducing universal credit in 2013
• Commitment for further increases in state pension age in line with increased longevity
• Linking retirement ages for state sector pensions with those for state pensions
• Reaffirmation of commitment to consolidate state pensions into a single tier pension
• Additional £325 million allocated to tackle fraud and error in benefits system
• Aggregates levy increase from £2 per tonne to £2.10 deferred to 1 April 2013

Tax administration
• List of minor and redundant tax reliefs abolished from 1 April 2013
• Introducing a General Anti-Abuse Rule while protecting genuine tax planning
• Introducing personal tax statements from April 2014
• Consultation on allowing HMRC to withdraw a notice to file a self-assessment return
• Launch of detailed consultation on integration income tax and national insurance
• Easing tax administration for small businesses as set out in separate document
• Programme of work to tackle tax avoidance in areas that are repeatedly used
• Proposed simplification of the rules on manufactured payments
• Review of the way that loss relief is claimed for income tax
• Strengthening IR 35 compliance and simplifying its administration
• Various schemes introduced to counter tax avoidance schemes
• Extension of the list of hallmarks of a tax avoidance scheme
• Provisions to ensure compliance with the US Foreign Account Tax Compliance Act
• Legislation to give effect to the UK/Switzerland treaty on tax co-operation
• Revision of PAYE penalties in the light of Real Time Information
• Giving HMRC the power to index amounts of tax penalties
• New powers against dishonest tax agents
• Minor changes to align HMRC’s criminal powers with Proceeds of Crime Act 2002
• Extension of HMRC’s powers to obtain information in line with international standards
• Amendment to the definition of incapacitated person to remove pejorative terms

Non-tax measures
• Relaxing Sunday trading laws between 22 July 2012 and 9 September 2012
• Increasing the national minimum wage by less than inflation
• Various improvements to rail networks and broadband facilities
• Transferring assets and pension liabilities of Royal Mail to the government
• National Loan Guarantee Scheme launched on 20 March 2012 with £20 billion
• Increase of £150 million in Get Britain Building to provide 3,000 more homes
• Release of state-owned land to allow for building of 100,000 more homes
• Additional funding for Business Finance Partnership
• Changes in planning laws to simplify and shorten time for planning permission
• Scrap or improve 84% of health and safety regulations
• Rationalisation of environmental legislation to cut business costs by £1 bn a year
• Launch of business sector reviews in April 2012 to minimise compliance costs
• Reduction of 20 basis points in loans from Public Works Loan Board to local authorities
• Increased statutory packaging recycling targets between 2013 and 2017

Economics
• Public sector net borrowing down from 11.1% in 2009/10 to 1.1% in 2016/17.
• Public sector net debt to peak at 76.3% of GDP in 2014/15 and fall to 74.3% in 2016/17
• Reduction in the Special Reserve which funds spending in Afghanistan
• Introduction TIF2 to let local authorities borrow against planned improvements
• Increase of £270 million in Growing Places to encourage local authority enterprise
• Creating Pension Infrastructure Platform to allow £2 bn pension investment in infrastructure
• Lord Heseltine to conduct review of how government policies can further assist growth
• Package of measures to more than double UK exports to £1 trillion by 2020