

BUDGET 2009

22 April 2009

Budget 2009 for Northern Ireland

Today the Chancellor has announced a package of measures to help business, families, and pensioners in these unprecedented economic times.

These include:

- A package of measures for business, including the introduction of an enhanced first-year capital allowance of 40% for one year, introduced with effect from April 2009.
- support for individuals, including through an increase in the annual investment limit for Individual Savings Accounts (ISAs) to £10,200, up to £5,100 of which can be saved in cash;
- support for homeowners and homebuyers, including an extension of the stamp duty holiday for all houses costing up to £175,000 until the end of the year;
- £5 billion recoverable value for money savings in 2011-11 raising the 2007 Comprehensive Spending Review target from £30 billion to £35 billion, and in the next Spending Review period, additional efficiencies to help support the economy and front-line services, rising to £9 billion by 2013-14. The Budget sets assumptions for spending growth from 2011-12 onwards, with current spending growing by an average 0.7 per cent in real terms and public sector net investment moving to 1¼ per cent of GDP by 2013-14;
- support for the environment, including setting the world's first carbon budgets and measures to encourage energy efficiency and low-carbon growth;
- additional provision of £143 million for the Northern Ireland Executive as a consequence of additional provision for UK Government departments.

This April a number of important changes for families and individuals came into effect:

- 600,000 basic rate tax payers in Northern Ireland will be £145 better off;
- increases to the child element of Child Tax Credit of £75 above indexation will benefit around 130,000 families in Northern Ireland;
- The introduction of the new £190 health in pregnancy grant will benefit the estimated 25,000 mothers to be in Northern Ireland this year.

The Pre Budget report also announced changes to help the economy. And these are now delivering. For Northern Ireland, over 3,140 businesses have benefited from being able to spread payments of tax, and the enterprise finance guarantee scheme has ensured that viable SME's continue to access finance they require in Northern Ireland.

Notes for Editors

For a breakdown of how the key Budget measures will impact on Northern Ireland visit the Treasury microsite at: <http://budget.treasury.gov.uk>.

HM TREASURY PRESS OFFICE

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HM REVENUE & CUSTOMS PRESS OFFICE

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020 7147 2318 / 2333 / 0051 / 0394 (Personal Tax Desk)

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07860 359544 (Out of hours)

GOVERNMENT DEPARTMENT INTERNET SITES

Further information and all published documents relating to Budget 2009 may be found on the Internet at the following addresses:

HM Treasury: <http://www.hm-treasury.gov.uk>

HM Revenue & Customs: <http://www.hmrc.gov.uk>