ATT Welcome: Reflection and resilience (December 2025)

Welcomes



26 November 2025

With a late November Budget, I am writing this column before the Chancellor's Budget announcements. It is, however, written after Rachel Reeves' pre-Budget 'scene setter' on 4 November – a term borrowed directly from the government's own press release. Having worked in taxation for many years. I cannot remember anything quite like it.

Traditionally, chancellors disappeared from public view for at least a month before Budget Day, re-emerging only on the Sunday before the Budget to appear on political TV programmes. Personally, I have always thought those interviews would be far more useful on the Sunday *after* the Budget, when the chancellor could be challenged on the actual proposals, rather than them replying 'you'll have to wait and see' to every question.

I think it would be much more interesting for a chancellor to be asked detailed questions about a specific policy they had introduced. I once met a former chancellor who genuinely thought that a single director was taxed on their company’s profits as though they were a sole trader.

The current political climate is vastly different to 1947, when Hugh Dalton mentioned some of his Budget proposals on his way to Parliament. His remarks were published in the London evening paper before he had started his speech. He was forced to resign. Times have certainly changed.

The ATT is, of course, a non-political organisation. We work with all governments to promote and advance the understanding of taxation. Political commentators suggested that the chancellor’s pre-Budget speech was intended to ensure that her key message appeared in the headlines before being overshadowed by Budget-day coverage. The timing of her speech – at 8.10am – was also unusual for such a political statement and clearly designed to have maximum impact. The aim was to reach both political correspondents and the public as their Breakfast TV or radio was interrupted.

I am often asked what I would like to see in the forthcoming Budget. I often reply ‘nothing’. Not because the tax system is perfect – far from it – but because sometimes a period of calm and consistency would help us and the tax paying public alike. About 15 years ago, we seemed to have Budget announcements every six months and so many different starting dates for new measures: immediately, next 6 April, or the one after that, and so on. It was all very confusing for practitioners and taxpayers alike.

With such a late Budget, December will bring new measures in what is already a busy month for tax practitioners. The January deadline is not far away. It is a time for gently encouraging your colleagues in accounts to prioritise the information that you need for tax returns over than their Companies House filings.

The change in the basis period rules has added yet another layer of complexity. Have you managed to persuade your sole traders and partnerships to change their year end to 31 March, or are you apportioning profits, relying on estimates and then revising previous years? For limited companies with a 31 March year end, the filing deadline of 31 December neatly coincides with the festive rush. You are finally provided with dividend information that miraculously arrives at the last minute. And

despite months of chasing, somehow it’s still ‘your fault’ that the tax return isn’t ready. It can be a tough life in tax!

I’ve always thought that there is a problem with the tax calendar. The 20 December is six weeks before the filing deadline, while 3 January is only four weeks. Does anything much happen between those two dates? Older readers will remember the ‘No to November’ campaign, when HMRC proposed changing the filing deadline for tax returns to 30 November – so I am not advocating a change!

People have varying views on what to do during the holiday period, known by the rather awful name of ‘Twixmas’. Everyone approaches it differently. Some enjoy the uninterrupted work time, knowing that without client calls and emails their productivity can be maximised. Others prefer a complete break – and a chance to recharge their batteries before the inevitable January onslaught.

No matter which path you choose, I wish you and your family a restful and reflective festive season, whatever your faith and beliefs, and look forward to being in contact again in 2026. Take care.