



E-Update: September/October 2011

This month Robert Bradley looks at two topical tax and business issues.

Dear Colleagues.

Welcome to the September/October edition of my E-Update.

Are your staff engaged?

Are we confusing employee attendance with employee productivity, of course attendance is better than absence, but how much attendance is actually productive. As businesses look at ways to reduce costs, employees fearing for their jobs may be less inclined to take necessary time off work. As a result of the current recession are we seeing more of what is termed "presenteeism" in our working environment? Has presenteeism switched places with absenteeism? Presenteeism surfaced back in 1994 and was a phrase coined by Professor Cary Cooper. We all have our off days which inevitably cost our employers; so surely the killer question is how can employers keep their people fully switched on and engaged? Are organisations truly being pro-active and engaging in performance management? This requires reviewing realistic workloads and resourcing requirements and meaningful and effective leadership and communication. When armed with the knowledge that a sizeable proportion of our workforce is disengaged, fearful, over worked and a proportion are attending work when unwell or pre-occupied, are we really clear how much presenteeism is costing?

Property taxes: your choice

If you own an investment property there are several good reasons why you may wish to pass it to the next generation. The most obvious of these is as part of a plan to reduce your exposure to inheritance tax. Any gift of property you make results in your taxable estate, on your ultimate demise, being that much less and potentially saving 40% of your wealth for your family to enjoy. Alternatively, you may not need the rental income and you may be thinking income tax and wanting to take advantage of the lower tax rates that the children may have. All this is potentially sound planning in principle but the problem standing in your way is invariably capital gains tax. When you give away a chargeable asset like property, the tax rules ensure that your gift is treated in exactly the same manner as if you had sold it at current market value.

Hope you have a good November.

Regards,

Robert Bradley

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