

BUDGET 2008



HM
TREASURY

CHANCELLOR OF THE EXCHEQUER



Cigarettes:

UP 11p for packet of 20



Pensioners: Winter fuel payment up £50 to **£250** for over 60s, up £100 to **£400** for over 80s

■ **Fuel bills:** **£26m** fund to help people cut carbon output of their homes

■ **Plastic bags:** Plan to introduce legislation in 2009 if voluntary action to cut use fails

■ **Education:** **£10m** over next five years to create new science fund for secondary schools. Extra **£200m** by 2011 to improve GCSE grades

■ **Jobs:** **£60m** over next three years to help people re-enter labour market



Alcohol:

Spirits **UP 55p** bottle
Wine **UP 14p** bottle
Beer **UP 4p** pint
Cider **UP 3p** litre



Child benefit: **UP** to **£20** per week for first child in 2009, child element of tax credit raised by **£50** a year

■ **Housing:** **£8m** made available for affordable housing. Key workers able to borrow from shared equity schemes if they can afford **50%** of price of new home

■ **Stamp duty:** Abolished on shared ownership until **80%** of equity owned

■ **Non-doms:** Residents charge remains at **£30,000**, to be introduced April – no further change in this parliament or next



Vehicle excise duty:

Low polluting cars – less than **130g/km** – to pay no tax from 2009



Fuel duty: **2p** per litre rise postponed to October



Flight tax: To increase by **10%** in second half of year

■ **Small business:** Loan guarantee scheme increased to **£60m** this year. Small, medium sized businesses to win **30%** of public sector contracts

■ **Capital gains tax:** New regime introduced from April for small and medium sized businesses

■ **Corporation tax:** To fall 10% to **28%** from April

■ **Defence:** Spending to rise by **£2bn**, including **£900m** on new equipment