

ENGLAND AND WALES

Forsters' Corporate Newsletter

What's the buzz? What's the buzz?
Tell me what's a-happening.

Unfortunately (from a mindfulness perspective) everyone in business has to mind about the future and from a legal and commercial perspective, the coming months look set to contain opportunities, bear traps, challenges and much more.

SPACs are causing a stir as they create a real opportunity for capital to marry up with hungry businesses that need funding and want to go public, while advisors and clients need to think carefully about the National Security and Investment Bill which allows the government an unprecedented right to scrutinise a myriad of transactions. On top of that the focus on audit reform may have a sizeable impact on directors' liability.

It must be a relief to many (and not just compliance teams in professional services firms) that HMRC confirmed that the UK would not be applying DAC6 in its full "glory". As Nicole, Julia and Robert explain, the hallmarks for entry into the reporting regime have been considerably reduced.

One of the greatest challenges in my view for business at the moment is the lack of certainty and having to deal with ever changing rules.



Nowhere is that more apparent than in the wonderful world of tax; the inaugural Tax Day on 23 March 2021 referred to 30-odd consultations. Our articles on VAT and Brexit and NRSDLT further illustrate this point.

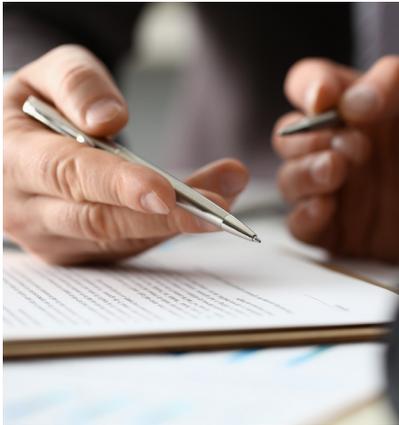
It is perhaps idle speculation to wonder how many more consultations, reforms and changes there might have been if the government had not been distracted by a global pandemic?

"THEY ARE VERY PROACTIVE AND COME UP WITH SOLUTIONS RATHER THAN JUST PROBLEMS"

Chambers UK



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VAT – CROSS BORDER SUPPLIES POST-BREXIT

It is often easy to assume that one only has to pay UK VAT if one lives in the UK but it may be payable if you are a non-UK resident using the services of UK-based professionals. Following Brexit, the extent to which VAT is or is not chargeable has changed. Here, we consider the new post-Brexit VAT position.

[Read more here](#)



THE NATIONAL SECURITY AND INVESTMENT BILL - THE BASICS

The National Security and Investment Bill seeks to vastly increase the Government's powers to scrutinise certain transactions prior to their completion. But, how will your transaction be affected and how will the regime work in practise?

[Read more here](#)

“THE QUALITY OF THE ADVICE IS SUPERB; IT BALANCES THE PERSONAL TOUCH OF A SMALL TEAM WITH THE SKILLS OF A LARGE FIRM”

Chambers UK

IS THERE SPACE IN THE STACK FOR A SPAC?

2020 saw SPACs being increasingly used as a means for established private companies to access capital markets and go public, particularly in the US. In this article, we explain how a SPAC works, their pros and cons and the chances of them taking off in the UK.

[Read more here](#)

NON-RESIDENT SDLT (NRSDLT) – SUMMARISED IN FIVE WS AND AN H

Non-resident SDLT will apply a 2% SDLT surcharge on residential property purchased on or after 1 April 2021 by a non-UK resident. In this article, we explain what this new surcharge is, when this change will apply, who will be affected and how.

[Read more here](#)



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UK RESTRICTION OF DAC6 REGULATIONS FOLLOWING BREXIT – GOOD NEWS FOR 2021

The reporting requirements under “DAC6” became applicable in the UK late on 31 December 2020, but they are much more limited than was originally envisaged. Here we consider what DAC6 actually is and when it might apply to your arrangements.

[Read more here](#)

**AUDIT REFORM AND DIRECTORS' LIABILITY**

UK directors could be held liable for ensuring the accuracy of company financial statements under plans being considered by the Department for Business, Energy and Industrial Strategy. Here we discuss what those plans are and their potential effects on business.

[Read more here](#)

**BIT AT THE BOTTOM**

Every law student remembers the case of *Carlill v Carbolic Smoke Ball Co* – a foundation of modern contract law. The business had promised £100 (a princely sum in those days) to anyone who used their miraculous smoke ball and still caught flu. Louisa Carlill sued successfully for her £100 as the Court of Appeal held that the reasonable person would believe that the company had made a serious offer (“an offer to all the world”) and not just a mere invitation to treat and marketing gimmick. I used to have little sympathy for Mrs Carlill but now, when I reread the case and realise that she and her friends and loved ones were slowly emerging from the 1889/90 flu pandemic which killed about one million people, do I comprehend why she might have purchased the product, relied upon it and felt so vexed as to sue for her £100; and furthermore, why the Court of Appeal was so determined to find a binding contract and decide that inhaling potent fumes of carbolic gas was ample consideration for the promise made by the company.

It will be interesting to see what twists and turns in case law and legislation will arise out of COVID-19.

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Please contact Forsters' Corporate team if you would like further advice.



ELIZABETH SMALL

Partner
Corporate

T: +44 (0)20 7863 8380

M: +44 (0)7771 353 115

E: elizabeth.small@forsters.co.uk

Please note this checklist does not cover the law or procedures in Scotland or Northern Ireland, that may well in certain instances be different to those in England and Wales.

This briefing offers general guidance and reflects the law as at March 2021. The circumstances of each case vary and this note should not be relied upon in place of specific legal advice.



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