

8<sup>th</sup> November 2018

Rt Hon Philip Hammond MP  
Chancellor of the Exchequer  
HM Treasury  
Horse Guards Road  
London  
SW1A 2HQ

Dear Chancellor,

I write today to express my thanks, and that of accredited Chambers of Commerce across the UK, for including a number of measures in Budget 2018 that responded directly to our calls to support investment and growth.

We are delighted with your decision to raise the Annual Investment Allowance to £1 million. As you mentioned in your Budget speech, this has been a longstanding call from the BCC and the Chamber Network. This decision will give many thousands of firms renewed confidence to invest in and to grow their businesses – and now needs to be promoted heavily by both government and business organisations alike.

We are also pleased that you responded directly to the BCC's calls to support high street businesses struggling with business rates, and to cut the cost of apprenticeships for SMEs. These measures collectively send important and positive signals to businesses, many of whom have been wavering on investment and hiring in these uncertain times. Again, swift implementation and promotion will be critical to ensuring their success.

Business communities across the UK also appreciate that you avoided major increases to business taxes to fund the government's spending priorities. Doing so would have undermined the confidence boost to firms from the Budget's commitments to supporting enterprise and growth.

While the measures announced in the Budget were largely positive for business, we will continue to press the government on a number of fronts.

We are disappointed that the government chose to press ahead with the timetable for Making Tax Digital, with the attendant administrative burdens and costs. We hope to work closely with your team and colleagues in HMRC to minimise the impact of this major change on business growth and activity.

We would also like to work with yourself and with colleagues to look at more direct incentives to support exporting businesses across the UK, given the contribution that exporting makes both to micro-level productivity and to the macro-level bottom line.

BCC will continue to advocate for sustained investment, lower upfront business taxes and costs, ensuring that our young people have work-ready skills and growing Britain's trade potential. We look forward to continuing to work collaboratively with you, and across government, to enhance the UK's long-term economic growth prospects.

Yours sincerely, *With best wishes - I look forward to  
continuing our discussions soon -*



**Dr Adam Marshall**  
**Director General**