

Cost of Living Support Update

The Energy Profits Levy

- **A windfall tax will be charged on the profits of oil and gas companies at a rate of 25%.**
- The levy will raise around £5 billion over the next year.
- **It will be used as part of the package to support people struggling with rising energy costs.**
- There will be a new 80% investment allowance to encourage firms to invest in oil and gas extraction in the UK.
- Eligible firms will overall obtain a 91pence tax saving for every £1 they invest.

Low Income Household Support

- **A one-off £650 payment to more than 8 million low-income households on Universal Credit, Tax Credits, Pension Credit and legacy benefits.**
- Those people on tax credits will be paid directly by HMRC in due course.
- The DWP, for those on benefits, will pay 50% of the payment direct to eligible households in July and the remainder sometime in autumn.
- **Pensioner households will receive a separate one-off payment of £300.**
- **Individuals, who are in receipt of disability benefits, will also receive a one off payment of £150.**
- The Government announced a £500 million increase to the Household Support Fund which is delivered by Local Authorities. The fund will now remain open until March 2023.

The Energy Bill Rebate

- **Originally this was going to be a £200 discount to energy bills in October 2022 which would have needed to be paid back over a five year period. This has now been scrapped.**
- **Every household will be given a £400 grant to help with the rising cost of energy bills from October.**
- This grant will be paid direct to the energy companies and will not be required to be paid back.