[Your business name]

[Your business address]

[date]

Dear [MPs Name]

I am writing to you as a small business owner in your constituency to highlight some of the challenges we face in the current trading environment.

KEY POINTS TO COVER:

The current way VAT is applied to the sector is no longer fit for purpose and is putting many businesses under pressure.

Increased pressure from Vat exempt products such as supermarket ready meals.

Small businesses don’t have the time or financial resourcves of the large fast food and pub chains and we are increasingly losing ground to them.

We collect VAT from the consumer but in reality, due to increased costs margins are being squeezed at both ends.

The increase in minimum wage in April, which we support, will add to this pressure

Many businesses reducing their trading hours

During covid the reduction in the headline rate of VAT enabled us to invest in our businesses and teams, helping not only our business but also suppliers to the industry. This increased tax receipts further down the chain.

Whilst Business rate reform is needed, this in isolation will do more to help larger businesses than the smaller businesses who serve local communities and provide vital jobs.

Talk about possible solutions:

* Reduced rate in the headline rate of VAT
* Raising the VAT threshold significantly, this will support the small and micro hospitality businesses.

I would appreciate your support in this matter. If you would like to discuss this further please do not hesitate to get in touch.

Yours Sincerely

[YOUR NAME]