

# Tax Tables

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2016/2017



Goodman Jones

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| <b>INCOME TAX</b>                                | <b>16/17</b> | <b>15/16</b>              |
|--|--------------|---------------------------|
| Starting rate of 0% on savings income up to*     | £5,000       | £5,000                    |
| Savings allowance at 0% tax                      |              |                           |
| Basic rate taxpayers                             | £1,000       | N/A                       |
| Higher rate taxpayers                            | £500         | N/A                       |
| Additional rate taxpayers                        | £0           | N/A                       |
| Basic rate of 20% on income up to                | £32,000      | £31,785                   |
| Maximum tax at basic rate                        | £6,400       | £6,357                    |
| Higher rate of 40% on income up to £150,000 from | £32,001      | £31,786                   |
| Tax on first £150,000                            | £53,600      | £53,643                   |
| Additional rate of 45% on income over            | £150,000     | £150,000                  |
| <b>Dividend</b> tax credit                       | N/A          | 10%                       |
| Dividend allowance at 0% tax – all individuals   | £5,000       | N/A                       |
| Tax rate on dividends based on                   | Dividend     | Dividend<br>+ tax credits |
| Basic rate taxpayers                             | 7.5%         | 10%                       |
| Higher rate taxpayers                            | 32.5%        | 32.5%                     |
| Additional rate taxpayers                        | 38.1%        | 37.5%                     |
| Trusts:  |              |                           |
| Standard rate band generally                     | £1,000       | £1,000                    |
| Rate applicable to trusts – dividends            | 38.1%        | 37.5%                     |
| – other income                                   | 45%          | 45%                       |

\*Not available if taxable non-savings income exceeds the starting rate band.

### **Child Benefit Charge**

1% of benefit per £100 of income between £50,000 and £60,000.

| <b>Main Personal Allowances and Reliefs</b>             | <b>16/17</b> | <b>15/16</b> |
|---|--------------|--------------|
| Personal (basic)  | £11,000      | £10,600      |
| Personal reduced by £1 for every £2 of net income over  | £100,000     | £100,000     |
| Married couples'/civil partners' transferable allowance | £1,100       | £1,060       |
| Personal (age) if born before 6/4/38*                   | N/A          | £10,660      |
| Married couples'/civil partners' allowance at 10%*      |              |              |
| (if at least one born before 6/4/35) – maximum          | £8,355       | £8,355       |
| – minimum   | £3,220       | £3,220       |
| Blind person's allowance                                | £2,290       | £2,290       |
| Rent-a-room tax-free income                             | £7,500       | £4,250       |

\*Reduced by £1 for every £2 of income over £27,700, until basic reached.

### **Non-domicile remittance basis charge after UK residence in at least:**

|                             |         |         |
|-----------------------------|---------|---------|
| 7 of the last 9 tax years   | £30,000 | £30,000 |
| 12 of the last 14 tax years | £60,000 | £60,000 |
| 17 of the last 20 tax years | £90,000 | £90,000 |

| <b>TAX INCENTIVISED INVESTMENT</b>                | <b>16/17</b>       | <b>15/16</b>   |
|---|--------------------|----------------|
| <b>Individual Savings Account (ISA)</b>           | £15,240            | £15,240        |
| Junior ISA and Child Trust Fund                   | £4,080             | £4,080         |
| Help to Buy ISA (from 1 December 2015)            | £1,000 initial and | £200 per month |
| <b>Venture Capital Trust (VCT) at 30%</b>         | £200,000           | £200,000       |
| <b>Enterprise Investment Scheme (EIS) at 30%</b>  | £1,000,000         | £1,000,000     |
| EIS eligible for CGT reinvestment deferral relief | No limit           | No limit       |
| Seed enterprise investment scheme (SEIS) at 50%   | £100,000           | £100,000       |
| SEIS CGT reinvestment relief                      | 50%                | 50%            |

## **CORPORATION TAX**

|   |     |
|---|-----|
| Rate on profits to 31/3/17 and to 31/3/16 | 20% |
|---|-----|

## **CAR BENEFITS**

Taxable amount based on car's list price when new.

**Fuel:** charge varies according to CO<sub>2</sub> emissions in grams per kilometre.

| <b>CO<sub>2</sub></b> | <b>Petrol</b> | <b>Diesel</b> | <b>CO<sub>2</sub></b> | <b>Petrol</b> | <b>Diesel</b> | <b>CO<sub>2</sub></b> | <b>Petrol</b> | <b>Diesel</b> |
|-----------------------|---------------|---------------|-----------------------|---------------|---------------|-----------------------|---------------|---------------|
| <b>g/km</b>           | <b>%</b>      | <b>%</b>      | <b>g/km</b>           | <b>%</b>      | <b>%</b>      | <b>g/km</b>           | <b>%</b>      | <b>%</b>      |
| 0-50                  | 7             | 10            | 120-4                 | 21            | 24            | 165-9                 | 30            | 33            |
| 51-75                 | 11            | 14            | 125-9                 | 22            | 25            | 170-4                 | 31            | 34            |
| 76-94                 | 15            | 18            | 130-4                 | 23            | 26            | 175-9                 | 32            | 35            |
| 95-99                 | 16            | 19            | 135-9                 | 24            | 27            | 180-4                 | 33            | 36            |
| 100-4                 | 17            | 20            | 140-4                 | 25            | 28            | 185-9                 | 34            | 37            |
| 105-9                 | 18            | 21            | 145-9                 | 26            | 29            | 190-4                 | 35            | 37            |
| 110-14                | 19            | 22            | 150-4                 | 27            | 30            | 195-9                 | 36            | 37            |
| 115-19                | 20            | 23            | 155-9                 | 28            | 31            | 200+                  | 37            | 37            |
|                       |               |               | 160-4                 | 29            | 32            |                       |               |               |

| <b>Fuel Benefit</b>   | <b>16/17</b> | <b>15/16</b> |
|---|--------------|--------------|
| Multiply the CO <sub>2</sub> % charge used for the car benefit by | £22,200      | £22,100      |

## **VANS – FOR PRIVATE USE**

|                                  | <b>16/17</b> | <b>15/16</b> |
|----------------------------------|--------------|--------------|
| Zero emission: chargeable amount | £634         | £630         |
| Other vans: chargeable amount    | £3,170       | £3,150       |
| Fuel: flat charge                | £598         | £594         |

## **BUSINESS TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE**

|                         |               |                         |
|-------------------------|---------------|-------------------------|
| Cars first 10,000 miles | 45p per mile; | thereafter 25p per mile |
| Qualifying passenger    | 5p per mile   |                         |
| Motorcycles             | 24p per mile  | Bicycles 20p per mile   |

## NATIONAL INSURANCE CONTRIBUTIONS

| Class 1  | 16/17                   |            | 15/16                 |            |
|--|-------------------------|------------|-----------------------|------------|
|  | Employee                | Employer   | Employee              | Employer   |
| NICs rate  | 12%                     | 13.8%      | 12%                   | 13.8%      |
| No NICs on the first: Under 21*  | £155 pw                 | £827 pw    | £155 pw               | £815 pw    |
| 21 and over*   | £155 pw                 | £156 pw    | £155 pw               | £156 pw    |
| NICs rate charged up to  | £827 pw                 | No limit   | £815 pw               | No limit   |
| 2% NICs on earnings over   | £827 pw                 | N/A        | £815 pw               | N/A        |
| Certain married women  | 5.85%                   | 13.8%      | 5.85%                 | 13.8%      |
| <i>*For 2016/17 25 for apprentices.</i>  |                         |            |                       |            |
| <b>Contracted-Out Rebate on</b>  | N/A                     |            | £112–£770 pw          |            |
| Salary-related scheme  | N/A                     | N/A        | 1.4%                  | 3.4%       |
| <b>Employment Allowance</b>  | £3,000                  |            | £2,000                |            |
| Payable per business. Not available in 2016/17 if a director is the sole employee. |                         |            |                       |            |
| <b>Class 1A Employer</b>   | N/A                     | 13.8%      | N/A                   | 13.8%      |
| <b>Self-Employed</b>   |                         |            |                       |            |
| <b>Class 2</b> Flat rate   | £2.80 pw                | £145.60 pa | £2.80 pw              | £145.60 pa |
| Small profits threshold  | £5,965 pa               |            | £5,965 pa             |            |
| <b>Class 4</b> On profits:   | £8,060–£43,000 pa: 9%   |            | £8,060–£42,385 pa: 9% |            |
|  | Over £43,000 pa: 2%     |            | Over £42,385 pa: 2%   |            |
| <b>Class 3</b> Flat rate   | £14.10 pw, £733.20 pa   |            | £14.10 pw, £733.20 pa |            |
| <b>Class 3A</b> if reached state pension age pre 6/4/2016                          | Amount depending on age |            |                       |            |

## STATE PENSION

|                       | 16/17   |           | 15/16   |           |
|-----------------------|---------|-----------|---------|-----------|
|                       | Weekly  | Annual    | Weekly  | Annual    |
| Single person*        | £119.30 | £6,203.60 | £115.95 | £6,029.40 |
| Spouse/civil partner* | £71.50  | £3,718.00 | £69.50  | £3,614.00 |
| Single tier†          | £155.65 | £8,093.80 | N/A     | N/A       |

\*State pension age reached before 6/4/2016 †State pension age reached after 5/4/2016

## REGISTERED PENSIONS

|  | 16/17                        | 15/16      |
|--|------------------------------|------------|
| Lifetime allowance                         | £1,000,000                   | £1,250,000 |
| Annual allowance                           | £40,000*                     | £80,000    |
| Annual allowance charge on excess          | 20%–45%                      | 20%–45%    |
| Max. pension commencement lump sum:        | 25% of pension benefit value |            |
| Lifetime allowance charge if excess drawn: | as cash 55% as income 25%    |            |

\*Subject to 50% taper down to £10,000 if threshold income over £110,000 and adjusted income over £150,000.

## PROPERTY TRANSACTION TAXES

### Residential property value (on slices of value)

| UK excl. Scotland: Stamp Duty Land Tax (SDLT) | % Rate | Scotland: Land & Buildings Transaction Tax (LBTT) | % Rate |
|---|--------|---|--------|
| Up to £125,000                                | 0      | Up to £145,000                                    | 0      |
| £125,001–£250,000                             | 2      | £145,001–£250,000                                 | 2      |
| £250,001–£925,000                             | 5      | £250,001–£325,000                                 | 5      |
| £925,001–£1,500,000                           | 10     | £325,001–£750,000                                 | 10     |
| Over £1,500,000                               | 12     | Over £750,000                                     | 12     |

**Second properties** over £40,000 – add 3% to SDLT/LBTT from 1/4/16

**UK properties bought** by companies etc over £500,000 – 15% on total

### Commercial property value (on slices of value)

| UK excl. Scotland: SDLT | % Rate | Scotland: LBTT    | % Rate |
|-------------------------|--------|-------------------|--------|
| Up to £150,000          | 0      | Up to £150,000    | 0      |
| £150,001–£250,000       | 2      | £150,001–£350,000 | 3      |
| Over £250,000           | 5      | Over £350,000     | 4.5    |

**Stamp Duty & SDRT:** Stocks and marketable securities 0.5%

No charge to stamp duty unless the duty due exceeds £5.

## INHERITANCE TAX

|  | 16/17    | 15/16    |
|--|----------|----------|
| Nil-rate band*                                     | £325,000 | £325,000 |
| Rate of tax on excess                              | 40%      | 40%      |
| Rate if at least 10% of net estate left to charity | 36%      | 36%      |
| Lifetime transfers to and from certain trusts      | 20%      | 20%      |
| Overseas domiciled spouse/civil partner exemption  | £325,000 | £325,000 |

100% relief: businesses, unlisted/AIM companies, certain farmland/buildings.

50% relief: certain other business assets e.g. farmland let pre 1/9/95.

*\*Up to 100% of the unused portion of a deceased spouse's/civil partner's nil-rate band can be claimed on the survivor's death.*

## CAPITAL GAINS TAX

|  | 16/17 | 15/16 |
|--|-------|-------|
| <b>Individuals</b>   |       |       |
| Up to basic rate limit   | 10%   | 18%   |
| Above basic rate limit   | 20%   | 28%   |
| <b>Trusts and Estates</b>                                      | 20%   | 28%   |
| <b>Surcharge</b> for residential property and carried interest | 8%    | 0%    |

### Exemptions

|   |             |             |
|---|-------------|-------------|
| Individuals, estates, etc                                   | £11,100     | £11,100     |
| Trusts generally  | £5,550      | £5,550      |
| Chattels (gain restricted to 5/3rds of proceeds over limit) | £6,000      | £6,000      |
| <b>Entrepreneurs' Relief</b> 10% on lifetime limit of       | £10,000,000 | £10,000,000 |

For trading businesses and companies (minimum 5% employee/officer shareholding) held for at least one year.

**Investors' Relief** 10% on lifetime limit of £10,000,000 for unlisted shares in trading companies newly issued to outsiders (not employees/officers) after 16/3/16 and held for at least three years with disposals after 5/4/19.

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## MAIN CAPITAL AND OTHER ALLOWANCES

|  |          |             |          |
|--|----------|-------------|----------|
| Plant & machinery 100% annual investment allowance (1st year):                           |          |             |          |
| To 31/12/15  | £500,000 | From 1/1/16 | £200,000 |
| Enterprise zone plant & machinery (max €125m per investment project)                     |          |             | 100%     |
| Plant & machinery (annual reducing balance)  |          |             | 18%      |
| Patent rights & know-how (annual reducing balance)                                       |          |             | 25%      |
| Certain long-life assets and integral features of buildings<br>(annual reducing balance) |          |             | 8%       |
| Energy and water-efficient equipment   |          |             | 100%     |
| Electric vans  |          |             | 100%     |
| Business premises renovation   |          |             | 100%     |

### Motor Cars

|                                    |                 |         |             |
|------------------------------------|-----------------|---------|-------------|
| CO <sub>2</sub> emissions of g/km: | 75 or less*     | 76–130  | 131 or more |
| Capital allowance                  | 100% first year | 18% pat | 8% pat      |

\* For new cars only. † Reducing balance.

|   |                   |  |            |
|---|-------------------|--|------------|
| <b>Research &amp; Development</b> Capital expenditure |                   |  | 100%       |
| Revenue expenditure (companies)                       | Small/Medium 230% |  | Large 130% |

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## VALUE ADDED TAX

|  |     |                                  |            |
|--|-----|----------------------------------|------------|
| Standard rate                                      | 20% | Reduced rate eg on domestic fuel | 5%         |
| Registration level from 1/4/16                     |     |                                  | £83,000    |
| Deregistration level from 1/4/16                   |     |                                  | £81,000    |
| Flat rate scheme turnover limit                    |     |                                  | £150,000   |
| Cash and annual accounting schemes turnover limits |     |                                  | £1,350,000 |

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## MAIN DUE DATES FOR TAX PAYMENT

### Income Tax, NIC and Capital Gains Tax – Self-assessment

|                        |   |  |
|------------------------|---|--|
| 31 January in tax year | } | • Normally 50% of previous year's income tax,<br>(less tax deducted at source) and class 4 NIC |
| Following 31 July      |   |  |
| Following 31 January   |   | • Balance of income tax, class 2 and class 4 NIC,<br>and all CGT                               |

|   |  |
|---|--|
| <b>Inheritance Tax</b> On death:        | normally 6 months after month of death |
| Lifetime transfer 6 April–30 September: | 30 April in following year             |
| Lifetime transfer 1 October–5 April:    | 6 months after month of transfer       |

|   |  |
|---|--|
| <b>Corporation Tax</b> Self-assessment: | 9 months and 1 day after end of<br>accounting period |
|---|--|

- Payable by instalments where profits are £1.5m or over. Normally payable in 7th, 10th, 13th and 16th months after start of accounting period.
  - Growing companies: no instalments where profits are £10m or less and the company was not a large company for the previous year.
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