

## **INCOME TAX**

<b>Rates</b>	<b>2014/15</b>	<b>2013/14</b>
Starting rate of 10% on savings income up to *	£ 2,880	£ 2,790
Basic rate of 20% on income up to	£ 31,865	£ 32,010
Maximum tax at basic rate	£ 6,373	£ 6,402
Higher rate of 40% on income	£ 31,866-	£ 32,011-
	£ 150,000	£ 150,000
Tax on first £ 150,000	£ 53,627	£ 53,598
Additional rate on income over £ 150,000	45%	45%
Dividends for:		
Basic rate tax payers	10%	10%
Higher rate tax payers	32.5%	32.5%
Additional rate tax payers	37.5%	37.5%
Trusts:		
Standard rate band generally	£ 1,000	£ 1,000
Rate applicable to trusts: - dividends	37.5%	37.5%
- other income	45%	45%

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

### **Child Benefit Charge**

1% of benefit for each £100 of income between £ 50,000 - £ 60,000

### **Main Personal Allowances and Reliefs**

Personal (Basic)	£ 10,000	£ 9,440
Personal reduced if net income exceeds *	£ 100,000	£ 100,000
Personal if born between 06/04/38 and 05/04/48	£ 10,500	£ 10,500
Personal if born before 06/04/38	£ 10,660	£ 10,660
Personal if born before 06/04/38 reduced if net income exceeds *	£ 27,000	£ 26,100
Married couple's allowance *# - maximum amount	£ 8,165	£ 7,915
- minimum amount	£ 3,140	£ 3,040

*\*£1 reduction for every £2 of additional income over the income threshold.*

*#Relief at 10% if at least one of the couple was born before 06/04/35*

<b>Venture Capital Trust (VCT) at 30%</b>	£ 200,00	£ 200,000
<b>Enterprise Investment Scheme (EIS) at 30%</b>	£ 1,000,000	£ 1,000,000
EIS eligible for CGT deferral relief	No limit	No limit
Seed EIS (SEIS) at 50%	£ 100,000	£ 100,000
SEIS CGT reinvestment relief	50%	50%

### Non-domicile Remittance Basic Charge

For adult non-UK domiciliary after UK residence in:

At least 7 of the previous 9 tax years	£ 30,000	£ 30,000
At least 12 of the previous 14 tax years	£ 50,000	£ 50,000

### REGISTERED PENSIONS

	2014/15	2013/14
Lifetime allowance	£ 1,250,000	£ 1,500,000
Annual allowance	£ 40,000	£ 50,000
Annual allowance charge on excess	20% - 45%	20% - 45%
Max. pension commencement lump sum	25% of pension value	
Lifetime allowance charge if excess drawn as cash	55% / income 25%	
Maximum relievable personal contribution, capped by the annual allowance and 100% of relevant UK earnings or £ 3,600 if greater.		

### NATIONAL INSURANCE CONTRIBUTIONS

#### Class 1 Employed Not Contracted-Out of State Second Pension (S2P)

2014/15	Employee	Employer
NICs rate	12%	13.8%
No NICs on the first	£ 153 pw	£ 153 pw
NICs charged up to	£ 805 pw	No limit
2% NICs on earnings over	£ 805 pw	N/A
Certain married women	5.85%	13.8%

#### Employment Allowance per business

Offset against employer's Class 1 NICs      £ 2,000

#### Contracted-Out Rebate On

£ 111 - £ 770 pw                      1.4%                      3.4%

Limits and Thresholds	Weekly	Monthly	Annual
Lower earnings limit	£ 111	£ 481	£ 5,772
Secondary earnings threshold	£ 153	£ 663	£ 7,956
Primary earnings threshold	£ 153	£ 663	£ 7,956
Upper accrual point	£ 770	£ 3,337	£ 40,040
Upper earnings limit	£ 805	£ 3,489	£ 41,865

<b>Class 1A Employer</b>	On most taxable benefits provided to P11D Employees and directors: 13.8%		
<b>Self-Employed Class 2</b>	Flat rate	£ 2.75 pw	£ 143.00 pa
<b>Self-employed</b>	Small earnings exception		£ 5,885 pa
<b>Self-Employed Class 4</b>	On profits	£ 7,956 - £ 41,865 pa	9%
		Over £ 41,865 pa	2%
<b>Class 3 Voluntary</b>	Flat rate	£ 13.90 pw	£ 722.80 pa

## **BASIC STATE PENSION**

<b>2014/15</b>	<b>Weekly</b>	<b>Annual</b>
Single person	£ 113.10	£ 5,881.20
Spouse/civil partner	£ 67.80	£ 3,525.60

### **Pension Credit – standard minimum guarantee**

Single	£ 148.35	£ 7,714.20
Couple	£ 226.50	£ 11,778.00

## **STAMP DUTIES**

<b>Residential Stamp Duty Land Tax based on consideration</b>	<b>Rate 2014/15</b>
£ 125,000 or less	Nil
Over £ 125,000 up to £ 250,000	1%
Over £ 250,000 up to £ 500,000	3%
Over £ 500,000 up to £ 1,000,000	4%*
Over £ 1,000,000 up to £ 2,000,000	5%*
Over £ 2,000,000	7%*
<i>X%* 15% if purchased by companies and certain other non-natural entities</i>	

### **Commercial Stamp Duty Land Tax based on consideration**

£ 150,000 or less	Nil
Over £ 150,000 up to £ 250,000	1%
Over £ 250,000 up to £ 500,000	3%
Over £ 500,000	4%

<b>Stamp Duty and SDRT: Stocks and marketable securities</b>	0.5%
No charge to stamp duty unless amount due exceeds £5	

## TAX FREE SAVINGS

<b>Limits</b>		<b>2014/15</b>
To 30/06/2014	ISA (max £ 5,940 cash)	£ 11,880
	Junior ISA and Child Trust Fund	£ 3,840
From 01/07/2014	New ISA (balance to)	£ 15,000
	Junior ISA and CTF (balance to)	£ 4,000

## CAPITAL GAINS TAX

<b>Tax Rates – Individuals</b>	<b>2014/15</b>	<b>2013/14</b>
Gains to basic rate limit	18%	18%
Gains above basic rate limit	28%	28%

<b>Tax Rate – Trust and Estates</b>	28%	%28%
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### **Exemptions**

Individuals, estates, etc	£ 11,000	£ 10,900
Trusts generally	£ 5,500	£ 5,450
Chattels exemptions: proceeds up to	£ 6,000	£ 6,000
Max. chargeable gain $\frac{5}{3}$ rds of excess proceeds over limit		

### **Entrepreneurs' Relief\***

Gains taxed at 10% up to a lifetime		
Limit of	£ 10,000,000	£ 10,000,000
<i>*For trading businesses and companies (minimum 5% employee/director Shareholding) held for one year or more</i>		

## INHERITANCE TAX

	<b>2014</b>	<b>2015</b>
Nil rate band*	£ 325,000	£ 325,000
Rate of tax on excess	40% <sup>#</sup>	40% <sup>#</sup>
Lifetime transfers to and from certain trusts	20%	20%
100% relief: certain other business assets eg. Farmland let before 01/09/1995		
Exemption for overseas domiciled		
spouse/civil partner	£ 325,000	£ 325,000
Annual exempt gifts of: £ 3,000 per donor £ 250 per donee		

### **Reduced tax charge on gifts within 7 years of death**

Years before death	0-3	3-4	4-5	5-6	6-7
% of death tax charge	100	80	60	40	20

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

*#36% where at least 10% of net estate left to charity*

## **CORPORATION TAX**

Effective rate to	31/03/2015	31/03/2014
Profits £ 0 - £ 3,00,000	20%	20%
Profits £ 3,00,001 - £ 1,500,000	21.25%	23.75%
Profits £ 1,500,001 and over	21%	23%

## **VALUE ADDED TAX**

Standard rate	20%	Reduced rate, eg. On domestic fuel	5%
Registration level from 01/04/2014		£	81,000
Deregistration level from 01/04/2014		£	79,000
Flat rate scheme turnover limit		£	150,000
Cash and annual accounting schemes turnover limit		£	1,350,000

## **CARS AND CAR BENEFITS**

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

Charge varies according to CO<sub>2</sub> emissions in grams per kilometre

CO <sub>2</sub> emissions g/km	Petrol Engine %	Diesel Engine%	CO <sub>2</sub> emissions g/km	Petrol Engine %	Diesel Engine%
75 or less	5	8	150-154	23	26
76-94	11	14	155-159	24	27
95-99	12	15	160-164	25	28
100-104	13	16	165-169	26	29
105-109	14	17	170-174	27	30
110-114	15	18	175-179	28	31
115-119	15	19	180-184	29	32
120-124	17	20	185-189	30	33
125-129	18	21	190-194	31	34
130-134	19	22	195-199	32	35
135-139	20	23	200-204	33	35
140-144	21	24	205-209	34	35
145-149	22	25	210 & over	35	35

No taxable benefit in respect of zero emissions (eg. electric-only ) cars.

### **Fuel Benefits- taxable amount for private use**

Multiply the CO<sub>2</sub> % used for the car benefit by £ 21,700

## VANS – TAXABLE AMOUNT FOR PRIVATE USE

**Van:** £ 3,090

**Fuel:** £ 581

Zero-emission, or private use limited to home-work journeys: no charge

## TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE

**Cars** first 10,000 business miles: 45p per mile; thereafter: 25p per mile

**Motorcycles** 24p per business mile

**Bicycles** 20p per business mile

## MAIN CAPITAL AND OTHER ALLOWANCES

Plant and machinery 100% annual investment Allowance (first year)	£ 500,000
Enterprise zone plant and machinery (max 125m Euro per investment project)	100%
Plant and machinery (annual reducing balance)	18%
Patent rights and know-how (annual reducing balance)	25%
Certain long-life assets, integral features of buildings (annual reducing balance)	8%
Energy and water-efficient equipment	100%
Electric vans	100%
Business premises renovations	100%

### **Motor cars:**

CO <sub>2</sub> emissions of g/km:	95 or less*	96-130	131 or more
Capital allowance:	100% first year	18%#	8%#
		# Reducing balance	

*\*Only for new cars*

### **Research and Development:**

Capital expenditure	100%
Revenue expenditure -small/medium sized companies	225%
-large companies	130%

**Subject to Finance Act 2014.**

**For information only. Always seek professional advice before acting.**