

INCOME TAX

Rates	2015/16	2014/15
Starting rate	0%	10%
on savings income up to *	£ 5,000	£ 2,880
Basic rate of 20% on income up to	£ 31,785	£ 31,865
Maximum tax at basic rate	£ 6,357	£ 6,373
Higher rate of 40% on income	£ 31,786-	£ 31,866-
	£ 150,000	£ 150,000
Tax on first £ 150,000	£ 53,643	£ 53,627
Additional rate of 45% on income over	£ 150,000	£ 150,000
Dividends for:		
Basic rate tax payers	10%	10%
Higher rate tax payers	32.5%	32.5%
Additional rate tax payers	37.5%	37.5%

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

Main Personal Allowances and Reliefs

Personal (Basic)	£ 10,600	£ 10,000
Personal reduced if net income exceeds*	£ 100,000	£ 100,000
Transferable tax allowance for married couples	£ 1,060	N/A
Personal (age) if born between 6/4/38 and 5/4/48	N/A	£ 10,500
Personal (age) if born before 6/4/38	£ 10,660	£ 10,660
Personal (age) reduced if net income exceeds*	£ 27,700	£ 27,000
Married couple's allowance*# - maximum amount	£ 8,355	£ 8,165
- minimum amount	£ 3,220	£ 3,140
Blind person's allowance	£ 2,290	£ 2,230
Rent-a-room tax free income	£ 4,250	£ 4,250

**£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

Venture Capital Trust (VCT) at 30%	£ 200,000	£ 200,000
Enterprise Investment Scheme (EIS) at 30%	£ 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%

2015/16

2014/15

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	£ 60,000	£ 50,000
At least 17 of the previous 20 tax years	£ 90,000	£ N/A

REGISTERED PENSIONS

Lifetime allowance	£ 1,250,000	£ 1,250,000
Annual allowance	£ 40,000	£ 40,000
Money purchase annual allowance	£ 10,000	N/A
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)

2015/16	Employee	Employer
NICs rate	12%	13.8%
No NICs on the first – Under 21 - 21 and over	£ 155 pw £ 155 pw	£ 815 pw £ 156 pw
NICs charged up to	£ 815 pw	No limit
2% NICs on earnings over	£ 815 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

	Employee	Employer
£ 112 - £ 770 pw (salary related scheme)	1.4%	3.4%

Limits and Thresholds	Weekly	Monthly	Annual
Lower earnings limit	£ 112	£ 486	£ 5,824
Secondary earnings threshold	£ 156	£ 676	£ 8,112
Primary earnings threshold	£ 155	£ 672	£ 8,060
Upper accrual point	£ 770	£ 3,337	£ 40,040
Upper earnings limit (under 21)	£ 815	£ 3,532	£ 42,385

Class 1A Employer On most taxable benefits in kind 13.8%

Class 1B On PAYE settlement agreements 13.8%

Self-Employed Class 2 Flat rate £ 2.80 pw £ 145.60 pa

Self-employed Small profits threshold £ 5,965 pa

Self-Employed Class 4 On profits £ 8,060 - £ 42,385 pa 9%

Over £ 42,385 pa 2%

Class 3 Voluntary Flat rate £ 14.10 pw £ 733.20 pa

Class 3A Voluntary (from 12/10/15) Amount depending on age

BASIC STATE PENSION

2015/16	Weekly	Annual
Single person	£ 115.95	£ 6,029.40
Spouse/civil partner	£ 69.50	£ 3,614.00

Pension Credit – standard minimum guarantee

Single	£ 151.20	£ 7,862.40
Couple	£ 230.85	£12,004.20

TAX FREE SAVINGS

Limits	2015/16
Individual Savings Account (ISA)	£ 15,240
Junior ISA and Child Trust Fund	£ 4,080

CAPITAL GAINS TAX

Tax Rates – Individuals	2015/16	2014/15
Gains to basic rate limit	18%	18%
Gains above basic rate limit	28%	28%
Tax Rate – Trust and Estates	28%	28%

Exemptions

Individuals, estates, etc.	£ 11,000	£ 11,000
Trusts generally	£ 5,500	£ 5,500
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

**For trading businesses and companies (minimum 5% employee/director Shareholding) held for one year or more*

INHERITANCE TAX

	2015/16	2014/15
Nil rate band*	£ 325,000	£ 325,000
Rate of tax on excess	40%#	40%#
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

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

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

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

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CORPORATION TAX

Effective rate to	31/03/2016	31/03/2015
Profits £ 0 - £ 300,000	20%	20%
Profits £ 300,001 - £ 1,500,000	20%	21.25%
Profits £ 1,500,001 and over	20%	21%

VALUE ADDED TAX

Standard rate	20%	Reduced rate, eg. On domestic fuel	5%
Registration level from 01/04/2015		£	82,000
Deregistration level from 01/04/2015		£	80,000
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 CO₂ emissions in grams per kilometre

CO ₂ emissions g/km	Petrol Engine %	Diesel Engine%	CO ₂ emissions g/km	Petrol Engine %	Diesel Engine%
0-50	5	8	150-154	25	28
51-75	9	12	155-159	26	29
75-94	13	16	160-164	27	30
95-99	14	17	165-169	28	31
100-104	15	18	170-174	29	32
105-109	16	19	175-179	30	33
110-114	17	20	180-184	31	34
115-119	18	21	185-189	32	35
120-124	19	22	190-194	33	36

125-129	20	23	195-199	34	37
130-134	21	24	200-204	35	37
135-139	22	25	205-209	36	37
140-144	23	26	210 & over	37	37
145-149	24	27			

Fuel Benefits- taxable amount for private use

Multiply the CO₂ % used for the car benefit by £ 22,100

VANS – TAXABLE AMOUNT FOR PRIVATE USE

	2015/16	2014/15
Zero emission: chargeable amount	£ 630	Nil
Other vans: chargeable amount	£ 3,150	£ 3,090
Fuel: flat charge	£ 594	£ 581

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

Qualifying passenger 5p per business mile

MAIN CAPITAL AND OTHER ALLOWANCES

Planet and machinery 100% annual investment allowance (first year):

To 31/12/15 £ 500,000

From 1/1/16 £ 25,000

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 ₂ emissions of g/km:	75 or less*	76-130	131 or more
Capital allowance:	100% first year	18%#	8%#
<i>*Only for new cars</i>		<i># Reducing balance</i>	

Research and Development:

Capital expenditure	100%
Revenue expenditure -small/medium sized companies	230%
-large companies	130%

SOCIAL SECURITY & OTHER USEFUL RATES

Weekly rates unless stated otherwise. Certain benefits will be affected by the phasing in of Universal Credit. These are marked #.

Attendance Allowance

Higher rate	£ 82.30	Lower rate	£ 55.10
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Carer's Allowance

£ 62.10

Employment and Support Allowance#

