

2011/12

# Tax Data



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**CASTLEMAN**

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## Income Tax

	2011-12	2010-11
Basic rate band – income up to	£35,000	£37,400
Starting rate for savings	*10%	*10%
Basic rate	20%	20%
Dividend ordinary rate	10%	10%
Higher rate – income over	£35,000	£37,400
Higher rate	40%	40%
Dividend upper rate	32.5%	32.5%
Additional rate – income over	£150,000	£150,000
Additional rate	50%	50%
Dividend additional rate	42.5%	42.5%

\*Starting rate is for savings income up to the starting rate limit of £2,560 (£2,440) within the basic rate band. The rate applies to any balance of the limit remaining after allocating taxable non-savings income.

<b>Personal allowances (PA)</b>	– under 65	*£7,475	*£6,475
	– 65 to 74	*£9,940	*£9,490
	– 75 and over	*£10,090	*£9,640

### Married couple's allowance (MCA)

Either partner born before 6 April 1935 (relief restricted to 10%)	*£7,295	*£6,965
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Ages are as at the end of the tax year. \*Age-related allowances are reduced by £1 for every £2 that adjusted net income exceeds £24,000 (£22,900) to a minimum PA of £7,475 (£6,475) and to a minimum MCA of £2,800 (£2,670). Where adjusted net income exceeds £100,000, PA is reduced in the same way until it is nil.

### Tax Shelters

Enterprise Investment Scheme up to	£500,000	£500,000
Venture Capital Trust up to	£200,000	£200,000
'Rent a Room' exempt on gross annual rent	£4,250	£4,250
<b>Construction Industry Scheme</b> deduction rate	20/30%	20/30%
<b>ISAs:</b> Overall investment limit	£10,680	£10,200
Including cash maximum of	£5,340	£5,100

## Pensions

There is no financial limit on the amount that may be contributed to a registered pension scheme. The maximum amount on which an **individual** can claim tax relief in any tax year is the greater of the individual's UK relevant earnings or £3,600. If **total pension input** exceeds the **annual allowance** of £50,000 there may be a tax charge on the excess.

Maximum age for tax relief		74
Minimum age for taking benefits		55
Lifetime allowance charge	– lump sum paid	55%
	– monies retained	25%
on cumulative benefits exceeding		£1,800,000
Maximum tax-free lump sum		25%*

\*Subject to transitional protection for excess amount.

## Company Cars and Vans

These taxable benefits generally arise on employees earning £8,500 or over (including benefits) and directors. **Company car benefit** is calculated as a percentage (based on the car's CO<sub>2</sub> emissions rounded down to next multiple of 5) of the car's UK list price. The normal minimum rate is 15%. Diesel cars generally suffer a 3% supplement on top of the CO<sub>2</sub> emissions-based percentage. The maximum rate for all cars is 35%. Special rules apply to certain environmentally friendly cars.

**Company car fuel benefit** is charged unless the cost of all fuel for private use is borne by the employee. The taxable benefit is calculated by applying the appropriate car benefit percentage to £18,800. Where VAT is to be reclaimed on fuel for private use, the employer also has to account for output tax based on a fuel scale charge derived from the vehicle's CO<sub>2</sub> emissions (see table below).

**Company van benefit** is not related to CO<sub>2</sub> emissions but is a set figure of £3,000 with an extra £550 where fuel for private use is provided. There is no benefit charge for certain environmentally friendly vans or where the restricted private use condition is met.

### Mileage rates for employees using their own cars for business:

approved rates are 45p per mile for the first 10,000 miles and 25p thereafter. Income tax and NICs may be due on higher rates and tax relief may be due on lower rates.

### VAT fuel scale charges for 3 month return period beginning on or after 1 May 2011 (round CO<sub>2</sub> emissions down to next multiple of 5)

CO <sub>2</sub> in g/km	Scale charge £	CO <sub>2</sub> in g/km	Scale charge £	CO <sub>2</sub> in g/km	Scale charge £
120 or less	157	155	331	190	441
125	236	160	346	195	457
130	252	165	362	200	472
135	268	170	378	205	488
140	283	175	394	210	504
145	299	180	409	215	520
150	315	185	425	220	536
				225 or over	551

## Corporation Tax

Financial Year to		31 March 2012	31 March 2011
Taxable Profits			
First	£300,000	20%	21%
Next	£1,200,000	27.5%	29.75%
Over	£1,500,000	26%	28%

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## Capital Gains Tax

On chargeable gains	<b>2011-12</b>
Total taxable income and gains	
Up to £35,000	18%
From £35,001	28%
Trust rate	28%

### Entrepreneurs' relief

Qualifying gains will be taxed at 10%. Claims may be made on more than one occasion up to a "lifetime" total of £10 million.

Annual exempt amount – individuals £10,600 and most trustees £5,300.

Transfers between spouses and civil partners are generally not chargeable.

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## Inheritance Tax

	<b>2011-12</b>	<b>2010-11</b>
Standard threshold	£325,000	£325,000
Combined threshold maximum for married couples and civil partners	£650,000	£650,000
Rate of tax on balance:		
Chargeable lifetime transfers	20%	20%
Transfers on, or within 7 years of, death subject to a tapered reduction for transfers between 7 and 3 years before death	40%	40%

Exemptions may be available; please contact us for relevant information and advice.

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## Capital Allowances

### Plant and Machinery

Energy saving and environmentally beneficial equipment, new zero-emission goods vehicles, low CO<sub>2</sub> emission (up to 110g/km) cars, natural gas/hydrogen refuelling equipment  
first year allowance (FYA)

**100%**

Annual Investment Allowance (AIA)  
– on first £100,000 of investment

**100%\***

(£50,000 for expenditure incurred before 6 April 2010 or 1 April 2010 for companies). Excludes cars and expenditure already qualifying for 100% FYA

Writing Down Allowance on expenditure not qualifying for AIA or FYA:

Long-life assets, integral features of buildings, cars over 160g/km	<b>10%</b>
Other plant and machinery	<b>20%</b>

Enterprise Zone Allowance, conversion of parts of business premises into flats, business premises renovation  
max initial allowance

**100%**

*\*Transitional rules may apply.*

## Stamp Taxes

Stamp duty is generally payable at a rate of 0.5% on transfers of shares and securities. On the transfer of property, the stamp duty land tax is:

Value up to £125,000*	nil
Over £125,000* – £250,000	1%**
Over £250,000 – £500,000	3%
Over £500,000 – £1,000,000***	4%
Over £1,000,000***	5%***

\*£150,000 for non-residential property, and residential property in disadvantaged areas. Special rules apply for new zero-carbon homes. \*\*Relief available for first time buyers of residential property. \*\*\*Residential property only.

## Value Added Tax

From	4 Jan 2011	1 Jan 2010
<b>Standard Rate</b>	20%	17.5%
<b>VAT Fraction</b>	1/6	7/47
<b>Reduced Rate</b>	5%	5%

### Current Turnover Limits

Registration – last 12 months or next 30 days over	£73,000 from 1 April 2011
Deregistration – next year under	£71,000 from 1 April 2011
Annual and Cash Accounting Schemes	£1,350,000
Flat Rate Scheme	£150,000

## National Insurance Contributions

Class 1 (not contracted out)	Employer	Employee
Payable on weekly earnings of		
Up to £102 (lower earnings limit)	Nil	Nil
£102 - £136 (employers' earnings threshold)	Nil	Nil
£136.01 - £139 (employees' earnings threshold)	13.8%	Nil
£139.01 - £770 (upper accrual point)	13.8%	12%
£770.01 - £817 (upper earnings limit)	13.8%	12%
over £817	13.8%	2%
<i>Over state retirement age, the employee contribution is generally nil.</i>		
<b>Class 1A</b> On relevant benefits	13.8%	Nil
<b>Class 2</b> Self employed	£2.50 per week	
Limit of net earnings for exception	£5,315 per annum	
<b>Class 3</b> Voluntary	£12.60 per week	
<b>Class 4*</b> Self employed on profits		
£7,225 - £42,475	9%	
Excess over £42,475	2%	

\*Exemption applies if state retirement age was reached by 6 April 2011.

## Selected Rates

### Basic Retirement Pension

- Single person	£102.15
- Couple	£163.35

### Pension Credit

#### Standard Minimum Guarantee

- Single person	£137.35
- Couple	£209.70

### Child Benefit

- First eligible child	£20.30
- Each subsequent child	£13.40

**Statutory Pay** qualification – average weekly earnings (AWE) £102 or over.

**Sick (SSP)** The standard rate is £81.60 per week for up to 28 weeks.

**Maternity (SMP), Adoption (SAP) and Paternity (SPP)** paid at the lower of £128.73 or 90% of AWE apart from first 6 weeks of SMP which is paid at 90% of AWE. **SMP** and **SAP** are payable for up to 39 weeks. **SPP** is payable for up to 2 weeks.

### Jobseeker's Allowance

- Single person (25 or over)	£67.50
- Couple	£105.95

### National Minimum Wage

Age	21 and over	18-20	16 and 17
From 1 October 2010	£5.93	£4.92	£3.64

*Apprentice rate of £2.50 applies to apprentices under 19, or those 19 and over in the first year of apprenticeship.*

## Key Dates & Deadlines

Payment Dates		2011-12	2010-11
<b>Income Tax and Class 4 NICs</b>			
1st payment on account	31 January	2012	2011
2nd payment on account	31 July	2012	2011
Balancing payment	31 January	2013	2012
<b>Capital Gains Tax</b>	31 January	2013	2012
<b>Class 1A NICs</b>	19 July	2012	2011
<b>Corporation Tax</b>	9 months and one day after the end of accounting period (or by quarterly instalments if large company)		

### 2010-11 Returns Filing Deadlines

19 May 2011	P14, P35, P38 and P38A
31 May 2011	Issue P60s to employees
6 July 2011	P9D, P11D and P11D(b) – and appropriate copies to employees
31 October 2011	Self Assessment Tax Return (SATR) – paper version
30 December 2011	SATR Online where outstanding tax (less than £2,000) to be included in 2012-13 PAYE code
31 January 2012	SATR Online

*Budget Day edition. Rates subject to change – contact us for latest. For general guidance only, no responsibility is taken for action taken or refrained from in consequence of card contents.*

## 2011 Calendar

	<b>January</b>	<b>February</b>	<b>March</b>
Monday	31 3 10 17 24	7 14 21 28	7 14 21 28
Tuesday	4 11 18 25	1 8 15 22	1 8 15 22 29
Wednesday	5 12 19 26	2 9 16 23	2 9 16 23 30
Thursday	6 13 20 27	3 10 17 24	3 10 17 24 31
Friday	7 14 21 28	4 11 18 25	4 11 18 25
Saturday	1 8 15 22 29	5 12 19 26	5 12 19 26
Sunday	2 9 16 23 30	6 13 20 27	6 13 20 27

	<b>April</b>	<b>May</b>	<b>June</b>
Monday	4 11 18 25	30 2 9 16 23	6 13 20 27
Tuesday	5 12 19 26	31 3 10 17 24	7 14 21 28
Wednesday	6 13 20 27	4 11 18 25	1 8 15 22 29
Thursday	7 14 21 28	5 12 19 26	2 9 16 23 30
Friday	1 8 15 22 29	6 13 20 27	3 10 17 24
Saturday	2 9 16 23 30	7 14 21 28	4 11 18 25
Sunday	3 10 17 24	1 8 15 22 29	5 12 19 26

	<b>July</b>	<b>August</b>	<b>September</b>
Monday	4 11 18 25	1 8 15 22 29	5 12 19 26
Tuesday	5 12 19 26	2 9 16 23 30	6 13 20 27
Wednesday	6 13 20 27	3 10 17 24 31	7 14 21 28
Thursday	7 14 21 28	4 11 18 25	1 8 15 22 29
Friday	1 8 15 22 29	5 12 19 26	2 9 16 23 30
Saturday	2 9 16 23 30	6 13 20 27	3 10 17 24
Sunday	3 10 17 24 31	7 14 21 28	4 11 18 25

	<b>October</b>	<b>November</b>	<b>December</b>
Monday	31 3 10 17 24	7 14 21 28	5 12 19 26
Tuesday	4 11 18 25	1 8 15 22 29	6 13 20 27
Wednesday	5 12 19 26	2 9 16 23 30	7 14 21 28
Thursday	6 13 20 27	3 10 17 24	1 8 15 22 29
Friday	7 14 21 28	4 11 18 25	2 9 16 23 30
Saturday	1 8 15 22 29	5 12 19 26	3 10 17 24 31
Sunday	2 9 16 23 30	6 13 20 27	4 11 18 25

## 2012 Calendar

	<b>January</b>	<b>February</b>	<b>March</b>
Monday	30 2 9 16 23	6 13 20 27	5 12 19 26
Tuesday	31 3 10 17 24	7 14 21 28	6 13 20 27
Wednesday	4 11 18 25	1 8 15 22 29	7 14 21 28
Thursday	5 12 19 26	2 9 16 23	1 8 15 22 29
Friday	6 13 20 27	3 10 17 24	2 9 16 23 30
Saturday	7 14 21 28	4 11 18 25	3 10 17 24 31
Sunday	1 8 15 22 29	5 12 19 26	4 11 18 25

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