

Riley & CO

CHARTERED ACCOUNTANTS

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2009/10 TAX TABLES



EMPLOYEE SHARE SCHEMES LIMITS

08-10

Share incentive plans	Employer contributions	£3,000
	Employer matching (2:1)	£3,000
	Employee	£1,500
Enterprise management incentive option value		£120,000
Approved share option schemes option value		£30,000
Savings-related share options per month		£250

CAR BENEFIT FOR EMPLOYEES

Taxable amount based on car's list price when new up to £80,000

Charge varies according to CO₂ emissions in grams per kilometre

CO ₂ g/km	% of price 08-10	CO ₂ g/km	% of price 08-10	CO ₂ g/km	% of price 08-10
120 or less	10	170-4	22	210-4	30
121-139	15	175-9	23	215-9	31
140-4	16	180-4	24	220-4	32
145-9	17	185-9	25	225-9	33
150-4	18	190-4	26	230-4	34
155-9	19	195-9	27	235 & over	35
160-4	20	200-4	28		
165-9	21	205-9	29		

Further reductions may apply for LPG, bi-fuel, E85 hybrid and electric cars

Diesels not meeting Euro IV or registered after 31 December 2005:

add 3% subject to maximum charge of 35%

Vans – for private use	09-10	08-09
Chargeable amount	£3,000	£3,000

No charge if private use is limited to journeys between home and work

FUEL BENEFIT

	09-10	08-09
Multiply the CO ₂ % used for the car benefit by	£16,900	£16,900
Vans – flat charge	£500	£500

COMPANY CARS – ADVISORY FUEL RATES from 1/1/09

Engine size	Petrol	Diesel	LPG
1,400cc or less	10p	11p	7p
1,401cc to 2,000cc	12p	11p	9p
Over 2,000cc	17p	14p	12p

TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE 08-10

Cars	Up to 10,000 business miles: 40p	Motorcycles	24p per business mile
	Over 10,000 business miles: 25p	Bicycles	20p per business mile

NATIONAL INSURANCE CONTRIBUTIONS

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

	09-10		08-09	
	Employee	Employer	Employee	Employer
NIC rate	11%	12.8%	11%	12.8%
No NICs on the first	£110 pw	£110 pw	£105 pw	£105 pw
NICs charged up to	£844 pw	No limit	£770 pw	No limit
1% NIC on earnings over	£844 pw	N/A	£770 pw	N/A
Certain married women	4.85%	12.8%	4.85%	12.8%

Contracted-Out Rebate

Rebate on	£95.01–£770 pw		£90.01–£770 pw	
Salary-related scheme	1.6%	3.7%	1.6%	3.7%
Money-purchase scheme	1.6%	1.4%	1.6%	1.4%
Personal Pension	No reduction		No reduction	

Class 1A Employer 08-10 on car fuel benefits & most other taxable benefits: 12.8%

Limits and Thresholds	09-10			08-09		
	Weekly	Monthly	Annual	Weekly	Monthly	Annual
Lower earnings limit	£95	£412	£4,940	£90	£390	£4,680
Earnings threshold	£110	£476	£5,715	£105	£453	£5,435
Upper accrual point	£770	£3,337	£40,040	N/A	N/A	N/A
Upper earnings limit	£844	£3,656	£43,875	£770	£3,337	£40,040

Self-Employed

	09-10		08-09	
Class 2 Flat rate	£2.40 pw	£124.80 pa	£2.30 pw	£119.60 pa
Small earnings exception	£5,075 pa		£4,825 pa	
Class 4*				
On profits:	£5,715–£43,875 pa: 8%		£5,435–£40,040 pa: 8%	
	Over £43,875 pa: 1%		Over £40,040 pa: 1%	

Voluntary

Class 3 Flat rate	£12.05 pw	£626.60 pa	£8.10 pw	£421.20 pa
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* Unless over state pension age on 6 April

BASIC STATE PENSION

	09-10		08-09	
	Weekly	Annual	Weekly	Annual
Single person	£95.25	£4,953.00	£90.70	£4,716.40
Dependant's addition	£57.05	£2,966.60	£54.35	£2,826.20
Total married pension	£152.30	£7,919.60	£145.05	£7,542.60

Pension Credit – Standard Income Guarantee (09-10)

	Single: £130.00 pw	Married: £198.45 pw
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CHILD TRUST FUND

Endowment: Initial and at age 7	£250	Low income families	£500
Annual contributions from family and friends up to			£1,200

Children born after 31 August 2002

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

Maximum Investment Component	09-10	08-09
Cash	£3,600 (£5,100*)	£3,600
Stocks & Shares (balance to)	£7,200 (£10,200*)	£7,200

* From 6 October 2009, higher limits apply only if born before 6 April 1960

INHERITANCE TAX

	09-10	08-09
Nil-rate band*	£325,000	£312,000
Rate of tax on excess	40%	40%
Lifetime transfers to and from certain trusts	20%	20%
Overseas domiciled spouse/civil partner exemption	£55,000	£55,000
100% relief: businesses, unlisted/AIM companies, certain farmland/buildings		
50% relief: certain other business assets		

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
Annual exempt gifts	£3,000 per donor		£250 per donee		

* Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band can be claimed on the surviving spouse's/civil partner's death after 8 Oct 2007

CAPITAL GAINS TAX

Exemptions	09-10	08-09
Individuals, estates, etc	£10,100	£9,600
Trusts generally	£5,050	£4,800
Chattels proceeds ($\frac{5}{3}$ excess gain is taxable)	£6,000	£6,000
Rates		
Individuals	18%	18%
Trusts and estates	18%	18%

Entrepreneurs' Relief 08-10

$\frac{1}{3}$ ths of gain (effective tax rate of 10%). Lifetime limit: £1,000,000

For trading businesses & companies (min. 5% employee shareholding) held for 1 yr+

STAMP DUTY LAND TAX based on consideration

Residential	Commercial	Rate
£175,000* or less	£150,000 or less	Nil
Over £175,000* up to £250,000	Over £150,000 up to £250,000	1%
Over £250,000 up to £500,000	Over £250,000 up to £500,000	3%
Over £500,000	Over £500,000	4%

* From 1/1/10: £125,000 (or £150,000 for property in disadvantaged areas)

Stamp Duty (including SDRT): stocks and marketable securities 0.5%

No charge unless the duty exceeds £5

CORPORATION TAX

Profits £	Effective rate to 31/3/10	Effective rate to 31/3/09
0–300,000	21%	21%
300,001–1,500,000	29.75%	29.75%
1,500,001 and over	28%	28%

MAIN CAPITAL AND OTHER ALLOWANCES

	09-10
Plant & machinery 100% annual investment allowance (first year)	£50,000
Plant & machinery expenditure in excess of £50,000 (first year)	40%
Plant & machinery, patent rights, know-how (reducing balance) pa	20%
Certain long-life assets, integral features of buildings (reducing balance) pa	10%
Industrial & agricultural buildings (straight line)	2%
Energy & water-efficient investments	100%
Qualifying flat conversions & business premises renovations	100%
Motor cars: Expenditure on or after 1/4/09 (Corporation Tax) or 6/4/09 (Income Tax)	
CO ₂ emissions of g/km:	110 or less 111–160 161 or more
Capital allowance:	100% 20% 10%
	first year reducing balance reducing balance
Research & Development: Capital expenditure	100%
Revenue expenditure: small/medium companies	175%
large companies	130%

VALUE ADDED TAX

Registration level from 1/5/09	£68,000	Standard rate from 1/12/08–31/12/09:	15%
Standard rate from 1/1/10:	17.5%	Reduced rate, eg on domestic fuel:	5%
Flat rate scheme turnover limit			£150,000
Cash and annual accounting turnover limit			£1,350,000

MAIN DUE DATES FOR TAX PAYMENT

Income Tax and Capital Gains Tax – Self-assessment

31 January in tax year	}	• Normally 50% of previous year's income tax, less tax deducted at source
Following 31 July		
Following 31 January		• Balance of income tax and all CGT

Inheritance Tax 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

Corporation Tax

- Self-Assessment: 9 months after end of 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