



TAX TABLES

2007-08

Riley & CO
CHARTERED ACCOUNTANTS

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EMPLOYEE SHARE SCHEMES LIMITS**06-08****Share incentive plans contributions**

Employer: £3,000	Employer matching (2:1): £3,000	Employee: £1,500
Enterprise management incentive option value		£100,000
Savings-related share options per month		£250
Approved share option schemes		£30,000

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 06-08	CO ₂ g/km	% of price 06-08	CO ₂ g/km	% of price 06-08
0-144	15	175-9	22	210-4	29
145-9	16	180-4	23	215-9	30
150-4	17	185-9	24	220-4	31
155-9	18	190-4	25	225-9	32
160-4	19	195-9	26	230-4	33
165-9	20	200-4	27	235-9	34
170-4	21	205-9	28	240+	35

Further reductions for LPG, 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	07-08	06-07
Chargeable amount	£3,000	£500*

*£350 if over 4 years old on 5/4/07

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

FUEL BENEFIT**07-08****06-07**

Multiply the CO ₂ % used for the car benefit by	£14,400	£14,400
Vans – flat charge	£500	Nil

COMPANY CARS – ADVISORY FUEL RATES from 1/2/07

Engine size	Petrol	Diesel	LPG
1,400cc or less	9p	9p	6p
1,401cc to 2,000cc	11p	9p	7p
Over 2,000cc	16p	12p	10p

TAX-FREE MILEAGE ALLOWANCE – OWN VEHICLE 06-08

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)

	07-08		06-07	
	Employee	Employer	Employee	Employer
NIC rate	11%	12.8%	11%	12.8%
No NICs on the first	£100 pw	£100 pw	£97 pw	£97 pw
NICs charged up to	£670 pw	No limit	£645 pw	No limit
1% NIC on earnings over	£670 pw	N/A	£645 pw	N/A
Certain married women	4.85%	12.8%	4.85%	12.8%
Contracted-Out Rebate				
Rebate on	£87.01-£670 pw		£84.01-£645 pw	
Salary-related scheme	1.6%	3.7%	1.6%	3.5%
Money-purchase scheme	1.6%	1.4%	1.6%	1.0%
Personal Pension	No reduction		No reduction	

Class 1A Employer 06-08 on car fuel benefits and most other taxable benefits: 12.8%

Limits and Thresholds	07-08			06-07		
	Weekly	Monthly	Annual	Weekly	Monthly	Annual
	£	£	£	£	£	£
Lower earnings limit	87	377	4,524	84	364	4,368
NICs start	100	435	5,225	97	420	5,035
Upper earnings limit	670	2,904	34,840	645	2,795	33,540
Low earnings threshold – S2P			13,000			12,500

Self-Employed	07-08		06-07	
	Weekly	Annual	Weekly	Annual
Class 2 Flat rate	£2.20 pw	£114.40 pa	£2.10 pw	£109.20 pa
if earnings over	£4,635 pa		£4,465 pa	
Class 4* On profits:				
	£5,225-£34,840 pa: 8%		£5,035-£33,540 pa: 8%	
	Over £34,840 pa: 1%		Over £33,540 pa: 1%	

Voluntary	07-08		06-07	
Class 3 Flat rate	Weekly	Annual	Weekly	Annual
	£7.80 pw	£405.60 pa	£7.55 pw	£392.60 pa

* Unless over state pension age on 6 April

BASIC STATE PENSION	07-08		06-07	
	Weekly	Annual	Weekly	Annual
Single person	£87.30	£4,539.60	£84.25	£4,381.00
Dependant's addition	£52.30	£2,719.60	£50.50	£2,626.00
Total married pension	£139.60	£7,259.20	£134.75	£7,007.00

Pension Credit – Standard Income Guarantee (07-08)

Single: £119.05 pw Married: £181.70 pw

INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

Maximum Investment Component	Maxi-ISA	Mini-ISA
	06-08	06-08
Cash	£3,000	£3,000
Stocks & shares	balance up to £7,000	£4,000

CHILD TRUST FUND**Children born after 31 August 2002**

Endowment: initial and age 7: £250

Low income families: £500

Extra annual contributions from family and friends up to:

£1,200 pa

INHERITANCE TAX**07-08****06-07**

Nil-rate band

£300,000

£285,000

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 used by qualifying businesses

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

CAPITAL GAINS TAX**Exemptions****07-08****06-07**

Individuals, estates etc

£9,200

£8,800

Trusts generally

£4,600

£4,400

Chattels proceeds ($\frac{2}{3}$ excess gain is taxable)

£6,000

£6,000

Rates

Individuals

As savings rates

Trusts and estates

40%

40%

Taper Relief for 06-08 Percentage of gain chargeable is based on the number of complete years an asset is owned after 5/4/98**Years owned****1****2****3****4****5****6****7****8****9****10****Business assets**

50

25

25

25

25

25

25

25

25

Other assets*

100

100

95

90

85

80

75

70

65

60

One year's extra relief for other assets owned before 17/3/98*STAMP DUTIES****Stamp Duty Land Tax**

Consideration is £125,000* or less

Nil

Consideration is over £125,000* and up to £250,000

1%

Consideration is over £250,000 and up to £500,000

3%

Consideration is over £500,000

4%

£150,000 for residential properties in disadvantaged areas and all non-residential properties*Stamp Duty (including SDRT):** stocks and marketable securities

0.5%

CORPORATION TAX

Profits £	Effective rate to 31/3/08	Effective rate to 31/3/07
0-300,000	20%	19%
300,001-1,500,000	32.5%	32.75%
1,500,001 and over	30%	30%

MAIN CAPITAL AND OTHER ALLOWANCES

Plant and machinery (P&M): first year	– medium sized firms	40%
	– small firms	50%
P&M, Patent Rights, Know-How	25% pa reducing balance	
P&M Certain long life assets	6% pa reducing balance	
P&M Energy & water-efficient assets		100%
Qualifying flat conversions		100%
Motors cars: generally	25% pa reducing balance, max. £3,000	
	with CO ₂ emissions of 120g/km or less	100%
Industrial and agricultural buildings, hotels, docks, dredging etc	4% straight line	
R&D: capital expenditure		100%
	– small/mid-sized firms	150%
	– large firms	125%

VALUE ADDED TAX

Registration level from 1/4/07: £64,000

Standard rate: 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

Small and medium-sized companies: 9 months after accounting period
Large companies (those paying tax at 30%): Quarterly instalments normally payable in 7th, 10th, 13th, 16th months after the start of the accounting period.
Growing companies avoid instalments where profits are £10m or less and the company was not large for the previous year