

Tax Facts
2016/2017



INCOME TAX

| Rates | 16/17 | 15/16 | |
|--|---------------------------|---------------------------|-------|
| Starting rate of 0% on savings income up to* | £5,000 | £5,000 | |
| Savings allowance at 0% tax: Basic rate taxpayers | £1,000 | N/A | |
| Higher rate taxpayers | £500 | N/A | |
| Additional rate taxpayers | £0 | N/A | |
| Basic rate of 20% on income up to | £32,000 | £31,785 | |
| Maximum tax at basic rate | £6,400 | £6,357 | |
| Higher rate of 40% on income up to £150,000 from £32,001 | | £31,786 | |
| Tax on first £150,000 | £53,600 | £53,643 | |
| Additional rate of 45% on income over | £150,000 | £150,000 | |
| Dividend tax credit | N/A | 10% | |
| Dividend allowance at 0% tax – all individuals | £5,000 | N/A | |
| Tax rate on dividends based on | Dividend | Dividend + tax credits | |
| | Basic rate taxpayers | 7.5% | 10% |
| | Higher rate taxpayers | 32.5% | 32.5% |
| | Additional rate taxpayers | 38.1% | 37.5% |
| Trusts: Standard rate band generally | £1,000 | £1,000 | |
| Rate applicable to trusts: Dividends | 38.1% | 37.5% | |
| Other income | 45% | 45% | |

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

Child Benefit Charge

1% of benefit per £100 of income between £50,000 and £60,000.

Main Personal Allowances and Reliefs

| | 16/17 | 15/16 |
|---|----------|----------|
| Personal (basic) | £11,000 | £10,600 |
| Personal reduced by £1 for every £2 of net income over | £100,000 | £100,000 |
| Married couples'/civil partners' transferable allowance | £1,100 | £1,060 |
| Personal (age) if born before 6/4/38* | N/A | £10,660 |
| Married couples' civil partners' allowance at 10%* (if at least one born before 6/4/35) – maximum | £8,355 | £8,355 |
| – minimum | £3,220 | £3,220 |
| Blind person's allowance | £2,290 | £2,290 |
| Rent-a-room tax-free income | £7,500 | £4,250 |

*Reduced by £1 for every £2 of income over £27,700, until basic reached.

Non-domicile remittance basis charge after UK residence in at least:

| | | |
|-----------------------------|---------|---------|
| 7 of the last 9 tax years | £30,000 | £30,000 |
| 12 of the last 14 tax years | £60,000 | £60,000 |
| 17 of the last 20 tax years | £90,000 | £90,000 |

REGISTERED PENSIONS

| | 16/17 | 15/16 |
|---|------------------------------|------------|
| Lifetime allowance | £1,000,000 | £1,250,000 |
| Annual allowance | £40,000* | £80,000 |
| Annual allowance charge on excess | 20%–45% | 20%–45% |
| Max. pension commencement lump sum | 25% of pension benefit value | |
| Lifetime allowance charge if excess drawn as cash | 55% / income 25% | |

*Subject to 50% taper down to £10,000 if threshold income over £110,000 and adjusted income over £150,000.

NATIONAL INSURANCE CONTRIBUTIONS

| Class 1 | Employee | Employer |
|--|----------|----------|
| NICs rate | 12% | 13.8% |
| No NICs on the first – Age under 21/25 for apprentices | £155 pw | £827 pw |
| – Age 21/25 & over | £155 pw | £156 pw |
| NICs rate charged up to | £827 pw | No limit |
| 2% NICs on earnings over | £827 pw | N/A |
| Certain married women | 5.85% | 13.8% |

Employment Allowance

Payable per business – not available if a director is the sole employee.

| Limits and Thresholds | Weekly | Monthly | Annual |
|---|--------|---------|---------|
| Lower earnings limit | £112 | £486 | £5,824 |
| Primary earnings threshold | £155 | £672 | £8,060 |
| Secondary earnings threshold | £156 | £676 | £8,112 |
| Upper earnings limit and upper secondary earnings threshold (under 21 or apprentice under 25) | £827 | £3,583 | £43,000 |

Class 1A Employer On car & fuel benefits and most other taxable benefits provided to employees and directors 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–£43,000 pa 9%
Over £43,000 pa 2%

Class 3 Flat rate £14.10 pw £733.20 pa

Class 3A If state pension age before 6/4/16 Amount depending on age

STATE PENSION

| 16/17 | Weekly | Annual |
|-----------------------|---------|-----------|
| Single person* | £119.30 | £6,203.60 |
| Spouse/civil partner* | £71.50 | £3,718.00 |
| Single tier† | £155.65 | £8,093.80 |

*State pension age before 6/4/16 †State pension age after 5/4/16

Pension credit – standard minimum guarantee

| | | |
|--------|---------|------------|
| Single | £155.60 | £8,091.20 |
| Couple | £237.55 | £12,352.60 |

PROPERTY TRANSACTION TAXES

Residential property value (on slices of value)

| UK (excl. Scotland): Stamp Duty Land Tax (SDLT) | % Rate | Scotland: Land and Building Transaction Tax (LBTT) | % Rate |
|---|--------|--|--------|
| Up to £125,000 | 0 | Up to £145,000 | 0 |
| £125,001–£250,000 | 2 | £145,001–£250,000 | 2 |
| £250,001–£925,000 | 5 | £250,001–£325,000 | 5 |
| £925,001–£1,500,000 | 10 | £325,001–£750,000 | 10 |
| Over £1,500,000 | 12 | Over £750,000 | 12 |

Second properties over £40,000 – add 3% to SDLT/LBTT from 1/4/16

UK properties bought by companies etc over £500,000 –15% on total value

Commercial property value (on slices of value)

| UK (excl. Scotland): SDLT | % Rate | Scotland: LBTT | % Rate |
|---------------------------|--------|-------------------|--------|
| Up to £150,000 | 0 | Up to £150,000 | 0 |
| £150,001–£250,000 | 2 | £150,001–£350,000 | 3 |
| Over £250,000 | 5 | Over £350,000 | 4.5 |

Stamp Duty and SDRT: Stocks and marketable securities 0.5%

No charge to stamp duty unless the duty exceeds £5.

TAX INCENTIVISED INVESTMENT

| | 16/17 | 15/16 |
|---|-----------------------------------|------------|
| Individual Savings Account (ISA) | £15,240 | £15,240 |
| Junior ISA and Child Trust Fund | £4,080 | £4,080 |
| Help to Buy ISA (from 1/12/15) | £1,000 initial and £200 per month | |
| 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 reinvestment deferral relief | No limit | No limit |
| Seed EIS (SEIS) at 50% | £100,000 | £100,000 |
| SEIS CGT reinvestment relief | 50% | 50% |

CAPITAL GAINS TAX

| Tax Rates – Individuals | 16/17 | 15/16 |
|--------------------------------------|-------|-------|
| Up to basic rate limit | 10% | 18% |
| Above basic rate limit | 20% | 28% |
| Tax Rate – Trusts and Estates | 20% | 28% |

| | | |
|--|----|----|
| Surcharge for residential property and carried interest | 8% | 0% |
|--|----|----|

Exemptions

| | | |
|---|---------|---------|
| Individuals, estates, etc | £11,100 | £11,100 |
| Trusts generally | £5,550 | £5,550 |
| Chattels (gain restricted to $\frac{5}{3}$ rds of proceeds exceeding limit) | £6,000 | £6,000 |

| | | |
|---|--|-------------|
| Entrepreneurs' Relief 10% on lifetime limit of £10,000,000 | | £10,000,000 |
| For trading businesses and companies (minimum 5% employee/officer shareholding) held for at least one year. | | |

Investors' Relief 10% on lifetime limit of £10,000,000 for unlisted shares in trading companies newly issued to outsiders (not employees/officers) after 16/3/16 and held for at least three years with disposals after 5/4/19.

INHERITANCE TAX

| | 16/17 | 15/16 |
|--|----------|----------|
| Nil-rate band* | £325,000 | £325,000 |
| Rate of tax on excess | 40% | 40% |
| Rate if at least 10% of net estate left to charity | 36% | 36% |
| Lifetime transfers to and from certain trusts | 20% | 20% |
| Overseas domiciled spouse/civil partner exemption | £325,000 | £325,000 |

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

50% relief: certain other business assets e.g. farmland let before 1/9/95

Annual exempt gifts of: £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 survivor's death.*

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 |

CORPORATION TAX

| | |
|---|-----|
| Rate on profits to 31/3/17 and to 31/3/16 | 20% |
|---|-----|

VALUE ADDED TAX

| | | | |
|---|-----|-------------------------------------|------------|
| Standard rate | 20% | Reduced rate, e.g. on domestic fuel | 5% |
| Registration level from 1/4/16 | | | £83,000 |
| Deregistration level from 1/4/16 | | | £81,000 |
| Flat rate scheme turnover limit | | | £150,000 |
| Cash and annual accounting schemes turnover limit | | | £1,350,000 |

CAR BENEFITS

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

Charge varies according to CO₂ emissions in grams per kilometre.

| CO ₂ emissions g/km | Petrol % | Diesel % | CO ₂ emissions g/km | Petrol % | Diesel % |
|-----------------------------------|-------------|-------------|-----------------------------------|-------------|-------------|
| 0-50 | 7 | 10 | 145-149 | 26 | 29 |
| 51-75 | 11 | 14 | 150-154 | 27 | 30 |
| 76-94 | 15 | 18 | 155-159 | 28 | 31 |
| 95-99 | 16 | 19 | 160-164 | 29 | 32 |
| 100-104 | 17 | 20 | 165-169 | 30 | 33 |
| 105-109 | 18 | 21 | 170-174 | 31 | 34 |
| 110-114 | 19 | 22 | 175-179 | 32 | 35 |
| 115-119 | 20 | 23 | 180-184 | 33 | 36 |
| 120-124 | 21 | 24 | 185-189 | 34 | 37 |
| 125-129 | 22 | 25 | 190-194 | 35 | 37 |
| 130-134 | 23 | 26 | 195-199 | 36 | 37 |
| 135-139 | 24 | 27 | 200 & over | 37 | 37 |
| 140-144 | 25 | 28 | | | |

Fuel Benefit – taxable amount for private use

Multiply the CO₂ percentage charge used for car benefit by £22,200

VANS – FOR PRIVATE USE

| | 16/17 | 15/16 |
|----------------------------------|--------|--------|
| Zero emission: chargeable amount | £634 | £630 |
| Other vans: chargeable amount | £3,170 | £3,150 |
| Fuel: flat charge | £598 | £594 |

TAX-FREE BUSINESS MILEAGE ALLOWANCE – OWN VEHICLE

| | | |
|--------------------------|---------------|--------------------------|
| Cars first 10,000 miles: | 45p per mile; | thereafter: 25p per mile |
| Qualifying passenger | 5p per mile | |
| Motorcycles | 24p per mile | Bicycles 20p per mile |

MAIN CAPITAL AND OTHER ALLOWANCES

Plant and machinery 100% annual investment allowance (1st year):

| | | | |
|--|----------|---------------|----------|
| To 31/12/15 | £500,000 | From 1/1/2016 | £200,000 |
| Enterprise zone plant and machinery (Max €125m per investment project) | | | 100% |
| Plant and machinery (annual reducing balance) | | | 18% |
| Patent rights and know-how (annual reducing balance) | | | 25% |
| Certain long-life assets and 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% pa [†] | 8% pa [†] |
| | | | [†] Reducing balance. |

Research and Development

| | | |
|---------------------|--------------------------------|------|
| Capital expenditure | | 100% |
| Revenue expenditure | – Small/Medium-sized companies | 230% |
| | – Large companies | 130% |

SOCIAL SECURITY AND 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

Carer's Allowance

£62.10

Employment and Support Allowance*

13-week assessment phase

Aged under 25: up to £57.90 Aged 25 or over: up to £73.10

From week 14 after Work Capability Assessment if eligible

In Work Related Activity Group up to £102.15

In Support Group up to £109.30

Statutory Pay Rates Average weekly pay £112 or over

Statutory Sick Pay (SSP) standard rate £88.45

Statutory Maternity Pay (SMP)/Statutory Adoption Pay (SAP)

First 6 weeks – 90% of average weekly pay

Next 33 weeks – 90% of average weekly pay subject to a maximum of £139.58

Statutory Paternity Pay (SPP)

90% of average pay subject to a maximum of £139.58

Shared Parental Pay (ShPP) – up to 37 weeks

90% of average pay subject to a maximum of £139.58

Jobseeker's Allowance*

Aged under 25 – £57.90

Aged 25 or over – £73.10

National Minimum/National Living Wage

| | 1/10/16 – 31/3/17 | 1/4/16 – 30/9/16 | 1/10/15 – 31/3/16 |
|---------------------------|----------------------|---------------------|----------------------|
| Aged 25 & over (per hour) | £7.20 | £7.20 | £6.70 |
| Aged 21 – 24 (per hour) | £6.95 | £6.70 | £6.70 |
| Aged 18 – 20 (per hour) | £5.55 | £5.30 | £5.30 |

MAIN DUE DATES FOR TAX PAYMENTS

Income Tax, NIC and Capital Gains Tax – Self-Assessment

- | | |
|--------------------|--|
| 31 Jan in tax year | • Normally 50% of previous year's income tax (less tax deducted at source) and class 4 NIC |
| Following 31 July | |
| Following 31 Jan | • Balance of income tax, class 2 and class 4 NIC, 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 and one day 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.

2016 CALENDAR

| | January | February | March |
|-----|---------------|--------------|---------------|
| Mon | 4 11 18 25 | 1 8 15 22 29 | 7 14 21 28 |
| Tue | 5 12 19 26 | 2 9 16 23 | 1 8 15 22 29 |
| Wed | 6 13 20 27 | 3 10 17 24 | 2 9 16 23 30 |
| Thu | 7 14 21 28 | 4 11 18 25 | 3 10 17 24 31 |
| Fri | 1 8 15 22 29 | 5 12 19 26 | 4 11 18 25 |
| Sat | 2 9 16 23 30 | 6 13 20 27 | 5 12 19 26 |
| Sun | 3 10 17 24 31 | 7 14 21 28 | 6 13 20 27 |

| | April | May | June |
|-----|--------------|---------------|--------------|
| Mon | 4 11 18 25 | 2 9 16 23 30 | 6 13 20 27 |
| Tue | 5 12 19 26 | 3 10 17 24 31 | 7 14 21 28 |
| Wed | 6 13 20 27 | 4 11 18 25 | 1 8 15 22 29 |
| Thu | 7 14 21 28 | 5 12 19 26 | 2 9 16 23 30 |
| Fri | 1 8 15 22 29 | 6 13 20 27 | 3 10 17 24 |
| Sat | 2 9 16 23 30 | 7 14 21 28 | 4 11 18 25 |
| Sun | 3 10 17 24 | 1 8 15 22 29 | 5 12 19 26 |

| | July | August | September |
|-----|---------------|---------------|--------------|
| Mon | 4 11 18 25 | 1 8 15 22 29 | 5 12 19 26 |
| Tue | 5 12 19 26 | 2 9 16 23 30 | 6 13 20 27 |
| Wed | 6 13 20 27 | 3 10 17 24 31 | 7 14 21 28 |
| Thu | 7 14 21 28 | 4 11 18 25 | 1 8 15 22 29 |
| Fri | 1 8 15 22 29 | 5 12 19 26 | 2 9 16 23 30 |
| Sat | 2 9 16 23 30 | 6 13 20 27 | 3 10 17 24 |
| Sun | 3 10 17 24 31 | 7 14 21 28 | 4 11 18 25 |

| | October | November | December |
|-----|---------------|--------------|---------------|
| Mon | 3 10 17 24 31 | 7 14 21 28 | 5 12 19 26 |
| Tue | 4 11 18 25 | 1 8 15 22 29 | 6 13 20 27 |
| Wed | 5 12 19 26 | 2 9 16 23 30 | 7 14 21 28 |
| Thu | 6 13 20 27 | 3 10 17 24 | 1 8 15 22 29 |
| Fri | 7 14 21 28 | 4 11 18 25 | 2 9 16 23 30 |
| Sat | 1 8 15 22 29 | 5 12 19 26 | 3 10 17 24 31 |
| Sun | 2 9 16 23 30 | 6 13 20 27 | 4 11 18 25 |

2017 CALENDAR

| | January | February | March |
|-----|---------------|------------|---------------|
| Mon | 2 9 16 23 30 | 6 13 20 27 | 6 13 20 27 |
| Tue | 3 10 17 24 31 | 7 14 21 28 | 7 14 21 28 |
| Wed | 4 11 18 25 | 1 8 15 22 | 1 8 15 22 29 |
| Thu | 5 12 19 26 | 2 9 16 23 | 2 9 16 23 30 |
| Fri | 6 13 20 27 | 3 10 17 24 | 3 10 17 24 31 |
| Sat | 7 14 21 28 | 4 11 18 25 | 4 11 18 25 |
| Sun | 1 8 15 22 29 | 5 12 19 26 | 5 12 19 26 |



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