

## Tax Tables 2015/16



### Income Tax

#### Rates

|            | %  | 2015/16                      | %  | 2014/15              |
|------------|----|------------------------------|----|----------------------|
| Basic      | 20 | Up to £31,785                | 20 | Up to £31,865        |
| Higher     | 40 | Between £31,786 and £150,000 | 40 | £31,866 and £150,000 |
| Additional | 45 | Above £150,000               | 45 | Above £150,000       |

Non-savings income is taxed as the first slice of income followed by savings income and then dividends.

Dividends falling into the basic rate band are taxed at 10%. The higher rate of tax for dividends is 32.5% and the additional rate of tax for dividends is 37.5%. This is reduced by the dividend tax credit.

Starting rate for savings income £5,000 (2014/15 £2,880) may be taxed at 0% for some low income earners.

#### Allowances

|                     | 2015/16 | 2014/15  |
|---------------------|---------|----------|
| Personal Allowance: |         |          |
| Aged up to 64       | £10,600 | £10,000* |
| Aged 65 to 74**     | £10,600 | £10,500* |
| Aged 75 and over**  | £10,660 | £10,660* |

\* The personal allowance is reduced by £1 for every £2 of income above £100,000

\*\* Subject to conditions

A £30,000 levy applies to certain non-UK domiciled individuals wishing to use the remittance basis of taxation where they have been in the UK seven out of the previous nine years. For individuals in the UK for 12 out of the previous 14 years a £60,000 levy applies. New levy of £90,000 effective 2015/16 for individuals in the UK 17 out of previous 20 years.

### National Insurance Contributions

#### Rates

| 2015/16                                      |                    |
|--|--------------------|
| Class 1 (Earnings related)                   | Not contracted out |
| Weekly earnings                              |                    |
| Employees                                    |                    |
| First £155                                   | Nil                |
| £155.01 - £770                               | 12%                |
| £770.01 - £815                               | 12%                |
| Over £815                                    | 2%                 |
| Employers                                    | NCO                |
| Weekly earnings                              |                    |
| First £156                                   | Nil                |
| £156.01 - £770                               | 13.8%              |
| Over £770                                    | 13.8%              |
| Employment Allowance                         | £2,000             |
| Class 1A (Employer only on benefits in kind) | 13.8%              |
| *Class 2 (self-employed flat rate)           | £2.80 per week     |
| Small earnings exception                     | £5,965 per year    |
| Class 3 (voluntary)                          | £14.10 per week    |
| Class 4 (self-employed)                      |                    |
| Lower profits limit (LPL)                    | £8,060 per year    |
| Upper profits limit (UPL)                    | £42,385 per year   |
| Rate   |                    |
| - between LPL - UPL                          | 9%                 |
| - above UPL                                  | 2%                 |

\*Class 2 NIC to be abolished with consultation in 2015 on reforms to Class 4 contributions.

### Stamp Taxes

|  |                     | Stamp Duty Land Tax (SDLT) | Stamp Duty / SDRT   |
|--|---------------------|----------------------------|---------------------|
| Rate payable on chargeable consideration |                     | UK land transactions       |                     |
|  | Residential         |                            | Transfers of shares |
| 2%                                       | £125,001 - £250,000 | 1%                         | £150,001 - £250,000 |
| 5%                                       | £250,001 - £925,000 | 3%                         | £250,001 - £500,000 |
| 10%                                      | £925,001 - £1.5m    | 4%                         | £500,001+           |
| 12%                                      | Above £1.5m         |                            |                     |
| 15%*                                     | Above £500K         |                            |                     |

Subject to certain conditions

\*A rate of 15% applies for acquisitions by certain non-natural persons (i.e. companies) on residential property over £500K

| SEED Enterprise Investment Scheme        | 2015/16  | 2014/15  |
|--|----------|----------|
| Maximum investment for income tax relief | £100,000 | £100,000 |
| Rate of income tax relief*               | 50%      | 50%      |

Disposal of SEIS shares exempt from CGT

\*Shares must be held for at least three years

| Enterprise Investment Scheme             | 2015/16    | 2014/15    |
|--|------------|------------|
| Maximum investment for income tax relief | £1,000,000 | £1,000,000 |
| Rate of income tax relief*               | 30%        | 30%        |

Disposal of EIS shares exempt from CGT

A claim may be made to carry back relief one year

\*Shares must be held for at least three years

| Venture Capital Trust           |                    |
|---------------------------------|--------------------|
| Maximum investment – income tax | £200,000 per annum |
| Rate of income tax relief*      | 30%                |

Disposals of VCT shares are exempt from CGT

\*Shares must be held for at least five years

### Capital Gains Tax

#### Rates

Companies pay corporation tax on capital gains after indexation allowance at their normal rate. Gains and losses on sales of shareholdings of 10% or more in trading companies or trading groups are exempt, subject to certain exclusions.

Capital gains realised by individuals are taxed at a flat rate of 18% for basic rate taxpayers and 28% for higher or additional rate taxpayers. A rate of 10% applies to eligible gains up to £10m on assets qualifying for Entrepreneurs' Relief.

#### Reliefs

|   | 2015/16     | 2014/15     |
|---|-------------|-------------|
| Annual gains exemption for individuals                | £11,100     | £11,000     |
| Annual gains exemption for Trusts                     | £5,550      | £5,500      |
| Principal Private Residence*                          | 100%        | 100%        |
| Entrepreneurs' Relief (cumulative lifetime allowance) | £10,000,000 | £10,000,000 |
| *Subject to conditions                                |             |             |

## Individual Savings Accounts (ISA)

### Rates

|                                    | 2015/16 | 2014/15 |
|------------------------------------|---------|---------|
| Annual investment limit            | £15,240 | £15,000 |
| Junior ISA<br>Maximum contribution | £4,080  | £4,000  |

Income and gains on ISA investments are tax free.  
Junior ISA available for under 18s with no child trust fund

## Inheritance Tax

### Rates

|     | 2015/16        | 2014/15        |
|-----|----------------|----------------|
| Nil | Up to £325,000 | Up to £325,000 |
| 40% | Above £325,000 | Above £325,000 |

Any unused nil-rate band may be transferred to the deceased's spouse or civil partner.

On death, any gifts made within the previous seven years will become taxable, but the tax payable will be reduced by tapering relief if the donor has survived at least three years.

Certain lifetime gifts are subject to inheritance tax. In these cases tax is charged at 20%.

Various reliefs and exemptions, including annual gifts up to £3,000 are available.

## Car and Car Fuel Benefits

### Cars

The taxable benefit in kind is a percentage of the car's list price according to the car's carbon dioxide emissions measured in grams per km and rounded down to the nearest 5g/km. There is a supplementary charge of 3% for diesel cars until April 2016 but will not take the total percentage beyond the maximum of 37%.

### Car Fuel

The taxable benefit in respect of fuel provided by an employer is the 'appropriate percentage' of £22,100 (2015/16).

### Approved Mileage Allowance Payments

|                               | 2015/16 | 2014/15 |
|-------------------------------|---------|---------|
| Own cars and vans             |         |         |
| Up to 10,000 miles (per mile) | 45p     | 45p     |
| Over 10,000 miles (per mile)  | 25p     | 25p     |

## Pensions

|   | 2015/16    | 2014/15    |
|---|------------|------------|
| Annual contribution allowance 100% of salary            |            |            |
| Up to   | £40,000    | £40,000    |
| Permitted pension contribution (irrespective of salary) | £3,600     | £3,600     |
| Lifetime benefit allowance                              | £1,250,000 | £1,500,000 |

## Value Added Tax

|   | From 1 April 2015 |
|---|-------------------|
| Standard rate                                   | 20%               |
| Lower rate                                      | 5%                |
| Registration limit - annual turnover above      | £82,000           |
| Deregistration threshold                        | £80,000           |
| Simplified arrangements - annual turnover below | £1,350,000        |

## Corporation Tax

|  | From 1 April 2015        |                          |
|--|--------------------------|--------------------------|
|  | 2015                     | 2014                     |
| Main rate  | 20%                      | 21%                      |
| Small companies rate                                 | 20%                      | 20%                      |
| Where profits**                                      | £0 - £300,000            | £0 - £300,000            |
| Marginal relief where profits*                       | £300,000 -<br>£1,500,000 | £300,000 -<br>£1,500,000 |
| Marginal relief fraction                             | N/A                      | 1/400                    |
| Profit threshold for quarterly instalment payments** | £1,500,000               | £1,500,000               |

\* Reduced by reference to number of associated companies

## Capital Allowances

|  | 2015/16  |
|--|----------|
| - main writing down allowance rate   | 18%      |
| - special rate pool (long life assets and integral features within a building) | 8%       |
| - energy saving/environmentally beneficial assets                              | 100%     |
| - 100% Annual Investment Allowance on expenditure up to                        | £500,000 |
| <b>Motor cars (CO<sup>2</sup>)</b>   |          |
| (if not second hand) low emission less than 75g/km                             | 100%     |
| Emissions exceed 75g/km but not 130g/km  | 18%*     |
| Emissions exceed 130g/km   | 8%*      |
| Commercial or industrial building in an enterprise zone                        | 100%     |
| Research and development   | 100%     |
| Business Premises Renovation Allowance   | 100%     |

\*Limits to be confirmed

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