

TAX RATES 2013/14



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INCOME TAX ALLOWANCES

	2013-14	2012-13
Personal Allowance (1)	£9,440	£8,105
Income limit for Personal Allowance	£100,000	£100,000
Personal Allowance for people aged 65-74 (1) (2)	£10,500	£10,500
Personal Allowance for people aged 75 and over (1) (2)	£10,660	£10,660
Married Couple's Allowance - aged 75 and over (2) (3)	£7,915	£7,705
Income limit for age-related allowances	£26,100	£25,400
Minimum amount of Married Couple's Allowance	£3,040	£2,960
Blind Person's Allowance	£2,160	£2,100

(1) From the 2010-11 tax year the Personal Allowance reduces where the income is above £100,000 - by £1 for every £2 of income above the £100,000 limit. This reduction applies irrespective of age.

(2) These allowances reduce where the income is above the income limit - by £1 for every £2 of income above the limit. For the 2008-09 and 2009-10 tax years they will never be less than the basic Personal Allowance or minimum amount of Married Couple's Allowance. However, from the 2010-11 tax year the Personal Allowance for people aged 65 to 74 and 75 and over can be reduced below the basic Personal Allowance where the income is above £100,000.

(3) Tax relief for the Married Couple's Allowance is given at the rate of 10 per cent.

INCOME TAX RATES AND TAXABLE BANDS

	2013-14	2012-13
Starting rate for savings: 10%	£0-£2,790	£0-£2,710
Basic rate: 20%	£0-£32,010	£0-£34,370
Higher rate: 40%	£32,011-£150,000	£34,371-£150,000
Additional rate: 50%	Over £150,000	Over £150,000

The rates available for dividends for 2009-10 tax year is the 10 per cent ordinary rate and the 32.5 per cent dividend upper rate. From the 2010-11 tax year, as well as these rates there is a new dividend additional rate of 37.5 per cent.

**RATES FOR
CAPITAL GAINS TAX**
**TAX-FREE ALLOWANCES FOR
CAPITAL GAINS TAX**

Tax Year	Rate
2013-14	
Basic Rate Taxpayers	18%
Higher Rate Taxpayers	28%
Trustees	28%

	2013-14	2012-13
Individuals, personal representatives and trustees for disabled people	£10,900	£10,600
Other trustees	£5,450	£5,300
Entrepreneurs' Relief - lifetime allowance		
- Up to 22.6.10	£2m	
- After 22.6.10	£5m	
- After 5.4.11	£10m	£10m
Entrepreneurs' Relief - effective tax rate	10%	10%

RATES AND ALLOWANCES NATIONAL INSURANCE CONTRIBUTIONS

£ per week	2013-14	2012-13
Lower earnings limit, primary Class 1	£109	£107
Upper earnings limit, primary Class 1	£797	£817
Upper accruals point	£770	£770
Primary threshold	£149	£146
Secondary threshold	£148	£144
Employees' primary Class 1 rate between primary threshold and upper earnings limit	12%	12%
Employees' primary Class 1 rate above upper earnings limit	2%	2%
Class 1A rate on employer provided benefits (1)	13.8%	13.8%
Employees' contracted-out rebate	1.4%	1.4%
Married women's reduced rate between primary threshold and upper earnings limit	5.85%	5.85%
Married women's rate above upper earnings limit	2%	2%
Employers' secondary Class 1 rate above secondary threshold	13.8%	13.8%
Employers' contracted-out rebate, salary-related schemes	3.4%	3.4%
Class 2 rate	£2.70	£2.65
Class 2 small earnings exception	£5,725 per year	£5,595 per year
Special Class 2 rate for share fishermen	£3.35	£3.30
Special Class 2 rate for volunteer development workers	£5.45	£5.35
Class 3 rate	£13.55	£13.25
Class 4 lower profits limit	£7,755 per year	£7,605 per year
Class 4 upper profits limit	£41,450 per year	£42,475 per year
Class 4 rate between lower profits limit and upper profits limit	9%	9%
Class 4 rate above upper profits limit	2%	2%

(1) Class 1A NICs are calculated using the previous year's benefit figure and the rate appropriate at the due date - July.

CORPORATION TAX RATES

Rates for financial years starting on 1 April	2013-14	2012-13
Small Companies Rate*	20%*	20%*
Small Companies Rate can be claimed by qualifying companies with profits at a rate not exceeding	£300,000	£300,000
Marginal Small Companies Relief Lower Limit	£300,000	£300,000
Marginal Small Companies Relief Upper Limit	£1,500,000	£1,500,000
Marginal Small Company Relief (MSCR) Fraction	3/400	1/100
Main rate of Corporation Tax	23%*	24%*

*The main rate of Corporation Tax applies when profits (including ring fence profits) are at a rate exceeding £1,500,000, or where there is no claim to another rate, or where another rate does not apply.

INHERITANCE TAX THRESHOLDS

The Inheritance Tax threshold (or 'nil rate band') is the amount up to which an estate will have no Inheritance Tax to pay.

If the estate - including any assets held in trust and gifts made within seven years of death - is more than the threshold, Inheritance Tax will be due at 40 per cent on the amount over the nil rate band.

From 6 April 2012 a reduced rate of IHT of 36% applies where 10% or more of the net estate is left to charity. The full rate of IHT remains unchanged at 40%.

From	To	Threshold/nil rate band
6 April 2009	5 April 2015	£325,000
6 April 2008	5 April 2009	£312,000
6 April 2007	5 April 2008	£300,000
6 April 2006	5 April 2007	£285,000

STAMP DUTY LAND TAX RATES FOR RESIDENTIAL PROPERTY

Residential land or property SDLT rates and thresholds

Purchase price/lease premium or transfer value	SDLT rate
Up to £125,000	Zero
Over £125,000 to £250,000	1%
Over £250,000 to £500,000	3%
Over £500,000 to £1,000,000	4%
Over £1,000,000 to £2,000,000	5%
Over £2,000,000	7%
Over £2m properties held in 'corporate envelopes'	15%

If the value is above the payment threshold, SDLT is charged at the appropriate rate on the whole of the amount paid. For example, a house bought for £130,000 is charged at 1 per cent, so £1,300 must be paid in SDLT. A house bought for £350,000 is charged at 3 per cent, so SDLT of £10,500 is payable.

RATES AND ALLOWANCES TRAVEL

Approved mileage rates from 6th April 2011

	Up to 10,000 miles	Over 10,000 miles
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p

PASSENGER PAYMENTS CARS AND VANS

5p per passenger per business mile for carrying fellow employees in a car or van on journeys which are also work journeys for them. Only payments specifically for carrying passengers count and there is no relief if you receive less, or nothing at all.

VALUE ADDED TAX (VAT)

From	4 Jan 2011
Standard rate	20%
VAT fraction	1/6
Reduced rate	5%
Current Turnover Limits	
Registration - last 12 months or next 30 days	over £79,000 from 1 April 2013
Deregistration - next 12 months	under £77,000 from 1 April 2013
Annual Accounting Scheme	£1,350,000
Cash Accounting Scheme	£1,350,000
Flat Rate Scheme	£150,000

This Tax Card was prepared immediately after the Chancellor's Budget Statement 20 March 2013 - based on official press releases and supporting documentation. The Budget proposals are subject to amendment before the Finance Act receives Royal Assent. The information on this card is for guidance only, and professional advice should be obtained before acting on any information contained herein. No responsibility can be accepted by the publishers or the distributors for loss occasioned to any person as a result of action taken or refrained from in consequence of the contents of this publication.