

INCOME TAX RATES

2014/15		2013/14	
Band £	Rate %	Band £	Rate %
0 - 2,880	10*	0 - 2,790	10*
0 - 31,865	20**	0 - 32,010	20**
31,866 - 150,000	40♦	32,011 - 150,000	40♦
Over 150,000	45•	Over 150,000	45•

*Only applicable to dividends and savings income. The 10% rate is not available if taxable non-savings income exceeds £2,880 (£2,790).

**Except dividends (10%).

♦ Except dividends (32.5%).

• Except dividends (37.5%).

Other income taxed first, then savings income and finally dividends.

INCOME TAX RELIEFS

	2014/15 £	2013/14 £
Personal allowance - born after 5 April 1948	10,000	9,440
- born after 5 April 1938 and before 6 April 1948*	10,500	10,500
- born before 6 April 1938*	10,660	10,660
<small>(Reduce personal allowance by £1 for every £2 of adjusted net income over £100,000.)</small>		
Married couple's allowance (relief at 10%)* <small>(Either partner 75 or over and born before 6 April 1935.)</small>	8,165	7,915
- min. amount	3,140	3,040
*Age allowance income limit	27,000	26,100
<small>(Reduce age allowance by £1 for every £2 of adjusted net income over £27,000 (£26,100).)</small>		
Blind person's allowance	2,230	2,160

TAX CREDITS

	2014/15 £	2013/14 £
Working Tax Credit		
Basic element - max.	1,940	1,920
Childcare element		
<small>70% of eligible costs up to £175 per week (£300 if two or more children).</small>		
Child Tax Credit (CTC)		
Child element		
per child - max.	2,750	2,720
Family element	545	545

Reductions in maximum rates

41% of income above £6,420* p.a.

*If only CTC is claimed, the threshold is £16,010 (£15,910) p.a. The family element of CTC tapers immediately after the child element at a rate of 41%.

PENSION PREMIUMS

2014/15

- Tax relief available for personal contributions: higher of £3,600 (gross) or 100% of relevant earnings.
- Any contributions in excess of £40,000 (previously £50,000), whether personal or by the employer, may be subject to income tax on the individual.
- Where the £40,000 limit is not fully used it may be possible to carry the unused amount forward for three years.
- Employers will obtain tax relief on employer contributions if they are paid and made 'wholly and exclusively'. Tax relief for large contributions may be spread over several years.

CAR, VAN AND FUEL BENEFITS

2014/15

CO ₂ emissions (gm/km) (round down to nearest 5gm/km)	% of car's list price taxed
up to 94	11
95	12
100	13
105	14
110	15
115	16
120	17
125	18
130	19
135	20
140	21
145	22
150	23
155	24
160	25
165	26
170	27
175	28
180	29
185	30
190	31
195	32
200	33
205	34
210 and above	35

Company cars

- For diesel cars add a 3% supplement but maximum still 35%.
- A 0% rate applies to cars which cannot emit CO₂ when driven.
- A 5% rate applies to cars with emissions which do not exceed 75gm/km when driven. The diesel supplement can apply to 75gm/km cars.
- For cars registered before 1 January 1998 the charge is based on engine size.
- The list price includes accessories and is not subject to an upper limit.
- The list price is reduced for capital contributions made by the employee up to £5,000.
- Special rules may apply to cars provided for disabled employees.

Car fuel benefit 2014/15

£21,700 x 'appropriate percentage'

*Percentage used to calculate the taxable benefit of the car for which the fuel is provided.

The charge does not apply to certain environmentally friendly cars.

The charge is proportionately reduced if provision of private fuel ceases part way through the year. The fuel benefit is reduced to nil only if the employee pays for all private fuel.

Van benefit per vehicle

2014/15

Van benefit £3,090 Fuel benefit £581

The charges do not apply to vans which cannot emit CO₂ when driven or if a 'restricted private use condition' is met throughout the year.

MILEAGE ALLOWANCE PAYMENTS

2014/15 and 2013/14

Cars and vans

Up to 10,000 miles

Over 10,000 miles

Bicycles

Motorcycles

Rate per mile

45p

25p

20p

24p

These rates represent the maximum tax free mileage allowances for employees using their own vehicles for business. Any excess is taxable. If the employee receives less than the statutory rate, tax relief can be claimed on the difference.

VALUE ADDED TAX

Standard rate

20%

Reduced rate

5%

Annual Registration Limit - from 1.4.14 (1.4.13 - 31.3.14 £79,000)

£81,000

Annual Deregistration Limit - from 1.4.14 (1.4.13 - 31.3.14 £77,000)

£79,000

CORPORATION TAX

	Year to 31.3.15		Year to 31.3.14	
	Profits band £	Rate %	Profits band £	Rate %
Small profits rate	0 - 300,000	20*	0 - 300,000	20*
Marginal (small profits) rate	300,001 - 1,500,000	21.25*	300,001 - 1,500,000	23.75*
Main rate	Over 1,500,000	21*	Over 1,500,000	23*
Standard fraction		1/400*		3/400*

The profits limits are reduced for accounting periods of less than 12 months and for a company with associated companies.

*Different rates apply for ring-fenced (broadly oil industry) profit.

CAPITAL ALLOWANCES

Plant and machinery - Annual Investment Allowance (AIA)

The AIA gives a 100% write-off on most types of plant and machinery costs, including integral features and long life assets but not cars, of up to £250,000 p.a. for expenditure incurred on or after 1 January 2013 (£500,000 for expenditure incurred on or after 6 April 2014 (1 April 2014 for companies)). Special rules apply to accounting periods straddling these dates.

Any costs over the AIA fall into the normal capital allowance pools below. The AIA may need to be shared between certain businesses under common ownership.

Other plant and machinery allowances

The annual rate of allowance is 18%. An 8% rate applies to expenditure incurred on integral features and on long life assets.

A 100% first year allowance may be available on certain energy efficient plant and cars, including expenditure incurred on new and unused zero emission goods vehicles.

Cars

For expenditure incurred on cars, costs are generally allocated to one of the two plant and machinery pools. For expenditure incurred on or after 6 April 2013 (1 April 2013 for companies) cars with CO₂ emissions not exceeding 130gm/km (previously 160gm/km) receive an 18% allowance p.a. Cars with CO₂ emissions over 130gm/km (160gm/km) receive an 8% allowance p.a.

INDIVIDUAL SAVINGS ACCOUNTS

	2014/15	
	From 6.4.14 to 30.6.14	From 1.7.14 to 5.4.15
Overall investment limit	£11,880	£15,000*
Comprising - cash up to	£5,940 max.	N/A
- balance in stocks and shares	£11,880 max.	N/A

*Special rules apply if investments are made before 1.7.14. Investments for 2014/15 cannot exceed £15,000 in total.

CAPITAL GAINS TAX

	2014/15	2013/14
Individuals	£	£
Exemption	11,000	10,900
Standard rate	18%	18%
Higher rate*	28%	28%
Trusts		
Exemption	5,500	5,450
Rate	28%	28%

*For higher and additional rate taxpayers.

Entrepreneurs' Relief

The first £10m of qualifying gains are charged at 10%. Gains in excess of the limit are charged at the rates detailed above.

INHERITANCE TAX

Death rate	Lifetime rate	Chargeable transfers 2014/15 and 2013/14
%	%	£'000
Nil	Nil	0 - 325*
40	20	Over 325*

*Potentially increased for surviving spouses or civil partners who die on or after 9 October 2007.

Reliefs

Annual exemption	£3,000	Marriage - parent	£5,000
Small gifts	£250	- grandparent	£2,500
		- bride/groom	£2,500
		- other	£1,000

Reduced charge on gifts within seven years of death

Years before death	0-3	3-4	4-5	5-6	6-7
% of death charge	100	80	60	40	20

STAMP DUTY AND STAMP DUTY LAND TAX

Land and buildings (on full consideration paid)			
Rate	Residential property		Non-residential
	Disadvantaged areas*	Other	
	£	£	
0%	0 - 150,000*	0 - 125,000	0 - 150,000
1%	150,001* - 250,000	125,001 - 250,000	150,001 - 250,000
3%	250,001 - 500,000	250,001 - 500,000	250,001 - 500,000
4%	500,001 - 1,000,000	500,001 - 1,000,000	Over 500,000
5%	1,000,001 - 2,000,000	1,000,001 - 2,000,000	-
7%	Over 2,000,000	Over 2,000,000	-

*The rules for disadvantaged areas were withdrawn for transactions with an effective date on or after 6 April 2013.

Shares and securities - rate 0.5%.

NATIONAL INSURANCE

2014/15 Class 1 (employed) contracted in rates

Employee		Employer	
Earnings per week	%	Earnings per week	%
Up to £153	Nil*	Up to £153	Nil
£153.01 - £805	12	Over £153	13.8
Over £805	2		

*Entitlement to contribution-based benefits retained for earnings between £111 and £153 per week.

Class 1A (employers)	13.8% on employee taxable benefits
Class 1B (employers)	13.8% on PAYE Settlement Agreements
Class 2 (self-employed)	flat rate per week £2.75 small earnings exception £5,885 p.a.
Class 3 (voluntary)	flat rate per week £13.90
Class 4 (self-employed)	9% on profits between £7,956 and £41,865 plus 2% on profits over £41,865

MAIN SOCIAL SECURITY BENEFITS

Weekly benefit	2014/15	2013/14
Basic retirement pension - single person	£113.10	£110.15
- married couple	£180.90	£176.15
Statutory pay rates - average weekly earnings £111 (£109) or over		
Statutory Sick Pay	£87.55	£86.70
Statutory Maternity Pay		
First six weeks	90% of weekly earnings	
Next 33 weeks	£138.18*	£136.78*
Statutory Paternity Pay - two weeks	£138.18*	£136.78*
Statutory Adoption Pay - 39 weeks	£138.18*	£136.78*

*Or 90% of weekly earnings if lower.

Additional Paternity Pay and Leave may be available for a child due or adoptions matched on or after 3 April 2011.

SELF ASSESSMENT: KEY DATES 2014/15

31 July 2014 - Second payment on account for 2013/14.

5 October 2014 - Deadline for notifying HMRC of new sources of income (including the Child Benefit charge) if no tax return has been issued for 2013/14.

31 October 2014 - Deadline for submission of 2013/14 non-electronic returns.

31 January 2015 - Deadline for filing electronic tax returns for 2013/14.

Balancing payment due for 2013/14. First payment on account due for 2014/15.

Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or firm.

2014

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

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

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

2015

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

Our services include:

- ✓ **Accountancy**
- ✓ **Auditing**
- ✓ **Wages Bureau**
- ✓ **Accounting Systems**
- ✓ **Management Accounts**
- ✓ **VAT Returns**
- ✓ **Business Start Ups**
- ✓ **Self Assessment Returns**
- ✓ **Corporation Tax Returns**
- ✓ **Inland Revenue Investigations**
- ✓ **Customs Investigations**
- ✓ **Company Tax Saving**
- ✓ **Remuneration Planning**
- ✓ **Tax Planning Reviews**
- ✓ **Capital Gains Tax Planning**
- ✓ **Estate and Will Planning**
- ✓ **Inheritance Tax Planning**
- ✓ **Trust Planning**
- ✓ **Retirement Planning**
- ✓ **Sales and Acquisitions**
- ✓ **Property Transaction Planning**