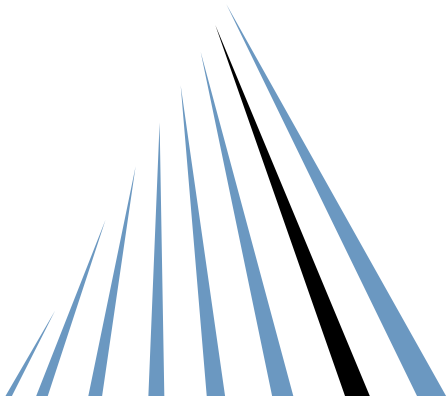


# TAX RATES 2010/11

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## INCOME TAX RATES

2010/11		2009/10	
Band £	Rate %	Band £	Rate %
0 - 2,440	10*	0 - 2,440	10*
2,441 - 37,400	20**	2,441 - 37,400	20**
37,401 - 150,000	40♦	Over 37,400	40♦
Over 150,000	50•		

\*Only applicable to dividends and savings income. The 10% rate is not available if taxable non-savings income exceeds £2,440.

\*\* Except dividends (10%).

♦ Except dividends (32.5%).

• Except dividends (42.5%).

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

## INCOME TAX RELIEFS

### 2010/11 and 2009/10

		£
Personal allowance	- under 65	6,475
	- 65 - 74*	9,490
	- 75 and over*	9,640

(For 2010/11 reduce personal allowance by £1 for every £2 of adjusted net income over £100,000.)

Married couple's allowance (relief at 10%)	- 75 and over*	6,965
	- min. amount	2,670

*Age allowance income limit	22,900
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(Reduce age allowance by £1 for every £2 of adjusted net income over £22,900.)

Blind person's allowance	1,890
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## TAX CREDITS

### 2010/11 2009/10

	£	£
<b>Working Tax Credit</b>		
Basic element - max.	1,920	1,890
Childcare element		
80% of eligible costs up to £175 per week (£300 if two or more children).		
<b>Child Tax Credit (CTC)</b>		
Child element		
per child - max.	2,300	2,235
Family element	545	545
Baby addition	545	545

### Reductions in maximum rates

39% of income above £6,420\* p.a.

\*If only CTC is claimed, the threshold is £16,190 (£16,040) p.a. The family element of CTC is not reduced unless income is more than £50,000 p.a. when it is reduced by £1 for every £15 of additional income.

## PENSION PREMIUMS

### 2010/11 and 2009/10

- Tax relief available for personal contributions: higher of £3,600 (gross) or 100% of relevant earnings.
- 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.
- Any contributions in excess of £255,000 (£245,000), whether personal or by the employer, may be subject to income tax on the individual.
- An additional income tax charge may apply on certain non-regular contributions.

# CAR, VAN AND FUEL BENEFITS

2010/11

CO <sub>2</sub> emissions (gm/km) (round down to nearest 5gm/km)	% of car's list price taxed
up to 130	15
135	16
140	17
145	18
150	19
155	20
160	21
165	22
170	23
175	24
180	25
185	26
190	27
195	28
200	29
205	30
210	31
215	32
220	33
225	34
230 and above	35

## Company cars

- For diesel cars add a 3% supplement but maximum still 35%. Euro IV diesel cars registered before 1 January 2006 do not suffer the 3% supplement.
- Discounts apply to certain environmentally friendly cars.
- A 10% rate applies to non-electric cars with emissions of no more than 120gm/km. Environmentally friendly discounts do not apply to these cars but the diesel supplement does.
- For cars registered before 1 January 1998 the charge is based on engine size.
- The list price includes accessories and is subject to an upper limit of £80,000.
- The list price is reduced for capital contributions made by the employee up to £5,000.

## Car fuel benefit 2010/11

£18,000 x 'appropriate percentage'\*

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

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

2010/11

Van benefit £3,000  
Fuel benefit £550

The charges do not apply to certain environmentally friendly vans or if a 'restricted private use condition' is met throughout the year.

# MILEAGE ALLOWANCE PAYMENTS

2010/11 and 2009/10

## Cars and vans

Up to 10,000 miles  
Over 10,000 miles

## Rate per mile

40p  
25p

## Bicycles

20p

## Motorcycles

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.

# INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

2010/11

£

Overall annual investment limit

10,200

Comprising - cash up to

5,100 max.

- balance in stocks and shares

10,200 max.

## CORPORATION TAX

Years to 31.3.11 and 31.3.10

	Profits band £	Rate %
Small companies rate	0 - 300,000	21*
Marginal (small companies) rate	300,001 - 1,500,000	29.75*
Full rate	Over 1,500,000	28*
Small companies fraction		7/400*

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 £50,000 p.a. The limit is increased to £100,000 for expenditure incurred on or after 6 April 2010 (1 April 2010 for companies). Special rules apply for accounting periods straddling these dates.

Any costs over the AIA fall into the normal capital allowance pools at either 10% or 20%. The AIA may need to be shared between certain businesses under common ownership.

### Other plant and machinery allowances

The annual rate of allowance is 20%. A 10% rate applies to expenditure incurred on integral features and on long life assets.

A temporary 40% first year allowance may be due for certain expenditure exceeding the AIA incurred in the 12 month period beginning on 6 April 2009 (1 April 2009 for companies). A 100% first year allowance may still be available on certain energy efficient plant and cars.

### Cars

For expenditure incurred on cars on or after 6 April 2009 (1 April 2009 for companies), costs are generally allocated to one of the two plant and machinery pools. Cars with CO<sub>2</sub> emissions not exceeding 160gm/km receive a 20% allowance p.a. Cars with CO<sub>2</sub> emissions over 160gm/km receive a 10% allowance p.a.

### Industrial and agricultural buildings and hotels

The annual rate of allowance is 1% (2%) from 6 April 2010 (1 April 2010 for companies). Special rules apply for accounting periods straddling these dates.

## VALUE ADDED TAX

Standard rate	17.5% (20% from 4 January 2011)
Reduced rate	5%
Annual Registration Limit - from 1.4.10 (1.5.09 - 31.3.10 £68,000)	£70,000
Annual Deregistration Limit - from 1.4.10 (1.5.09 - 31.3.10 £66,000)	£68,000

## CAPITAL GAINS TAX

<b>2010/11</b>	<b>6.4.10-22.6.10</b>	<b>23.6.10-5.4.11</b>
<b>Individuals</b>	<b>£</b>	<b>£</b>
Exemption	10,100	10,100
Standard rate	18%	18%
Higher rate*	-	28%
<b>Trusts</b>		
Exemption	5,050	5,050
Rate	18%	28%

\*For higher and additional rate taxpayers.

### Entrepreneurs' Relief

The first £5m (£2m for disposals on/after 6 April 2010 and before 23 June 2010) of qualifying gains are charged at an effective rate of 10%. Gains in excess of the limit are charged at the rates detailed above.

## INHERITANCE TAX

<b>Death rate</b>	<b>Lifetime rate</b>	<b>Chargeable transfers 2010/11 and 2009/10</b>
<b>%</b>	<b>%</b>	<b>£'000</b>
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

<b>Land and buildings (on full consideration paid)</b>			
<b>Rate</b>	<b>Residential property*</b>		<b>Non-residential</b>
	Disadvantaged areas	Other	<b>£</b>
	<b>£</b>	<b>£</b>	
Nil	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%	Over 500,000	Over 500,000	Over 500,000

\* Relief available for first time buyers for transactions with an effective date on or after 25 March 2010 and before 25 March 2012.

**Shares and securities** - rate 0.5%.

## NATIONAL INSURANCE

Class 1 (employed) contracted in Weekly earnings	2010/11 rates	
	Employer	Employee
Up to £110	Nil*	Nil*
£110.01 - £844	12.8%**	11%**
Over £844	12.8%**	£80.74 + 1% <sup>‡</sup>

\* Entitlement to contribution-based benefits retained for earnings between £97.01 and £110 per week.

\*\*On earnings above £110. <sup>‡</sup>On earnings above £844.

<b>Class 1A (employers)</b>	12.8% on employee taxable benefits
<b>Class 1B (employers)</b>	12.8% on PAYE Settlement Agreements
<b>Class 2 (self-employed)</b>	flat rate per week £2.40 small earnings exception £5,075 p.a.
<b>Class 3 (voluntary)</b>	flat rate per week £12.05
<b>Class 4 (self-employed)</b>	8% on profits between £5,715 and £43,875 plus 1% on profits over £43,875

## MAIN SOCIAL SECURITY BENEFITS

Weekly benefit	2010/11	2009/10	
<b>Basic retirement pension</b>	- single person	£97.65	£95.25
	- married couple	£156.15	£152.30
<b>Statutory pay rates</b> - average weekly earnings £97 (£95) or over			
Statutory Sick Pay	£79.15	£79.15	
Statutory Maternity Pay			
First six weeks	90% of weekly earnings		
Next 33 weeks	£124.88*	£123.06*	
Statutory Paternity Pay - two weeks	£124.88*	£123.06*	
Statutory Adoption Pay - 39 weeks	£124.88*	£123.06*	

\*Or 90% of weekly earnings if lower.

## SELF ASSESSMENT: KEY DATES 2010/11

**31 July 2010** - Second payment on account for 2009/10.

**5 October 2010** - Deadline for notifying HMRC of new sources of income if no tax return has been issued for 2009/10.

**31 October 2010** - Deadline for submission of 2009/10 non-electronic returns.

**31 January 2011** - Deadline for filing electronic tax returns for 2009/10.

Balancing payment due for 2009/10. First payment on account due for 2010/11.

## 2010

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

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

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

## 2011

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

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From that vital first contact through to a relationship that can last generations, you can count on Creaseys to be thinking and innovating on your behalf.

## CORPORATE & BUSINESS

- Accounts preparation
- Audit services
- Bookkeeping and management accounting
- Company Secretarial services
- Company taxation
- P11D services and employer compliance
- Payroll bureau
- VAT
- International tax
- Human resources

## PRIVATE CLIENTS

- Personal taxation – returns and self assessment
- Expatriate & non-domiciliary services
- Property tax advice
- Retirement and investment planning
- Trusts
- Capital Gains Tax planning
- Wills and Inheritance Tax planning
- Farms and landed estates

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