

Main social security benefits

Basic retirement pension

Single person.....	£102.15
Married couple	£163.35
Statutory pay rates – average weekly earnings	£97 (£95) or over
Statutory Sick Pay.....	£81.60
<i>Statutory Maternity Pay</i>	
First 6 weeks	90% of weekly earnings
Next 33 weeks.....	£128.73*
Statutory Paternity Pay – 2 weeks.....	£128.73*
Statutory Adoption Pay – 39 weeks	£128.73*

* or 90% of weekly earnings if lower

Stamp duty & stamp duty land tax

Land and buildings (on full consideration paid) 2011/12			
Residential: disadvantaged	Residential: other	Non-residential	Rate (%)
0 – £150k*	0 – £125k*	0 – £150k	Nil
£150k* - £250k	£125k* - £250k	£150k – £250k	1%
£250k – £500k	£250k – £500k	£250k – £500k	3%
£500k – £1m	£500k – £1m	Over £500k	4%
Over £1m	Over £1m	n/a	5%

* First Time Buyers no SDLT due on purchases up to £250,000 until 24/03/12. Shares and securities – rates 0.5%

Self Assessment: key dates 2011/12

- ▶ **31 July 2011:** Second payment on account for 2010/11.
- ▶ **5 October 2011:** Deadline for notifying HMRC of new sources of income if no tax return has been issued for 2010/11.
- ▶ **31 October 2011:** Deadline for submission of 2010/11 non-electronic returns. Also, the deadline for submission of 2010/11 returns requiring HMRC calculation and where the taxpayer wants a balancing payment (below £2,000) collected through their 2012/13 PAYE code.
- ▶ **31 January 2012:** Deadline for filing electronic tax returns for 2010/11. Balancing payment due for 2010/11. First payment on account due for 2011/12.

National Insurance

Class 1 (employed) contracted in 2011/12	Employer	Employee
NIC rate	13.8%	12%
No NICs on the first	£136 pw	£139 pw
NICs charged at 13.8%/12% up to	No limit	£817 pw
2% NIC on earnings over	n/a	£817 pw

Entitlement to contribution-based benefits retained for earnings between £102.01 and £139 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 £2.50 small earnings exception £5,315 p.a.
Class 3 (voluntary)	flat rate per week £12.60
Class 4 (self-employed)	9% on profits between £7,225 and £42,475 plus 2% on profits over £42,475

Inheritance Tax

Chargeable transfers			
2011/12	2010/11	Death rate	Lifetime rate
0-£325k*	0-£325k*	Nil	Nil
Over £325k*	Over £325k*	40%**	20%

*Potentially increased to £650,000 on the death of surviving spouses or civil partners.

** From April 2012, a reduced rate of IHT of 36% will be introduced where 10% or more of the net estate is left to charity.

Reliefs

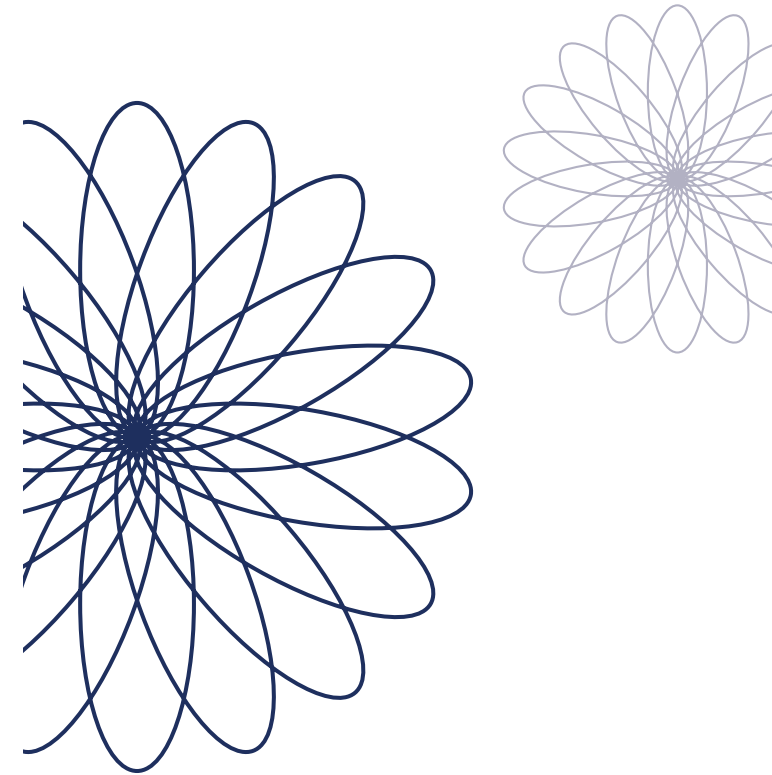
Annual exemption:.....	£3,000	<i>Marriage</i>	
Small gifts:	£250	Parent:	£5,000
		Grandparent:	£2,500
		Bride/groom:	£2,500
		Other:	£1,000

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

Value Added Tax

Standard rate:	20%
Reduced rate:.....	5%
Annual registration limit, from 1.4.11 (1.4.10 – 31.3.11 £70,000).....	£73,000
Annual deregistration limit, from 1.4.11 (1.4.10 – 31.3.11 £68,000).....	£71,000

Tax Rates
2011/12



Income tax rates

2011/12		2010/11	
Band (£)	Rate (%)	Band (£)	Rate (%)
0-2,560	10 <small>Only applicable to dividends and savings income</small>	0-2,440	10 <small>Only applicable to dividends and savings income</small>
2,561-35,000	20 <small>Except dividends (10%)</small>	2,441-37,400	20 <small>Except dividends (10%)</small>
35,001-150,000	40 <small>Except dividends (32.5%)</small>	37,401-150,000	40 <small>Except dividends (32.5%)</small>
Over 150,000	50 <small>Except dividends (42.5%)</small>	Over 150,000	50 <small>Except dividends (42.5%)</small>

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

Income tax reliefs

Personal allowance	2011/12 (£)	2010/11 (£)
Under 65	7,475	6,475
65 - 74	9,940	9,490
75 and over*	10,090	9,640
*Age allowance income limit <small>(Reduce age allowance by £1 for every £2 excess income over £24,000/£22,900)</small>	24,000	22,900
Income Limit <small>(Reduce personal allowance by £1 for every £2 excess income over £100,000). (No PA is due where income exceeds £112,950)</small>	100,000	100,000

Capital gains tax

	2011/12	2010/11 <small>up to 22.6.10</small>	<small>up to 5.4.11</small>
Individuals – Annual Exemption	£10,600	£10,100	£10,100
Trusts – Annual Exemption	£5,300	£5,050	£5,050
Balance of gains	28%	18%	28%
Business assets qualifying for Entrepreneurs' Relief	10%	10%	10%
Lifetime limit for Entrepreneurs' Relief	£10m	£2m	£5m**
Basic rate tax payers	18/28%*	18%	18/28%
Higher rate tax payers	28%	18%	28%

*28% where the gain pushes total income and gains above the higher rate threshold (applies for gains after 22 June 2010)

** Applies to business gains between 23 June 2010 and 5 April 2011

Car, van and fuel benefits

CO ₂ g/km <small>(rounded down to nearest 5)</small>	Tax % <small>(of list price)</small>	Fuel benefit <small>(£18,800 x %)</small>
76	10	£1,880
121	15	£2,820
130	16	£3,008
135	17	£3,196
140	18	£3,384
145	19	£3,572
150	20	£3,760
155	21	£3,948
160	22	£4,136
165	23	£4,324
170	24	£4,512
175	25	£4,700
180	26	£4,888
185	27	£5,076
190	28	£5,264
195	29	£5,452
200	30	£5,640
205	31	£5,828
210	32	£6,016
215	33	£6,204
220	34	£6,392
225	35	£6,580

Mileage allowance payments

Rate per mile	2011/12	2010/11
Cars and Vans Up to 10,000 miles	45p	40p
Cars and Vans Over 10,000 miles	25p	25p
Bicycles	20p	20p
Motor cycles	24p	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)

	2011/12
Overall annual investment limit	£10,680
Comprising cash up to	£5,340
Comprising balance in stocks and shares	£5,340

Company Cars

- For diesel cars add a 3% supplement but maximum still 35%.
- All electric-only cars 9%.
- A 5% rate applies to non-electric cars with emissions of not more than 75g/km.
- The list price includes accessories.
- The list price is reduced for capital contributions made by the employee up to £5,000.

Fuel Benefits

- 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 2011/12 and 2010/11

Van benefit £3,000 per vehicle
Fuel benefit £550 per vehicle
The charges will not apply if a 'restricted private use condition' is met throughout the year.

Corporation tax

	Profits band	year to 31/3/12	year to 31/3/11
Small profits	0-£300k	20%	21%
Marginal <small>(small companies)</small>	£300k-£1.5m	27.5%	29.75%
Main rate	Over £1.5m	26%	28%
Standard fraction		3/200	7/400

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

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 £100,000 p.a.

First Year Allowance (FYA)

A 100% first year allowance may also still be available on certain energy-efficient plant and cars.

Writing Down Allowances (WDA)

The annual rate of WDA for most plant and machinery is 20%, with a 10% WDA applying to expenditure on integral features and long-life assets.

Cars

Cars with CO₂ emissions not exceeding 160g/km attract a 20% allowance p.a. Cars with CO₂ emissions over 160g/km attract a 10% allowance p.a.

Industrial and agricultural buildings and hotels

From 6 April 2011 (1 April 2011 for companies) no allowance is available.

Pensions

2011/12

- 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 £50,000, whether personal or by an employer will be subject to income tax on the individual at marginal rates.
- Carry-forward of unused tax relief from previous 3 years available.