



BARNES ROFFE LLP
CHARTERED ACCOUNTANTS

**TAX
FACTS
2015/16**

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INCOME TAX

Rates	15/16	14/15
Starting rate	0%	10%
on savings income up to*	£5,000	£2,880
Basic rate of 20% on income up to	£31,785	£31,865
Maximum tax at basic rate	£6,357	£6,373
Higher rate of 40% on income	£31,786– £150,000	£31,866– £150,000
Tax on first £150,000	£53,643	£53,627
Additional rate of 45% on income over	£150,000	£150,000
Dividends for:		
Basic rate taxpayers	10%	10%
Higher rate taxpayers	32.5%	32.5%
Additional rate taxpayers	37.5%	37.5%
Trusts: Standard rate band generally	£1,000	£1,000
Rate applicable to trusts		
– dividends	37.5%	37.5%
– other income	45%	45%

*Not available if taxable non-savings income exceeds the starting rate band.

Child Benefit Charge

1% of benefit for each £100 of income between £50,000–£60,000.

Main Personal Allowances and Reliefs

	15/16	14/15
Personal (basic)	£10,600	£10,000
Personal reduced if net income exceeds*	£100,000	£100,000
Transferable tax allowance for married couples	£1,060	N/A
Personal (age) if born between 6/4/38 and 5/4/48	N/A	£10,500
Personal (age) if born before 6/4/38	£10,660	£10,660
Personal (age) reduced if net income exceeds*	£27,700	£27,000
Married couple's allowance*†		
– maximum	£8,355	£8,165
– minimum	£3,220	£3,140
Blind person's allowance	£2,290	£2,230
Rent-a-room tax-free income	£4,250	£4,250

Venture Capital Trust (VCT) at 30% £200,000 £200,000

Enterprise Investment Scheme (EIS) at 30% £1,000,000 £1,000,000

EIS eligible for CGT deferral relief No limit No limit

Seed EIS (SEIS) at 50% £100,000 £100,000

SEIS CGT reinvestment relief 50% 50%

*£1 reduction for every £2 of additional income over the income threshold.

†Relief at 10% if at least one of the couple was born before 6/4/35.

Non-domicile Remittance Basis Charge after UK residence in at least:

7 of the last 9 tax years	£30,000	£30,000
12 of the last 14 tax years	£60,000	£50,000
17 of the last 20 tax years	£90,000	N/A

REGISTERED PENSIONS

	15/16	14/15
Lifetime allowance	£1,250,000	£1,250,000
Annual allowance	£40,000	£40,000
Money purchase annual allowance	£10,000	N/A
Annual allowance charge on excess	20%–45%	20%–45%
Max. pension commencement lump sum	25% of pension benefit value	
Lifetime allowance charge if excess drawn	as cash 55% / income 25%	
Maximum relievable personal contribution capped by the annual allowance and 100% of relevant UK earnings or £3,600 if greater.		

NATIONAL INSURANCE CONTRIBUTIONS

Class 1 Employed Not Contracted-Out of State Second Pension (S2P)

	Employee	Employer
NICs rate	12%	13.8%
No NICs on the first		
– Under 21	£155 pw	£815 pw
– 21 and over	£155 pw	£156 pw
NICs charged up to	£815 pw	No limit
2% NICs on earnings over	£815 pw	N/A
Certain married women	5.85%	13.8%

Employment Allowance per business

£2,000

Contracted-Out rebate on

£112–£770 pw (salary related scheme)	1.4%	3.4%
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Limits and Thresholds

	Weekly	Monthly	Annual
Lower earnings limit	£112	£486	£5,824
Primary earnings threshold	£155	£672	£8,060
Secondary earnings threshold	£156	£676	£8,112
Upper accrual point	£770	£3,337	£40,040
Upper earnings limit and upper secondary earnings threshold (under 21)	£815	£3,532	£42,385

Class 1A Employer On most taxable benefits in kind 13.8%

Class 1B Employer On PAYE settlement agreements 13.8%

Self-Employed Class 2 Flat rate £2.80 pw £145.60 pa

Self-Employed Small profits threshold £5,965 pa

Self-Employed Class 4 On profits £8,060–£42,385 pa 9%

Over £42,385 pa 2%

Class 3 Voluntary Flat rate £14.10 pw £733.20 pa

Class 3A Voluntary (from 12/10/15) Amount depending on age

BASIC STATE PENSION

15/16	Weekly	Annual
Single person	£115.95	£6,029.40
Spouse/civil partner	£69.50	£3,614.00

Pension Credit – standard minimum guarantee

Single	£151.20	£7,862.40
Couple	£230.85	£12,004.20

PROPERTY TRANSACTION TAXES (SDLT AND LBTT)

Residential property value

UK (excl. Scotland)	Rate	Scotland	Rate
On slices	%	On slices	%
Up to £125,000	0	Up to £145,000	0
£125,001–£250,000	2	£145,001–£250,000	2
£250,001–£925,000	5	£250,001–£325,000	5
£925,001–£1,500,000	10	£325,001–£750,000	10
Over £1,500,000	12	Over £750,000	12

Note: 15% on total value of all UK properties worth over £500,000 if purchased by companies and certain other non-natural entities.

Commercial property value

UK (excl. Scotland)	Rate	Scotland	Rate
On total	%	On slices	%
Up to £150,000	0	Up to £150,000	0
£150,001–£250,000	1	£150,001–£350,000	3
£250,001–£500,000	3	Over £350,000	4.5
Over £500,000	4		

Stamp Duty and SDRT: Stocks and marketable securities 0.5%

No charge to stamp duty unless amount due exceeds £5.

TAX-FREE SAVINGS

Limits	15/16
Individual Savings Account (ISA)	£15,240
Junior ISA and Child Trust Fund	£4,080

CAPITAL GAINS TAX

Tax Rates – Individuals	15/16	14/15
Up to basic rate limit	18%	18%
Above basic rate limit	28%	28%
Tax Rate – Trusts and Estates	28%	28%

Exemptions

Individuals, estates, etc	£11,100	£11,000
Trusts generally	£5,550	£5,500
Chattels exemptions: proceeds up to	£6,000	£6,000
Max. chargeable gains $\frac{5}{3}$ rds of excess proceeds over limit.		

Entrepreneurs' Relief

Gains taxed at 10% up to lifetime limit of	£10,000,000	£10,000,000
For trading businesses and companies (minimum 5% employee/director shareholding) held for one year or more.		

INHERITANCE TAX

	15/16	14/15
Nil-rate band*	£325,000	£325,000
Rate of tax on excess	40%†	40%†
Lifetime transfers to and from certain trusts	20%	20%
Exemption for non-UK domiciled spouse/civil partner	£325,000	£325,000
100% relief: businesses, unlisted and AIM companies, certain farmland/buildings		
50% relief: certain other business assets e.g. farmland let pre 1/9/95		
Annual exempt gifts of: £3,000 per donor £250 per donee		

*Up to 100% of the unused proportion of a deceased spouse's/civil partner's nil-rate band can be claimed on the survivor's death.

†36% where at least 10% of net estate left to charity.

Tax charge on gifts within 7 years of death

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

CORPORATION TAX

Effective rate on profits to	31/3/16	31/3/15
£0–£300,000	20%	20%
£300,001–£1,500,000	20%	21.25%
£1,500,001 and over	20%	21%

VALUE ADDED TAX

Standard rate	20%	Reduced rate e.g. on domestic fuel	5%
Registration level from 1/4/15			£82,000
Deregistration level from 1/4/15			£80,000
Flat rate scheme turnover limit			£150,000
Cash and annual accounting schemes turnover limit			£1,350,000

CAR AND CAR BENEFITS

Taxable amount based on car's list price when new.

Charge varies according to CO₂ emissions in grams per kilometre.

CO ₂ emissions g/km	Petrol %	Diesel %	CO ₂ emissions g/km	Petrol %	Diesel %
0-50	5	8	150-154	25	28
51-75	9	12	155-159	26	29
76-94	13	16	160-164	27	30
95-99	14	17	165-169	28	31
100-104	15	18	170-174	29	32
105-109	16	19	175-179	30	33
110-114	17	20	180-184	31	34
115-119	18	21	185-189	32	35
120-124	19	22	190-194	33	36
125-129	20	23	195-199	34	37
130-134	21	24	200-204	35	37
135-139	22	25	205-209	36	37
140-144	23	26	210 & over	37	37
145-149	24	27			

Fuel Benefit – taxable amount for private use

Multiply the CO₂% used for car benefit by £22,100

VANS - FOR PRIVATE USE

	15/16	14/15
Zero emission: chargeable amount	£630	Nil
Other vans: chargeable amount	£3,150	£3,090
Fuel: flat charge	£594	£581

TAX-FREE MILEAGE ALLOWANCE - OWN VEHICLE

Cars first 10,000 business miles 45p per mile; thereafter 25p per mile

Motorcycles 24p per business mile Bicycles 20p per business mile

Qualifying passenger 5p per business mile

MAIN CAPITAL AND OTHER ALLOWANCES

Plant and machinery 100% annual investment allowance (first year) :	
To 31/12/15 £500,000	From 1/1/16 £25,000
Enterprise zone plant and machinery (Max €125m per investment project)	100%
Plant and machinery (annual reducing balance)	18%
Patent rights and know-how (annual reducing balance)	25%
Certain long-life assets, integral features of buildings (annual reducing balance)	8%
Energy and water-efficient equipment	100%
Electric vans	100%
Business premises renovations	100%

Motor Cars

CO ₂ emissions of g/km:	75 or less*	76-130	131 or more
Capital allowance:	100% first year	18%†	8%†

*Only for new cars.

†Reducing balance.

Research and Development

Capital expenditure		100%
Revenue expenditure	– Small/Medium sized companies	230%
	– Large companies	130%



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